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UNITED STATES
SECURITIES AND EXCHANGE COMMISSION

Washington, D.C. 20549

Form 8-K

CURRENT REPORT
Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

Date of Report (Date of earliest event Reported): **September 22, 2019**

Proteon Therapeutics, Inc.

(Exact Name of Registrant as Specified in Charter)

Delaware		
(State or Other Jurisdiction of Incorporation)	**001-36694** (Commission File Number)	**20-4580525** (I.R.S. Employer Identification Number)

200 West Street, Waltham, MA 02451
(Address of Principal Executive Offices) (Zip Code)

(781) 890-0102
(Registrant's telephone number, including area code)

N/A
(Former name or former address, if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

☒ Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)

o Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)

o Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))

o Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Stock, $0.001 par value per share	PRTO	Nasdaq Global Market

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (17 CFR §230.405) or Rule 12b-2 of the Securities Exchange Act of 1934 (17 CFR §240.12b-2).

Emerging growth company ☒

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. o

Introductory Comment

Throughout this Current Report on Form 8-K, the terms "we," "us," "our", "Company" and "Proteon" refer to Proteon Therapeutics, Inc., a Delaware corporation.

Item 1.01. Entry into a Material Definitive Agreement.

Merger Agreement

On September 23, 2019, Proteon entered into an Agreement and Plan of Merger and Reorganization (the "Merger Agreement") with ArTara Therapeutics, Inc., a Delaware corporation ("ArTara"), and REM 1 Acquisition, Inc., a Delaware corporation and wholly owned subsidiary of Proteon ("Merger Sub"). Upon the terms and subject to the satisfaction of the conditions described in the Merger Agreement, including approval of the transaction by Proteon's stockholders and ArTara's stockholders, Merger Sub will be merged with and into ArTara (the "Merger"), with ArTara surviving the Merger as a wholly owned subsidiary of Proteon.

Subject to the terms and conditions of the Merger Agreement, at the effective time of the Merger (the "Effective Time"), each share of ArTara common stock outstanding immediately prior to the Effective Time (including shares to be issued immediately prior to the Effective Time in connection with the exercise of ArTara stock options, but excluding treasury shares, shares held by ArTara, Merger Sub or any subsidiary of ArTara and dissenting shares) will be converted solely into the right to receive a number of shares of Proteon's common stock (the "Merger Shares") equal to the exchange ratio described below.

Proteon will assume the outstanding and unexercised ArTara stock options, which will become options to acquire Proteon's common stock (with the number and exercise price adjusted in accordance with the exchange ratio described below but all other terms to remain the same), and any unvested ArTara restricted stock awards, which will be exchanged for shares of Proteon's common stock to be unvested to the same extent as such ArTara restricted stock awards and subject to the same restrictions as such ArTara restricted stock awards.

Under the exchange ratio formula in the Merger Agreement, as of immediately after the closing of the Merger, but prior to the consummation of the Private Placement (as described below), the former ArTara equity holders immediately before the Merger are expected to own approximately 73.39% of the outstanding capital stock of Proteon, and the equity holders of Proteon immediately before the Merger are expected to own approximately 26.61% of the outstanding capital stock of Proteon (on a fully diluted basis). The exchange ratio will be adjusted to the extent that Proteon's net cash is greater than $3,550,000 or less than $2,950,000 (collectively, the "Target Parent Net Cash Range"); *provided*, *however*, that (i) if the initial filing of the Registration Statement on Form S-4 ("Registration Statement") is made after October 15, 2019, then the lower limit of the Target Parent Net Cash Range shall be decreased by $200,000, (ii) if the initial filing of the Registration Statement is made by Proteon after October 30, 2019, then the lower limit of the Target Parent Net Cash Range shall be decreased by an additional $250,000 (with additional decreases of $250,000 to be made for delayed filings each 16th and 1st of each month, commencing November 1, 2019), (iii) if ArTara does not provide Proteon with written notice requesting that Proteon not enter into any divestiture transaction to sell the divestiture assets as described in the Merger Agreement (the "Company No Divestiture Notice") and, if prior to receipt of the Company No Divestiture Notice, Proteon has not given written notice to ArTara that Proteon has entered into, or will be entering into, a binding contract for a divestiture transaction (the "Parent Divestiture Notice"), then the lower limit of the Target Parent Net Cash Range shall be decreased by 100% of the costs and expenses that Proteon incurs to maintain the divestiture assets through closing, and (iv) if ArTara provides the Company No Divestiture Notice to Proteon, and if, prior to receipt of the Company No Divesture Notice, Proteon has not provided a Parent Divestiture Notice, then the lower limit of the Target Parent Net Cash Range shall be decreased by $400,000. The exchange ratio formula includes ArTara's outstanding stock options and Proteon's outstanding stock options and the number of shares of Proteon common stock issuable upon conversion of all outstanding shares of Series A Preferred Stock of Proteon. After the consummation of the Merger, the Private Placement and the Series A Preferred Automatic Conversion (as described below), certain institutional investors participating in the Private Placement are expected to own 60.93% of the outstanding capital stock of Proteon, the former ArTara equity holders immediately before the Merger are expected to own approximately 28.67% of the outstanding capital stock of Proteon, and the equity holders of Proteon immediately before the Merger are expected to own approximately 10.39% of the outstanding capital stock of Proteon (on a fully diluted basis), subject to the adjustments described above.

At the Effective Time, Proteon will effect a name change to "ArTara Therapeutics, Inc." and it is anticipated that trading for Proteon's securities will be listed on The Nasdaq Capital Market under the symbol "TARA." Additionally, at the Effective Time, the board of directors of Proteon is expected to consist of seven members, with five such members

designated by ArTara, one such member designated by Proteon, and one such member who will be Mr. Jesse Shefferman, the Chief Executive Officer of the combined company.

The Merger Agreement contains customary representations, warranties and covenants made by Proteon and ArTara, including covenants relating to obtaining the requisite approvals of the stockholders of Proteon and ArTara, indemnification of directors and officers, limitations on the solicitation of alternative proposals and change of board recommendations, maintaining Proteon's listing on The Nasdaq Global Market and Proteon's and ArTara's conduct of their respective businesses between the date of signing of the Merger Agreement and the closing of the Merger.

As promptly as practicable after the date of the Merger Agreement (but in no event later than 50 days following the date of the Merger Agreement), the parties will prepare and Proteon file with the U.S. Securities and Exchange Commission ("SEC") a Registration Statement on Form S-4 to register the Merger Shares under the Securities Act, and Proteon will seek the approval of our stockholders with respect to certain actions, including the following (collectively, the "Proteon Stockholder Matters"):

- the issuance of shares of Proteon common stock to ArTara's stockholders in connection with the transactions contemplated by the Merger Agreement and shares of Proteon capital stock to the institutional investors in the Private Placement, pursuant to Nasdaq rules;

- the amendment of Proteon's certificate of incorporation (i) to effect immediately prior to the closing of the Merger a reverse split of all outstanding shares of Proteon's common stock at a reverse stock split ratio anywhere in the range between 1-for-30 and 1-for-50 (with the actual reverse stock split ratio to be mutually agreed upon by Proteon and ArTara) (the "Reverse Split") and (ii) to effect immediately after the consummation of the Private Placement the automatic conversion of all outstanding shares of Series A Preferred Stock of Proteon into shares of Proteon's common stock, without given effect to any existing provision that limits the conversion rights of the Series A Preferred Stock (including, without limitation, the 9.985% beneficial ownership cap) (the "Series A Preferred Automatic Conversion"); and

- an amendment to Proteon's Amended and Restated 2014 Equity Incentive Plan (the "Plan") to increase the shares available for issuance thereunder by such additional number of shares of Proteon common stock such that the total number of shares of Proteon common stock reserved for issuance under the Plan, after giving effect to such additional shares, would not exceed 15.2% of the shares of Proteon common stock outstanding immediately after the Effective Time, after giving effect to the Reverse Split, the Private Placement and the Series A Preferred Automatic Conversion, as determined by or on behalf of ArTara prior to the effectiveness of the Registration Statement (the "EIP Amendment").

Concurrently with the execution of the Merger Agreement, Proteon delivered to ArTara the written consent of the holders of 92.7% of the shares of our Series A Preferred Stock outstanding as of September 23, 2019 approving the Series A Preferred Automatic Conversion.

The consummation of the Merger is also subject to the satisfaction or waiver of certain conditions, including, among other things, (i) approval by the stockholders of Proteon and ArTara (other than with respect to the EIP Amendment), (ii) Nasdaq approval of the listing of the Merger Shares, (iii) satisfaction of all conditions precedent to the closing of the Private Placement (other than the consummation of the Merger and appointment of certain board members), (iv) absence of a material adverse effect since the date of the Merger Agreement, (v) the accuracy of the representations and warranties, subject to material adverse effect qualifications, (vi) compliance by the parties with their respective covenants in all material respects, (vii) the Subscription Agreement (as defined below) being in full force and effect and no less than $40 million to be committed thereunder and (viii) Proteon having at least $0 in net cash as of the closing date of the Merger.

The Merger Agreement contains certain termination rights for both Proteon and ArTara, and further provides that, upon termination of the Merger Agreement under specified circumstances, Proteon may be required to pay to ArTara a termination fee of $750,000 or ArTara may be required to pay to Proteon a termination fee of $750,000, and in other circumstances each party may be required to reimburse the other party's expenses incurred, up to a maximum of $350,000.

The preceding summary does not purport to be complete and is qualified in its entirety by reference to the Merger Agreement, which is filed as Exhibit 2.1, and which is incorporated herein by reference.

The Merger Agreement has been included to provide investors and stockholders with information regarding its terms. It is not intended to provide any other factual information about Proteon, ArTara or the parties thereto. The Merger Agreement contains representations and warranties that the parties thereto made to, and solely for the benefit of, each other. The assertions embodied in such representations and warranties are qualified by information contained in the confidential disclosure schedules that each may have delivered to the other party in connection with signing the Merger Agreement. Accordingly, investors and stockholders should not rely on such representations and warranties as characterizations of the actual state of facts or circumstances, since they were only made as of the date of the Merger Agreement and are modified in important part by the underlying disclosure schedules. Moreover, information concerning the subject matter of such representations and warranties may change after the date of the Merger Agreement, which subsequent information may or may not be fully reflected in Proteon's public disclosures.

Support Agreements and Lock-Up Agreements

In accordance with the terms of the Merger Agreement, (i) certain executive officers, directors and stockholders of ArTara (solely in their respective capacities as ArTara stockholders) have entered into support agreements with ArTara and Proteon to vote all of their shares of ArTara capital stock in favor of adoption of the Merger Agreement and (ii) certain executive officers, directors and stockholders of Proteon (solely in their respective capacities as Proteon stockholders) have entered into support agreements with ArTara and Proteon to vote all of their shares of Proteon common stock in favor of the Proteon Stockholder Matters. Concurrently with the execution of the Merger Agreement, a stockholder of Proteon and certain officers, directors and stockholders of ArTara have

entered into lock-up agreements pursuant to which they accepted certain restrictions on transfer of shares of Proteon common stock for the 180-day period following the closing of the Merger.

The preceding summary does not purport to be complete and is qualified in its entirety by reference to the form of ArTara Support Agreement, the form of Proteon Support Agreement and the form of Lock-Up Agreement, which are filed as Exhibits 10.1, 10.2 and 10.3, respectively, and which are incorporated herein by reference.

The form of ArTara Support Agreement, the form of Proteon Support Agreement and the form of Lock-Up Agreement have each been included to provide investors and stockholders with information regarding its terms. The agreements are not intended to provide any other factual information about Proteon or ArTara. Such documents contain representations and warranties that the parties to such agreements made to and solely for the benefit of each other. The assertions embodied in such representations and warranties are qualified by information contained in the confidential disclosure schedules that each delivered to the other parties in connection with signing such agreements. Accordingly, investors and stockholders should not rely on such representations and warranties as characterizations of the actual state of facts or circumstances, since they were only made as of the date of the respective agreements and are modified in important part by the underlying disclosure schedules. Moreover, information concerning the subject matter of such representations and warranties may change after the date of the respective agreements, which subsequent information may or may not be fully reflected in Proteon's public disclosures.

Private Placement

On September 23, 2019, Proteon entered into a Subscription Agreement (the "Subscription Agreement") with certain institutional investors (the "Purchasers"), pursuant to which the Company has agreed to issue in a private placement (the "Private Placement") (i) up to $27,200,000.00 of shares of the Company's Series 1 Convertible Non-Voting Preferred Stock, par value $0.001 per share (the "Series 1 Preferred Stock"), at a purchase price equal to 1,000 times the Common Stock Purchase Price (as defined below) and (ii) up to $15,300,000.00 of shares of Proteon common stock (together with the Series 1 Preferred Stock, the "Private Placement Shares"), at a purchase price equal to (x) the Aggregate Valuation (as defined in the Merger Agreement) divided by the (y) the Post-Closing Parent Shares (as defined in the Merger Agreement) (the "Common Stock Purchase Price").

Pursuant to the Subscription Agreement, the holders of Series 1 Preferred Stock have preemptive rights to participate pro rata in future equity financings of the Company, subject to certain exceptions and limitations. In addition, following the issuance of the Private Placement Shares pursuant to the Subscription Agreement, certain of the Purchasers have rights to nominate directors to the Company's board of directors and non-voting board observers. The Company has also agreed not to take certain actions related to the business without the consent of the lead investor for so long as such lead investor continues to hold a minimum amount of the Private Placement Shares purchased under the Subscription Agreement.

Prior to the issuance of the Private Placement Shares, the Company intends to file a Certificate of Designation of Preferences, Rights and Limitations of Series 1 Convertible Non-Voting Preferred Stock (the "Certificate of Designation") with the Delaware Secretary of State. Thereunder, each share of Series 1 Preferred Stock will be convertible into 1,000 shares of Proteon common stock, at a conversion price initially equal to the Common Stock Purchase Price, subject to adjustment for any stock splits, stock dividends and similar events, at any time at the option of the holder, provided that any conversion of Series 1 Preferred Stock by a holder into shares of Proteon common stock would be prohibited if, as a result of such conversion, the holder, together with its affiliates and any other person or entity whose beneficial ownership of the common stock would be aggregated with such holder's for purposes of Section 13(d) of the Securities Exchange Act of 1934, as amended, would beneficially own more than 9.99% of the total number of shares of Proteon common stock issued and outstanding after giving effect to such conversion. Upon written notice to the Company, the holder may from time to time increase or decrease such limitation to any other percentage not in excess of 19.99% specified in such notice.

Each share of Series 1 Preferred Stock will be entitled to a preference of $10.00 per share upon liquidation of the Company, and thereafter will share ratably in any distributions or payments on an as-converted basis with the holders of Proteon common stock. In addition, upon the occurrence of certain transactions that involve the merger or consolidation of the Company, an exchange or tender offer, a sale of all or substantially all of the assets of the Company or a reclassification of its common stock, each share of Series 1 Preferred Stock will be convertible into the kind and amount of securities, cash and/or other property that the holder of a number of shares of Proteon common stock issuable upon conversion of one share of Series 1 Preferred Stock would receive in connection with such transaction.

The Private Placement is expected to close immediately following the consummation of the Merger.

The securities to be issued in the Private Placement are being offered pursuant to the exemption provided in Section 4(a)(2) under the Securities Act of 1933, as amended (the "Securities Act"). Each Purchaser is either (i) an "accredited investor" as defined in Rule 501(a)(1), (a)(2), (a)(3), (a)(7) or (a)(8) under the Securities Act or (ii) a "qualified institutional buyer" as defined in Rule 144A(a) under the Securities Act.

The preceding summary does not purport to be complete and is qualified in its entirety by reference to the Subscription Agreement for the Private Placement, which is filed as Exhibit 10.4, and which is incorporated herein by reference.

The Subscription Agreement has been included to provide investors and stockholders with information regarding its terms. It is not intended to provide any other factual information about Proteon, ArTara or the parties thereto. The Subscription Agreement contains representations and warranties that the parties thereto made to, and solely for the benefit of, each other. The assertions embodied in such representations and warranties are qualified by information contained in the confidential disclosure schedules that each may have delivered to the other party in connection with signing the Subscription Agreement. Accordingly, investors and stockholders should not rely on such representations and warranties as characterizations of the actual state of facts or circumstances, since they were only made as of the date of the Subscription Agreement and are modified in important part by the underlying disclosure schedules. Moreover, information concerning the subject matter of such representations and warranties may change after the date of the Subscription Agreement, which subsequent information may or may not be fully reflected in Proteon's public disclosures.

Registration Rights Agreement

Concurrently with the execution of the Subscription Agreement, the Company entered into a registration rights agreement, dated September 23, 2019, with the Purchasers (the "Registration Rights Agreement"). Pursuant to the terms of the Registration Rights Agreement, the Company has agreed to prepare and file a registration statement with the U.S. Securities and Exchange Commission (the "SEC") within 60 business days after the closing of the Private Placement for the purposes of registering the resale of the Private Placement Shares. The Company has also agreed, among other things, to pay all fees and expenses (excluding any legal fees of the selling holder(s), and any underwriting discounts and selling commissions) incident to the Company's obligations under the Registration Rights Agreement, not to exceed $25,000 in the aggregate.

The preceding summary does not purport to be complete and is qualified in its entirety by reference to the Registration Rights Agreement, which is filed as Exhibit 10.5, and which is incorporated herein by reference.

The Registration Rights Agreement has been included to provide investors and stockholders with information regarding their terms. It is not intended to provide any other factual information about Proteon, ArTara or the parties thereto.

Item 3.02. Unregistered Sales of Equity Securities.

The information provided in Item 1.01 with respect to the Subscription Agreement and the Private Placement is hereby incorporated by reference into this Item 3.02.

Item 5.02. Departure of Directors or Certain Officers; Election of Directors; Appointment of Certain Officers; Compensatory Arrangements of Certain Officers.

On September 22, 2019, Timothy P. Noyes, the Company's President and Chief Executive Officer, and the Company agreed that Mr. Noyes' employment with the Company will cease, effective as of the close of business on September 30, 2019. Following his separation, Mr. Noyes will continue in his role as a director of the Company, and the Company and Mr. Noyes intend that he will continue in his role as President and Chief Executive Officer pursuant to proposed terms of a consulting arrangement expected to be entered into between the Company and Mr. Noyes. Mr. Noyes was identified as the "principal executive officer" and a "named executive officer" in the Company's Annual Report on Form 10-K for the year ended December 31, 2018, as amended by Amendment No. 1 on Form 10-K/A filed with the SEC on April 12, 2019.

Item 9.01. Financial Statements and Exhibits.

(d) Exhibits

Exhibit No.	Description
2.1*	Agreement and Plan of Merger and Reorganization, dated September 23, 2019, by and among Proteon Therapeutics, Inc., REM 1 Acquisition, Inc. and ArTara Therapeutics, Inc.
10.1	Form of Support Agreement, by and among ArTara Therapeutics, Inc., Proteon Therapeutics, Inc. and certain stockholders of ArTara Therapeutics, Inc. named therein.
10.2	Form of Support Agreement, by and among Proteon Therapeutics, Inc., ArTara Therapeutics, Inc. and certain stockholders of Proteon Therapeutics, Inc. named therein.
10.3	Form of Lock-Up Agreement, by each of the parties named in each agreement therein.
10.4*	Subscription Agreement, dated September 23, 2019, by and among Proteon Therapeutics, Inc. and the institutional investors named therein.
10.5	Registration Rights Agreement, dated September 23, 2019, by and among Proteon Therapeutics, Inc. and the institutional investors named therein.

* Schedules have been omitted pursuant to Item 601(b)(2) of Regulation S-K. A copy of any omitted schedules will be furnished to the SEC upon request.

Additional Information about the Merger and Where to Find It

In connection with the proposed transaction involving ArTara and Proteon, Proteon intends to file a registration statement on Form S-4 with the SEC, which will contain a proxy statement/prospectus and other relevant materials, and plans to file with the SEC other documents regarding the proposed transaction. The final proxy statement/prospectus will be sent to the stockholders of Proteon in connection with the Proteon's special meeting of stockholders to be held to vote on matters relating to the proposed transaction. The proxy statement/prospectus will contain information about Proteon, ArTara, the proposed transaction, and related matters. **STOCKHOLDERS OF PROTEON ARE URGED TO READ THE PROXY STATEMENT/PROSPECTUS (INCLUDING ANY AMENDMENTS OR SUPPLEMENTS THERETO) AND OTHER DOCUMENTS FILED WITH THE SEC CAREFULLY IN THEIR ENTIRETY WHEN THEY BECOME AVAILABLE, AS THEY WILL CONTAIN IMPORTANT INFORMATION THAT STOCKHOLDERS OF PROTEON SHOULD CONSIDER BEFORE MAKING A DECISION ABOUT THE PROPOSED TRANSACTION AND RELATED MATTERS.** In addition to receiving the proxy statement/prospectus and proxy card by mail, Proteon stockholders will also be able to obtain the proxy statement/prospectus, as well as other filings containing information about Proteon, without charge, from the SEC's website at www.sec.gov or, without charge, by directing a written request to: Proteon Therapeutics, Inc., 200 West St. Waltham, MA 02451, Attention: Investor Relations.

This communication does not constitute an offer to sell, or the solicitation of an offer to sell or the solicitation of an offer to buy any securities, nor shall there be any sale of securities in any jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of any such jurisdiction. No public offer of securities shall be made except by means of a prospectus meeting the requirements of Section 10 of the Securities Act of 1933, as amended.

Participants in the Solicitation

Proteon, ArTara and their respective executive officers, directors, certain members of management and certain employees may be deemed, under the SEC rules, to be participants in the solicitation of proxies from Proteon stockholders with respect to the matters relating to the proposed transaction. Information regarding Proteon's executive officers and directors is available in Proteon's proxy statement on Schedule 14A for its 2018 annual meeting of stockholders, filed with the SEC on April 26, 2018 and Proteon's Annual Report on Form 10-K and the amendment thereto for the year ended December 31, 2018. These documents are available free of charge at the SEC's website at www.sec.gov or by going to Proteon's investor and media page on its corporate website at www.proteontherapeutics.com. Additional information regarding the persons who may, under the rules of the SEC, be deemed participants in the solicitation of proxies in connection with the proposed transaction, and a description of their direct and indirect interests in the proposed transaction, which may differ from the interests of Proteon's stockholders generally, will be set forth in the

proxy statement/prospectus that Proteon intends to file with the SEC in connection with its stockholder vote on matters relating to the proposed transaction. Proteon stockholders will be able to obtain this information by reading the proxy statement/prospectus when it becomes available.

Forward-Looking Statements

This report contains certain statements regarding matters that are not historical facts and that are forward-looking statements within the meaning of Section 21E of the Securities and Exchange Act of 1934, as amended, and the Private Securities Litigation Reform Act of 1995, known as the PSLRA. These include statements regarding management's intentions, plans, beliefs, expectations or forecasts for the future, and, therefore, stockholders are cautioned not to place undue reliance on them. No forward-looking statement can be guaranteed, and actual results may differ materially from those projected. We use words such as "anticipates," "believes," "plans," "expects," "projects," "future," "intends," "may," "will," "should," "could," "estimates," "predicts," "potential," "continue," "guidance," and similar expressions to identify these forward-looking statements that are intended to be covered by the safe-harbor provisions of the PSLRA. Such forward-looking statements are based on management expectations and involve risks and uncertainties; consequently, actual results may differ materially from those expressed or implied in the forward-looking statements due to a number of factors, including, but not limited to, risks relating to the completion of the proposed transaction, including the need for Proteon's and ArTara's stockholder approval and the satisfaction of certain closing conditions; the anticipated financing to be completed concurrently with the closing of the proposed transaction; the cash balance of the combined company following the closing of the proposed transaction and the financing, and expectations with respect thereto; the potential benefits of the proposed transaction; the business and prospects of the combined company following the proposed transaction; and the ability of Proteon to remain listed on the Nasdaq Global Market. Risks and uncertainties that may cause actual results to differ materially from those expressed or implied in any forward-looking statement include, but are not limited to: the closing of the proposed transaction; ArTara's plans to develop and commercialize its product candidates, including TARA-002, and Choline Chloride; the timing, costs and outcomes of ArTara's planned clinical trials; expectations regarding potential market size; the timing of the availability of data from ArTara's clinical trials; the timing of any planned investigational new drug application or new drug application; ArTara's plans to research, develop and commercialize its current and future product candidates; ArTara's ability to successfully collaborate with existing collaborators or enter into new collaborations, and to fulfill its obligations under any such collaboration agreements; the clinical utility, potential benefits and market acceptance of ArTara's product candidates; ArTara's commercialization, marketing and manufacturing capabilities and strategy; ArTara's ability to identify additional products or product candidates with significant commercial potential; developments and projections relating to ArTara's competitors and industry; the impact of government laws and regulations; ArTara's ability to protect its intellectual property position; and ArTara's estimates regarding future revenue, expenses, capital requirements, and the need for and timing of additional financing following the proposed transaction. These risks, as well as other risks associated with the proposed transaction, will be more fully discussed in the proxy statement/prospectus that will be included in the registration statement on Form S-4 that will be filed by Proteon with the SEC in connection with the proposed transaction. Additional risks and uncertainties are identified and discussed in the "Risk Factors" section of Proteon's Annual Report on Form 10-K, Quarterly Reports on Form 10-Q and other documents filed from time to time with the SEC. Forward-looking statements included in this report are based on information available to Proteon and ArTara as of the date of this report. Neither Proteon nor ArTara undertakes any obligation to update such forward-looking statements to reflect events or circumstances after the date of this report.

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

Proteon Therapeutics, Inc.

Date: September 24, 2019

By: /s/ GEORGE A. ELDRIDGE

George A. Eldridge
Senior Vice President & Chief Financial Officer

QuickLinks

Exhibit 2.1

AGREEMENT AND PLAN OF MERGER AND REORGANIZATION

among:

PROTEON THERAPEUTICS, INC.,
a Delaware corporation;

REM 1 ACQUISITION, INC.,
a Delaware corporation; and

ARTARA THERAPEUTICS, INC.
a Delaware corporation

Dated as of September 23, 2019

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Exhibit D-1	Form of Lock-Up Agreement
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Exhibit F-1	Form of Parent Pre-Effective Time Charter Amendment

AGREEMENT AND PLAN OF MERGER AND REORGANIZATION

THIS AGREEMENT AND PLAN OF MERGER AND REORGANIZATION (this "***Agreement***") is made and entered into as of September 23, 2019, by and among PROTEON THERAPEUTICS, INC., a Delaware corporation ("***Parent***"), **REM 1 Acquisition, Inc.,** a Delaware corporation and wholly owned subsidiary of Parent ("***Proteon Merger Sub***"), and ARTARA THERAPEUTICS, INC., a Delaware corporation (the "***Company***"). Certain capitalized terms used in this Agreement are defined in **Exhibit A**.

RECITALS

A. Parent and the Company intend to effect a merger of Proteon Merger Sub with and into the Company (the "***Merger***") in accordance with this Agreement and the DGCL. Upon consummation of the Merger, Proteon Merger Sub will cease to exist and the Company will become a wholly owned subsidiary of Parent.

B. The Parties desire that the Merger qualify as a "reorganization" within the meaning of Section 368(a) of the Code and the Treasury Regulations promulgated thereunder, and by executing this Agreement, the Parties intend to adopt this Agreement and the Contemplated Transactions as a plan of reorganization within the meaning of Treasury Regulations Sections 1.368-2(g) and 1.368-3.

C. The Parent Board has (i) determined that the Contemplated Transactions are advisable and fair to, and in the best interests of, Parent and its stockholders, (ii) approved and declared advisable this Agreement and the Contemplated Transactions, including the issuance of shares of Parent Common Stock to the stockholders of the Company pursuant to the terms of this Agreement and (iii) determined to recommend, upon the terms and subject to the conditions set forth in this Agreement, that the holders of Parent Common Stock vote to approve the Parent Common Stockholder Matters.

D. The Proteon Merger Sub Board has (i) determined that the Contemplated Transactions are advisable and fair to, and in the best interests of, Proteon Merger Sub and its sole stockholder, (ii) approved and declared advisable this Agreement and the Contemplated Transactions and (iii) determined to recommend, upon the terms and subject to the conditions set forth in this Agreement, that the stockholder of Proteon Merger Sub votes to adopt this Agreement and thereby approve the Contemplated Transactions.

E. The Company Board has (i) determined that the Contemplated Transactions are fair to, advisable for, and in the best interests of, the Company and its stockholders, (ii) approved and declared advisable this Agreement and the Contemplated Transactions and (iii) determined to recommend, upon the terms and subject to the conditions set forth in this Agreement, that the stockholders of the Company vote to approve the Company Stockholder Matters.

F. Concurrently with the execution and delivery of this Agreement and as a condition and inducement to Parent's willingness to enter into this Agreement, (a) the officers, directors and stockholders of the Company listed on Section A-1 of the Company Disclosure Schedule (solely in their capacity as stockholders of the Company) are executing support agreements in favor of Parent in substantially the form attached hereto as **Exhibit B-1** (the "***Company Stockholder Support Agreement***"), pursuant to which such Persons (the "***Company Signatories***") have, subject to the terms and conditions set forth therein, agreed to vote all of their shares of Company Capital Stock in favor of the Company Stockholder Matters and against any proposals that compete with the Contemplated Transactions, and (b) the officers and directors of the Company and each stockholder of the Company (other than those listed on Section A-2 of the Company Disclosure Schedule) expected to own more than two percent (2%) of the outstanding Parent Common Stock after the Closing and the consummation of the Private Placement are executing lock-up agreements in substantially the form attached hereto as **Exhibit D** (each, a "***Company Lock-Up Agreement***").

G. Concurrently with the execution and delivery of this Agreement and as a condition and inducement to the Company's willingness to enter into this Agreement, (a) the officers, directors and

stockholders of Parent listed on Section A-1 of the Parent Disclosure Schedule (solely in their capacity as stockholders of Parent) are executing support agreements in favor of the Company in substantially the form attached hereto as **Exhibit B-2** (the "***Parent Stockholder Support Agreement***"), pursuant to which such Persons (the "***Parent Signatories***") have, subject to the terms and conditions set forth therein, agreed to vote all of their shares of Parent Common Stock in favor of the Parent Common Stockholder Matters and all of their shares of Parent Capital Stock against any proposals that compete with the Contemplated Transactions and (b) the persons listed on Section A-2 of the Parent Disclosure Schedule are executing lock-up agreements in substantially the form attached hereto as **Exhibit D** (each, a "***Parent Lock-Up Agreement***").

H. Concurrently with the execution and delivery of this Agreement and as a condition and inducement to the Company's willingness to enter into this Agreement, Parent shall have delivered the written consent from the holders of at least 77% of the shares of Parent Series A Preferred Stock outstanding on the record date for such written consent for the purpose of seeking approval for a proposed amendment to Parent's certificate of incorporation to effect the Parent Series A Preferred Automatic Conversion, which proposed amendment shall be effected pursuant to a certificate of amendment to Parent's certificate of incorporation that is substantially in the form attached hereto as **Exhibit F** and shall be executed and filed with the Secretary of State of the State of Delaware immediately prior to the Effective Time by Parent (such certificate of amendment, the "***Parent Pre-Effective Time Charter Amendment***"). The foregoing matters contemplated by this recital are referred to in this Agreement as the "***Parent Series A Preferred Stockholder Matters***".

I. It is expected that promptly after the Registration Statement is declared effective under the Securities Act (but in no event later than ten (10) Business Days following the effectiveness of the Registration Statement), the Company shall deliver the Company Stockholder Written Consent evidencing the Required Company Stockholder Vote.

J. Concurrently with the execution and delivery of this Agreement, and as a condition of the willingness of Parent to enter into this Agreement, certain investors have executed the Subscription Agreement, in the form attached hereto as **Exhibit E**, with Parent, pursuant to which such investors have agreed to purchase certain shares of Parent Capital Stock to be issued and sold by Parent pursuant to a private placement to be consummated immediately following the Closing, at an aggregate purchase price of no less than $40,000,000 (the "***Private Placement***"), subject to and in accordance with the terms of such Subscription Agreement.

AGREEMENT

The Parties, intending to be legally bound, agree as follows:

Section 1. DESCRIPTION OF TRANSACTION

1.1 **The Merger**. Upon the terms and subject to the conditions set forth in this Agreement, at the Effective Time, Proteon Merger Sub shall be merged with and into the Company, and the separate existence of Proteon Merger Sub shall cease. The Company will continue as the surviving corporation in the Merger (the "***Surviving Corporation***").

1.2 **Effects of the Merger**. The Merger shall have the effects set forth in this Agreement, the Certificate of Merger and in the applicable provisions of the DGCL. As a result of the Merger, the Company will become a wholly owned subsidiary of Parent.

1.3 **Closing; Effective Time**. Unless this Agreement is earlier terminated pursuant to the provisions of *Section 9.1*, and subject to the satisfaction or waiver of the conditions set forth in *Sections 6*, *7* and *8*, the consummation of the Merger (the "***Closing***") shall take place remotely as promptly as practicable (but in no event later than the second Business Day following the satisfaction or waiver of the last to be satisfied or waived of the conditions set forth in *Sections 6*, *7* and *8*, other

than those conditions that by their nature are to be satisfied at the Closing, but subject to the satisfaction or waiver of each of such conditions), or at such other time, date and place as Parent and the Company may mutually agree in writing. The date on which the Closing actually takes place is referred to as the "***Closing Date***." At or prior to the Closing, (i) as contemplated by *Section 5.3(a)(i)*, the Nasdaq Reverse Split shall become effective pursuant to the terms of a proposed amendment to Parent's certificate of incorporation, which proposed amendment shall be effected pursuant to the Parent Pre-Effective Time Charter Amendment to be executed and filed with the Secretary of State of the State of Delaware immediately prior to the Effective Time by Parent, and (ii) the Parties shall cause the Merger to be consummated by executing and filing with the Secretary of State of the State of Delaware a certificate of merger with respect to the Merger, satisfying the applicable requirements of the DGCL and in a form reasonably acceptable to Parent and the Company (the "***Certificate of Merger***"). The Merger shall become effective at the time of the filing of such Certificate of Merger with the Secretary of State of the State of Delaware or at such later time as may be specified in such Certificate of Merger with the consent of Parent and the Company (the time as of which the Merger becomes effective being referred to as the "***Effective Time***").

1.4 **Certificate of Incorporation and Bylaws; Directors and Officers**. At or immediately following the Effective Time:

(a) the certificate of incorporation of the Surviving Corporation shall be amended and restated in its entirety to read identically to the certificate of incorporation of Proteon Merger Sub as in effect immediately prior to the Effective Time, until thereafter amended as provided by the DGCL and such certificate of incorporation; *provided*, *however*, that at the Effective Time, the Surviving Corporation shall file an amendment to its certificate of incorporation to change the name of the Surviving Corporation to "ArTara Subsidiary, Inc." or such other name as the Company may reasonably determine prior to filing such amendment;

(b) Parent shall, immediately after the consummation of the Private Placement, effect the amendment and restatement of the certificate of incorporation of Parent in its entirety to read identically to the certificate of incorporation of Parent immediately prior to the Effective Time (after giving effect to the Parent Pre-Effective Time Charter Amendment), until thereafter amended as provided by the DGCL and such certificate of incorporation; *provided*, *however*, that the certificate of incorporation of Parent, as so amended and restated at the Effective Time, shall (i) reflect the Nasdaq Reverse Split effected pursuant to the Parent Pre-Effective Time Charter Amendment, (ii) reflect the Parent Series A Preferred Automatic Conversion effected pursuant to the Parent Pre-Effective Time Charter Amendment and the elimination of the Parent Series A Preferred Stock Certificate of Designation, (iii) reflect the change of the name of the Parent to "ArTara Therapeutics, Inc." and (iv) make such other changes as are mutually agreeable to Parent and the Company, and, if required, have been approved by the requisite holders of Parent Capital Stock;

(c) the Surviving Corporation shall amend and restate the bylaws of the Surviving Corporation in their entirety to read identically to the bylaws of Proteon Merger Sub as in effect immediately prior to the Effective Time, until thereafter amended as provided by the DGCL and such bylaws;

(d) the directors and officers of Parent, each to hold office in accordance with the certificate of incorporation and bylaws of Parent, shall be as set forth in *Section 5.11*; and

(e) the directors and officers of the Surviving Corporation, each to hold office in accordance with the certificate of incorporation and bylaws of the Surviving Corporation, shall be the directors and officers of Parent as set forth in *Section 5.11*, after giving effect to the provisions of *Section 5.11*, or such other persons as shall be mutually agreed upon by Parent and the Company.

1.5 **Conversion of Shares**.

(a) At the Effective Time, by virtue of the Merger and without any further action on the part of Parent, Proteon Merger Sub, the Company or any stockholder of the Company or Parent:

(i) any shares of Company Capital Stock held as treasury stock or held or owned by the Company, Proteon Merger Sub or any Subsidiary of the Company immediately prior to the Effective Time shall be canceled and retired and shall cease to exist, and no consideration shall be delivered in exchange therefor; and

(ii) subject to *Section 1.5(c)*, each share of Company Capital Stock outstanding immediately prior to the Effective Time (including shares to be issued immediately prior to the Effective Time in connection with the exercise of the Company Options but excluding shares to be canceled pursuant to *Section 1.5(a)(i)* and excluding Dissenting Shares) shall be automatically converted solely into the right to receive a number of shares of Parent Common Stock equal to the Exchange Ratio (the "***Merger Consideration***").

(b) If any shares of Company Capital Stock outstanding immediately prior to the Effective Time are unvested or are subject to a repurchase option or a risk of forfeiture under any applicable restricted stock purchase agreement or other similar agreement with the Company (such Company Capital Stock, "***Company Restricted Stock Award***"), then the shares of Parent Common Stock issued in exchange for such shares of Company Capital Stock will to the same extent be unvested and subject to the same repurchase option or risk of forfeiture, and such shares of Parent Common Stock shall accordingly be marked with appropriate legends. The Company shall take all actions that may be reasonably necessary to ensure that, from and after the Effective Time, Parent is entitled to exercise any such repurchase option or other right set forth in any such restricted stock purchase agreement or other agreement in accordance with its terms.

(c) No fractional shares of Parent Common Stock shall be issued in connection with the Merger, and no certificates or scrip for any such fractional shares shall be issued. Any holder of Company Capital Stock who would otherwise be entitled to receive a fraction of a share of Parent Common Stock (after aggregating all fractional shares of Parent Common Stock issuable to such holder following the consummation of the Merger and the Private Placement) shall, in lieu of such fraction of a share and upon surrender by such holder of a letter of transmittal in accordance with *Section 1.7* and any accompanying documents as required therein, be paid in cash the dollar amount (rounded to the nearest whole cent), without interest, determined by multiplying such fraction by the Common Stock Purchase Price (as defined in the Subscription Agreement).

(d) All Company Options outstanding immediately prior to the Effective Time under the Company Plans (to the extent not exercised immediately prior to the Effective Time) shall be treated in accordance with *Section 5.4(a)*.

(e) [*Intentionally Omitted*]

(f) Each share of common stock, $0.0001 par value per share, of Proteon Merger Sub issued and outstanding immediately prior to the Effective Time shall be converted into and exchanged for one (1) validly issued, fully paid and nonassessable share of common stock, $0.0001 par value per share, of the Surviving Corporation. Each stock certificate of Proteon Merger Sub evidencing ownership of any such shares shall, as of the Effective Time, evidence ownership of such shares of common stock of the Surviving Corporation.

(g) If, between the time of calculating the Exchange Ratio and the Effective Time, any outstanding shares of Company Capital Stock or Parent Common Stock shall have been changed into, or exchanged for, a different number of shares or a different class, by reason of any stock dividend, subdivision, reclassification, recapitalization, split (including the Parent Series A

Preferred Automatic Conversion and the Nasdaq Reverse Split to the extent the Parent Series A Preferred Automatic Conversion and the Nasdaq Reverse Split have not been previously taken into account in calculating the Exchange Ratio), combination or exchange of shares or other like change, the Exchange Ratio shall, to the extent necessary, be equitably adjusted to reflect such change to the extent necessary to provide the holders of Company Capital Stock, Company Options and Company Restricted Stock Awards with the same economic effect as contemplated by this Agreement prior to such stock dividend, subdivision, reclassification, recapitalization, split (including the Parent Series A Preferred Automatic Conversion and the Nasdaq Reverse Split), combination or exchange of shares or other like change; *provided, however*, that nothing herein will be construed to permit the Company or Parent to take any action with respect to Company Capital Stock or Parent Common Stock, respectively, that is prohibited or not expressly permitted by the terms of this Agreement. Notwithstanding anything express or implied in this Agreement to the contrary, solely for purposes of calculating the Exchange Ratio pursuant to this Agreement, the Parent Series A Preferred Automatic Conversion shall be deemed and treated as if it were to be effected immediately prior to the Effective Time after giving effect to the Nasdaq Reverse Split, notwithstanding that, pursuant to the terms of this Agreement and the Parent Pre-Effective Time Charter Amendment, the Parent Series A Preferred Automatic Conversion is to be effected immediately after the Effective Time and the consummation of the Private Placement.

1.6 **Closing of the Company's Transfer Books**. At the Effective Time: (a) all shares of Company Capital Stock outstanding immediately prior to the Effective Time shall be treated in accordance with *Section 1.5(a)*, and all holders of certificates representing shares of Company Capital Stock that were outstanding immediately prior to the Effective Time shall cease to have any rights as stockholders of the Company; and (b) the stock transfer books of the Company shall be closed with respect to all shares of Company Capital Stock outstanding immediately prior to the Effective Time. No further transfer of any such shares of Company Capital Stock shall be made on such stock transfer books after the Effective Time. If, after the Effective Time, a valid certificate previously representing any shares of Company Capital Stock outstanding immediately prior to the Effective Time (a "***Company Stock Certificate***") is presented to the Exchange Agent or to the Surviving Corporation, such Company Stock Certificate shall be canceled and shall be exchanged as provided in *Sections 1.5* and *1.7*.

1.7 **Surrender of Certificates**.

(a) On or prior to the Closing Date, Parent and the Company shall agree upon and select a reputable bank, transfer agent or trust company to act as exchange agent in the Merger (the "***Exchange Agent***"). At the Effective Time, Parent shall deposit with the Exchange Agent: (i) certificates or evidence of book-entry shares representing the Parent Common Stock issuable pursuant to *Section 1.5(a)* and (ii) cash sufficient to make payments in lieu of fractional shares in accordance with *Section 1.5(c)*. The Parent Common Stock and cash amounts so deposited with the Exchange Agent, together with any dividends or distributions received by the Exchange Agent with respect to such shares, are referred to collectively as the "***Exchange Fund***."

(b) Promptly after the Effective Time, the Parties shall cause the Exchange Agent to mail to the Persons who were record holders of shares of Company Capital Stock that were converted into the right to receive the Merger Consideration: (i) a letter of transmittal in customary form and containing such provisions as Parent may reasonably specify (including a provision confirming that delivery of Company Stock Certificates shall be effected, and risk of loss and title to Company Stock Certificates shall pass, only upon proper delivery of such Company Stock Certificates to the Exchange Agent); and (ii) instructions for effecting the surrender of Company Stock Certificates in exchange for shares of Parent Common Stock. Upon surrender of a Company Stock Certificate to the Exchange Agent for exchange, together with a duly executed letter of transmittal and such other documents as may be reasonably required by the Exchange Agent or Parent: (A) the holder of such Company Stock Certificate shall be entitled to receive in exchange therefor a certificate or

certificates or book-entry shares representing the Merger Consideration (in a number of whole shares of Parent Common Stock) that such holder has the right to receive pursuant to the provisions of *Section 1.5(a)* (and cash in lieu of any fractional share of Parent Common Stock pursuant to the provisions of *Section 1.5(c)*); and (B) the Company Stock Certificate so surrendered shall be canceled. Until surrendered as contemplated by this *Section 1.7(b)*, each Company Stock Certificate shall be deemed, from and after the Effective Time, to represent only the right to receive a certificate or certificates or book-entry shares of Parent Common Stock representing the Merger Consideration (and cash in lieu of any fractional share of Parent Common Stock). If any Company Stock Certificate shall have been lost, stolen or destroyed, Parent may, in its discretion and as a condition precedent to the delivery of any shares of Parent Common Stock, require the owner of such lost, stolen or destroyed Company Stock Certificate to provide an applicable affidavit with respect to such Company Stock Certificate that includes an obligation of such owner to indemnify Parent on customary terms against any claim suffered by Parent related to the lost, stolen or destroyed Company Stock Certificate as Parent may reasonably request. In the event of a transfer of ownership of a Company Stock Certificate that is not registered in the transfer records of the Company, payment of the Merger Consideration in respect of such Company Stock Certificate may be made to a Person other than the Person in whose name such Company Stock Certificate so surrendered is registered if such Company Stock Certificate shall be properly endorsed or otherwise be in proper form for transfer and the Person requesting such payment shall pay any transfer or other Taxes required by reason of the transfer or establish to the reasonable satisfaction of Parent that such Taxes have been paid or are not applicable. The Merger Consideration and any dividends or other distributions as are payable pursuant to *Section 1.7(c)* shall be deemed to have been in full satisfaction of any and all rights pertaining to Company Capital Stock formerly represented by such Company Stock Certificate.

(c) No dividends or other distributions declared or made with respect to Parent Common Stock with a record date on or after the Effective Time shall be paid to the holder of any unsurrendered Company Stock Certificate with respect to the shares of Parent Common Stock that such holder has the right to receive in the Merger until such holder surrenders such Company Stock Certificate or provides an affidavit of loss or destruction in lieu thereof in accordance with this *Section 1.7* (at which time (or, if later, on the applicable payment date) such holder shall be entitled, subject to the effect of applicable abandoned property, escheat or similar Laws, to receive all such dividends and distributions, without interest).

(d) Any portion of the Exchange Fund that remains undistributed to holders of Company Stock Certificates as of the date that is one (1) year after the Closing Date shall be delivered to Parent upon demand, and any holders of Company Stock Certificates who have not theretofore surrendered their Company Stock Certificates in accordance with this *Section 1.7* shall thereafter look only to Parent for satisfaction of their claims for Parent Common Stock, cash in lieu of fractional shares of Parent Common Stock and any dividends or distributions with respect to shares of Parent Common Stock.

(e) No Party to this Agreement shall be liable to any holder of any Company Stock Certificate or to any other Person with respect to any shares of Parent Common Stock (or dividends or distributions with respect thereto) or for any cash amounts delivered to any public official pursuant to any applicable abandoned property Law, escheat Law or similar Law.

1.8 **Appraisal Rights**.

(a) Notwithstanding any provision of this Agreement to the contrary, shares of Company Capital Stock that are outstanding immediately prior to the Effective Time and which are held by stockholders who have exercised and perfected appraisal rights for such shares of Company Capital Stock in accordance with the DGCL, as applicable (collectively, the "***Dissenting Shares***"), shall not

be converted into or represent the right to receive the Merger Consideration described in *Section 1.5* attributable to such Dissenting Shares. Such stockholders shall be entitled to receive payment of the appraised value of such shares of Company Capital Stock held by them in accordance with the DGCL, as applicable, unless and until such stockholders fail to perfect or effectively withdraw or otherwise lose their appraisal rights under the DGCL, as applicable. All Dissenting Shares held by stockholders who shall have failed to perfect or shall have effectively withdrawn or lost their right to appraisal of such shares of Company Capital Stock under the DGCL, as applicable (whether occurring before, at or after the Effective Time), shall thereupon be deemed to be converted into and to have become exchangeable for, as of the Effective Time, the right to receive the Merger Consideration, without interest, attributable to such Dissenting Shares upon their surrender in the manner provided in *Sections 1.5* and *1.7*.

(b) The Company shall give Parent prompt written notice of any demands by dissenting stockholders received by the Company, withdrawals of such demands and any other instruments served on the Company and any material correspondence received by the Company in connection with such demands, and the Company shall have the right to direct all negotiations and proceedings with respect to such demands; *provided*, that Parent shall have the right to participate in such negotiations and proceedings. Neither the Parent nor the Company shall, except with the prior written consent of the other Party, voluntarily make any payment with respect to, or settle or offer to settle, any such demands, or approve any withdrawal of any such demands or agree to do any of the foregoing.

1.9 **Further Action**. If, at any time after the Effective Time, any further action is determined by the Surviving Corporation to be necessary or desirable to carry out the purposes of this Agreement or to vest the Surviving Corporation with full right, title and possession of and to all rights and property of the Company, then the officers and directors of the Surviving Corporation shall be fully authorized, and shall use their and its commercially reasonable efforts (in the name of the Company, in the name of Proteon Merger Sub, in the name of the Surviving Corporation and otherwise) to take such action.

1.10 **Withholding**. The Parties and the Exchange Agent shall be entitled to deduct and withhold from the consideration otherwise payable pursuant to this Agreement to any holder of Company Capital Stock or any other Person such amounts as such Party or the Exchange Agent is required to deduct and withhold under the Code or any other Law with respect to the making of such payment. The payor shall provide commercially reasonable notice to the payee upon becoming aware of any such withholding obligation, and the Parties shall cooperate with each other to the extent reasonable to obtain reduction of or relief from such withholding. To the extent that amounts are so deducted and withheld and paid to the appropriate Governmental Body, such deducted and withheld amounts shall be treated for all purposes of this Agreement as having been paid to the Person in respect of whom such deduction and withholding was made.

1.11 **Tax Consequences**. For United States federal income tax purposes, the Merger is intended to constitute a reorganization within the meaning of Section 368(a) of the Code. The Parties adopt this Agreement as a "plan of reorganization" within the meaning of Section 1.368-2(g) of the Treasury Regulations.

1.12 **Calculation of Parent Net Cash**.

(a) For the purposes of this Agreement, the "***Anticipated Closing Date***" shall be the anticipated date for Closing, as agreed upon by Parent and the Company at least seven (7) Business Days prior to the Parent Stockholders' Meeting and the "***Determination Date***" shall be the date that is seven (7) Business Days prior to the Anticipated Closing Date. Within three (3) Business Days following the Determination Date, Parent shall deliver to the Company a schedule (the "***Parent Cash Schedule***") setting forth, in reasonable detail, Parent's good faith, estimated calculation of the Parent Net Cash, including each line item in such definition (using an

estimate of the Parent Transaction Expenses, Parent's accrued investment interest receivable, prepaid refundable deposits, accounts payable, and accrued expenses, in each case as of the Anticipated Closing Date and determined in a manner substantially consistent with the manner in which such items were determined in the Parent Audited Financial Statements and the Parent Unaudited Interim Balance Sheet) (the "***Parent Cash Calculation***") as of the Anticipated Closing Date prepared and certified by Parent's Chief Financial Officer (or if there is no Chief Financial Officer, Parent's principal accounting officer). Parent shall make the work papers and back-up materials used or useful in preparing the Parent Cash Schedule, as reasonably requested by the Company, available to the Company and, if requested by the Company, its accountants and counsel at reasonable times and upon reasonable notice.

(b) Within three (3) calendar days following delivery (the "***Response Date***") of the Parent Cash Schedule to the Company, the Company will have the right to dispute any part of the Parent Cash Calculation as set forth in the Parent Cash Schedule by delivering a written notice to that effect (a "***Dispute Notice***") to Parent. Any Dispute Notice shall identify in reasonable detail the nature of any proposed revisions to the Parent Cash Calculation.

(c) If on or prior to the Response Date, (i) the Company notifies Parent in writing that it has no objections to the Parent Cash Calculation or (ii) the Company fails to deliver a Dispute Notice as provided in *Section 1.12(b)*, then the Parent Cash Calculation as set forth in the Parent Cash Schedule shall be deemed to have been finally determined for purposes of this Agreement and to represent the Parent Net Cash at the Anticipated Closing Date for purposes of this Agreement.

(d) If the Company delivers a Dispute Notice on or prior to the Response Date and such Dispute Notice complies with the provisions of *Section 1.12(b)*, then Representatives of Parent and the Company shall promptly meet and attempt in good faith to resolve the disputed item(s) and negotiate an agreed-upon determination of the Parent Net Cash.

(e) If Representatives of Parent and the Company are unable to negotiate an agreed-upon determination of the Parent Net Cash pursuant to *Section 1.12(d)* within three (3) calendar days after delivery of the Dispute Notice (or such other period as Parent and the Company may mutually agree upon), then Parent and the Company shall jointly select an independent auditor of recognized national standing (the "***Accounting Firm***") to resolve any remaining disagreements as to the Parent Cash Calculation that were set forth in the Dispute Notice delivered by the Company pursuant to, and in compliance with, the provisions of *Section 1.12(b)* . Parent shall promptly deliver to the Accounting Firm the work papers and back-up materials used in preparing the Parent Cash Schedule pursuant to *Section 1.12(a)*, and Parent and the Company shall use commercially reasonable efforts to cause the Accounting Firm to make its determination within ten (10) calendar days of accepting its selection. The Company and Parent shall be afforded the opportunity to present to the Accounting Firm any material related to the unresolved disputes and to discuss the issues with the Accounting Firm; *provided*, *however*, that no such presentation or discussion shall occur without the presence of a Representative of each of the Company and Parent. The determination of the Accounting Firm shall be limited to those disagreements submitted to the Accounting Firm, *provided* that such disagreements were set forth in the Dispute Notice sent by the Company to Parent pursuant to, and in compliance with, the provisions of *Section 1.12(b)*. The determination made by the Accounting Firm of any such disagreements submitted to the Accounting Firm shall be deemed to have been finally determined for purposes of this Agreement and the Parent Cash Calculation, as adjusted by the Accounting Firm to reflect any such determination made by the Accounting Firm of such disagreements submitted to the Accounting Firm, shall represent the Parent Net Cash at the Anticipated Closing Date for purposes of this Agreement, and the Parties shall delay the Closing until the resolution of the matters described in this *Section 1.12(e)*. The fees and expenses of the Accounting Firm shall be allocated between Parent and the Company in the same proportion that the disputed amount of

the Parent Net Cash that was unsuccessfully disputed by such Party (as finally determined by the Accounting Firm) bears to the total disputed amount of the Parent Net Cash (and for the avoidance of doubt the portion of such fees and expenses to be paid by Parent shall reduce the Parent Net Cash); *provided, however*, that if the Accounting Firm takes longer than ten (10) calendar days to make its determination then Company shall at its election (x) pay the fees and expenses of the Accounting Firm or (y) deem any costs and expenses incurred by Parent following such ten (10) calendar day period to be excluded from Parent Net Cash. If this *Section 1.12(e)* applies as to the determination of the Parent Net Cash at the Anticipated Closing Date described in *Section 1.12(a)*, upon resolution of the matter in accordance with this *Section 1.12(e)*, the Parties shall not be required to determine the Parent Net Cash again even though the Closing Date may occur later than the Anticipated Closing Date, except that either Party may request a redetermination of the Parent Net Cash if the Closing Date is more than five (5) Business Days after the Anticipated Closing Date.

Section 2. REPRESENTATIONS AND WARRANTIES OF THE COMPANY

Subject to *Section 10.14(h)*, except as set forth in the written disclosure schedule delivered by the Company to Parent (the "***Company Disclosure Schedule***"), the Company represents and warrants to Parent and Proteon Merger Sub as follows:

2.1 **Due Organization; Subsidiaries**.

(a) The Company is a corporation duly incorporated, validly existing and in good standing under the Laws of the State of Delaware and has all necessary corporate power and authority: (i) to conduct its business in the manner in which its business is currently being conducted; (ii) to own or lease and use its property and assets in the manner in which its property and assets are currently owned or leased and used; and (iii) to perform its obligations under all Contracts by which it is bound, except, in each case, where the failure to have such power or authority would not reasonably be expected to prevent the ability of the Company to consummate the Contemplated Transactions.

(b) The Company is duly licensed and qualified to do business, and is in good standing (to the extent applicable in such jurisdiction), under the Laws of all jurisdictions where the nature of its business requires such licensing or qualification other than in jurisdictions where the failure to be so qualified individually or in the aggregate would not be reasonably expected to have a Company Material Adverse Effect.

(c) As of the date of this Agreement, the Company has no Subsidiaries; and neither the Company nor any of the Company's Subsidiaries owns any capital stock of, or any equity, ownership or profit sharing interest of any nature in, or controls, directly or indirectly, any other Entity, other than any Entities identified in Section 2.1(c) of the Company Disclosure Schedule and any Entities through which the Company holds only cash or cash equivalents of the Company, or in which the Company holds only available-for-sale securities, in each case, as determined in accordance with GAAP.

(d) Neither the Company nor any of its Subsidiaries is or has otherwise been, directly or indirectly, a party to, member of or participant in any partnership, joint venture or similar business entity. Neither the Company nor any of its Subsidiaries has agreed or is obligated to make, or is bound by any Contract under which it may become obligated to make, any future investment in or capital contribution to any other Entity. Neither the Company nor any of its Subsidiaries has, at any time, been a general partner of, or has otherwise been liable for any of the debts or other obligations of, any general partnership, limited partnership or other Entity.

2.2 **Organizational Documents**. The Company has made available to Parent accurate and complete copies of the Organizational Documents of the Company in effect as of the date of this Agreement. Neither the Company nor any of its Subsidiaries is in material breach or violation of its respective Organizational Documents.

2.3 **Authority; Binding Nature of Agreement**.

(a) The Company has all necessary corporate power and authority to enter into this Agreement and, subject to receipt of the Required Company Stockholder Vote, to perform its obligations hereunder and to consummate the Contemplated Transactions. The Company Board (at meetings duly called and held or by unanimous written consent in lieu of a meeting) has (i) determined that the Contemplated Transactions are advisable and fair to, and in the best interests of, the Company and its stockholders, (ii) authorized, approved and declared advisable this Agreement and the Contemplated Transactions, and (iii) determined to recommend, upon the terms and subject to the conditions set forth in this Agreement, that the stockholders of the Company vote in favor of the Company Stockholder Matters.

(b) This Agreement has been duly executed and delivered by the Company and, assuming the due authorization, execution and delivery by Parent and Proteon Merger Sub, constitutes the legal, valid and binding obligation of the Company, enforceable against the Company in accordance with its terms, subject to the Enforceability Exceptions. Prior to the execution of the Company Stockholder Support Agreements, the Company Board approved the Company Stockholder Support Agreements and the transactions contemplated thereby.

2.4 **Vote Required**. The affirmative vote (or written consent) of the holders of a majority of the shares of Company Common Stock entitled to vote thereon, voting as a separate class, outstanding on the record date for the written consent in lieu of a meeting pursuant to Section 228 of the DGCL approving the Company Stockholder Matters (collectively, the "***Company Stockholder Written Consent***" and such vote, collectively, the "***Required Company Stockholder Vote***"), are the only votes (or written consents) of the holders of Company Capital Stock necessary to adopt and approve the Company Stockholder Matters.

2.5 **Non-Contravention; Consents**. Subject to obtaining the Required Company Stockholder Vote, the filing of the Certificate of Merger required by the DGCL and assuming the satisfaction of the condition set forth in *Section 7.6*, neither (x) the execution, delivery or performance of this Agreement by the Company, nor (y) the consummation of the Contemplated Transactions, will directly or indirectly (with or without notice or lapse of time):

(a) contravene, conflict with or result in a violation of any of the provisions of the Company's Organizational Documents;

(b) contravene, conflict with or result in a material violation of, or give any Governmental Body or, to the Knowledge of the Company, other Person the right to challenge the Contemplated Transactions or to exercise any material remedy or obtain any material relief under, any Law or any order, writ, injunction, judgment or decree to which the Company or its Subsidiaries, or any of the assets owned or used by the Company or its Subsidiaries, is subject, except as would not reasonably be expected to be material to the Company or its business;

(c) contravene, conflict with or result in a violation of any of the terms or requirements of, or give any Governmental Body the right to revoke, withdraw, suspend, cancel, terminate or modify, any Governmental Authorization that is held by the Company or its Subsidiaries, except as would not reasonably be expected to be material to the Company or its business;

(d) contravene, conflict with or result in a violation or breach of, or result in a default under, any provision of any Company Material Contract, or give any Person the right to: (i) declare a default or exercise any remedy under any Company Material Contract; (ii) demand any material payment, rebate, chargeback, penalty or change in delivery schedule under any Company Material Contract; (iii) accelerate the maturity or performance of any Company Material Contract; or (iv) cancel, terminate or modify any term of any Company Material Contract, except in the case of any non-material breach, default, penalty or modification; or

(e) result in the imposition or creation of any Encumbrance upon or with respect to any material asset owned or used by the Company or its Subsidiaries (except for Permitted Encumbrances).

Except for (i) the Required Company Stockholder Vote, (ii) the filing of the Certificate of Merger with the Secretary of State of the State of Delaware pursuant to the DGCL, and (iii) such consents, waivers, approvals, orders, authorizations, registrations, declarations and filings as may be required under applicable federal and state securities Laws, neither the Company nor any of its Subsidiaries is or will be required to make any filing with or give any notice to, or to obtain any Consent from, any Governmental Body in connection with (A) the execution, delivery or performance of this Agreement, the Company Stockholder Support Agreements, and the Company Lock-up Agreements or (B) the consummation of the Contemplated Transactions, which if individually or in the aggregate were not given or obtained, would reasonably be expected to prevent or materially delay the ability of the Company to consummate the Contemplated Transactions. The Company Board has taken and will take all actions necessary to ensure that the restrictions applicable to business combinations contained in Section 203 of the DGCL are, and will be, inapplicable to the execution, delivery and performance of this Agreement, the Company Stockholder Support Agreements, the Company Lock-Up Agreements and to the consummation of the Contemplated Transactions. No other state takeover statute or similar Law applies or purports to apply to the Merger, this Agreement, the Company Stockholder Support Agreements, the Company Lock-Up Agreements or any of the Contemplated Transactions.

2.6 **Capitalization**.

(a) The authorized Company Capital Stock as of the date of this Agreement consists of 15,000,000 shares of Company Common Stock, par value $0.0001 per share, of which 13,411,998 shares have been issued and are outstanding as of the date of this Agreement, and no shares are held by the Company as treasury shares as of the date of this Agreement.

(b) All of the outstanding shares of Company Capital Stock have been duly authorized and validly issued, and are fully paid and nonassessable. Except as set forth in the Company Bylaws or Investor Agreements, none of the outstanding shares of Company Capital Stock is entitled or subject to any preemptive right, right of participation, right of maintenance or any similar right and none of the outstanding shares of Company Capital Stock is subject to any right of first refusal in favor of the Company. Except as contemplated herein and in the Company's bylaws and the Investor Agreements, there is no Company Contract or, to the Company's Knowledge, any other Contract, relating to the voting or registration of, or restricting any Person from purchasing, selling, pledging or otherwise disposing of (or granting any option or similar right with respect to), any shares of Company Capital Stock. The Company is not under any obligation, nor is it bound by any Contract pursuant to which it may become obligated, to repurchase, redeem or otherwise acquire any outstanding shares of Company Capital Stock or other securities. Section 2.6(b) of the Company Disclosure Schedule accurately and completely lists all repurchase or forfeiture rights held by the Company with respect to shares of Company Capital Stock (including shares issued pursuant to the exercise of stock options).

(c) As of the date of this Agreement, the Company has reserved 2,000,000 shares of Company Common Stock for issuance under the Company Plans, of which 400,000 shares have been issued and are currently outstanding, 1,103,230 shares are issuable upon exercise of outstanding Company Options or other awards granted pursuant to the Company Plans, and 496,770 shares of Company Common Stock remain available for future grant of awards pursuant to the Company Plans. Section 2.6(c) of the Company Disclosure Schedule sets forth the following information with respect to each Company Option outstanding as of the date of this Agreement: (i) the name of the optionee; (ii) the number of shares of Company Common Stock subject to such Company Option at the time of grant; (iii) the number of shares of Company Common Stock

subject to such Company Option as of the date of this Agreement; (iv) the exercise price of such Company Option; (v) the date on which such Company Option was granted; (vi) the applicable vesting schedule, including the number of vested and unvested shares as of the date of this Agreement and any acceleration provisions; (vii) the date on which such Company Option expires; and (viii) whether such Company Option is intended to constitute an "incentive stock option" (as defined in the Code) or a non-qualified stock option. The Company has made available to Parent an accurate and complete copy of the Company Plans and the form of stock option agreement used to evidence outstanding options granted thereunder.

(d) Except for the outstanding exchangeable common stock of the Company and the Company Options set forth on Section 2.6(c) of the Company Disclosure Schedule, there is no: (i) outstanding subscription, option, call, warrant or right (whether or not currently exercisable) to acquire any shares of the capital stock or other securities of the Company or any of its Subsidiaries; (ii) outstanding security, instrument or obligation that is or may become convertible into or exchangeable for any shares of the capital stock or other securities of the Company or any of its Subsidiaries; or (iii) to the Company's Knowledge, condition or circumstance that is reasonably likely to give rise to or provide a basis for the assertion of a claim by any Person to the effect that such Person is entitled to acquire or receive any shares of capital stock or other securities of the Company or any of its Subsidiaries. There are no outstanding or authorized (x) stock appreciation, phantom stock, profit participation or other similar rights with respect to the Company or any of its Subsidiaries or Contracts under which Company is or may become obligated to sell or otherwise issue any shares of its capital stock or any other securities (other than the outstanding exchangeable common stock or stock options), or (y) bonds, debentures, notes or other indebtedness of Company having the right to vote (or convertible into, or exchangeable for, securities having the right to vote) on any matters on which stockholders of Company may vote.

(e) All outstanding shares of Company Capital Stock, Company Options, and other securities of the Company have been issued and granted in material compliance with (i) all applicable securities Laws and other applicable Law, (ii) all requirements set forth in applicable Contracts and (iii) if applicable, the Company Plans.

2.7 **Financial Statements.**

(a) Concurrently with the execution hereof, the Company has provided to Parent true and complete copies of the Company Unaudited Interim Balance Sheet, together with the unaudited statement of cash flows of the Company for the period reflected in the Company Unaudited Interim Balance Sheet (collectively, the "***Company Financials***"). The Company Financials were prepared in accordance with GAAP (except as may be indicated in the notes to such financial statements and except that the unaudited financial statements may not contain footnotes and are subject to normal and recurring year-end adjustments, none of which are material) and fairly present, in all material respects, the financial position and operating results of the Company and its consolidated Subsidiaries as of the dates and for the periods indicated therein.

(b) Each of the Company and its Subsidiaries maintains accurate books and records reflecting their assets and liabilities and maintains a system of internal accounting controls designed to provide reasonable assurance that: (i) transactions are executed in accordance with management's general or specific authorizations; (ii) transactions are recorded as necessary to permit preparation of the financial statements of the Company and its Subsidiaries and to maintain accountability of the Company's and its Subsidiaries' assets; (iii) access to the Company's and its Subsidiaries' assets is permitted only in accordance with management's general or specific authorization; (iv) the recorded accountability for the Company's assets is compared with the existing assets at regular intervals and appropriate action is taken with respect to any differences; and (v) accounts, notes

and other receivables and inventory are recorded accurately, and proper and adequate procedures are implemented to effect the collection thereof on a current and timely basis. The Company and each of its Subsidiaries maintains internal controls over financial reporting that provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes.

(c) There has been no securitization transactions and "off-balance sheet arrangements" (as defined in Item 303(c) of Regulation S-K under the Exchange Act) effected by the Company or any of its Subsidiaries since January 1, 2017.

(d) Since January 1, 2017, there have been no formal internal investigations regarding financial reporting or accounting policies and practices discussed with, reviewed by or initiated at the direction of the chief executive officer or interim chief financial officer of the Company, the Company Board or any committee thereof. Since January 1, 2017, neither the Company nor its independent auditors have identified (i) any significant deficiency or material weakness in the design or operation of the system of internal accounting controls utilized by the Company and its Subsidiaries, (ii) any fraud, whether or not material, that involves the Company, any of and its Subsidiaries, the Company's management or other employees who have a role in the preparation of financial statements or the internal accounting controls utilized by the Company and its Subsidiaries or (iii) any claim or allegation regarding any of the foregoing.

2.8 **Absence of Changes**. Between the date of the Company Unaudited Interim Balance Sheet and the date of this Agreement, the Company has conducted its business only in the Ordinary Course of Business (except for the execution and performance of this Agreement and the discussions, negotiations and transactions related thereto) and there has not been any (a) Company Material Adverse Effect or (b) action, event or occurrence that would have required consent of Parent pursuant to *Section 4.2(b)* had such action, event or occurrence taken place after the execution and delivery of this Agreement.

2.9 **Absence of Undisclosed Liabilities**. As of the date hereof, neither the Company nor any of its Subsidiaries has any liability, indebtedness, obligation or expense of any kind, whether accrued, absolute, contingent, matured or unmatured (each a "***Liability***"), individually or in the aggregate, of a type required to be recorded or reflected on a balance sheet or disclosed in the footnotes thereto under GAAP, except for: (a) Liabilities disclosed, reflected or reserved against in the Company Unaudited Interim Balance Sheet; (b) Liabilities that have been incurred by the Company or its Subsidiaries since the date of the Company Unaudited Interim Balance Sheet in the Ordinary Course of Business; (c) Liabilities for performance of obligations of the Company or any of its Subsidiaries under Company Contracts if such Liabilities are not required to be recorded or reflected on a balance sheet or disclosed in the footnotes thereto under GAAP; (d) Liabilities incurred in connection with the Contemplated Transactions; and (e) Liabilities described in Section 2.9 of the Company Disclosure Schedule.

2.10 **Title to Assets**. Each of the Company and its Subsidiaries owns, and has good and valid title to, or, in the case of leased properties and assets, valid leasehold interests in, all tangible properties or tangible assets and equipment used or held for use in its business or operations or purported to be owned by it that are material to the Company or its Subsidiaries or their respective businesses, including: (a) all tangible assets reflected on the Company Unaudited Interim Balance Sheet; and (b) all other tangible assets reflected in the books and records of the Company or any of its Subsidiaries as being owned by the Company or such Subsidiary. All of such assets are owned or, in the case of leased assets, leased by the Company or any of its Subsidiaries free and clear of any Encumbrances, other than Permitted Encumbrances.

2.11 **Real Property; Leasehold**. Neither the Company nor any of its Subsidiaries owns or has ever owned any real property. The Company has made available to Parent (a) an accurate and

complete list of all real properties with respect to which the Company or its Subsidiaries directly or indirectly holds a valid leasehold interest as well as any other real estate that is in the possession of or leased by the Company or any of its Subsidiaries, and (b) copies of all leases under which any such real property is possessed (the "***Company Real Estate Leases***"), each of which is in full force and effect, with no existing material default thereunder. The Company's use and operation of each such leased property conforms to all applicable Laws in all material respects, and the Company or any of its Subsidiaries has exclusive possession of each such leased property and has not granted any occupancy rights to tenants or licensees with respect to such leased property. In addition, each such leased property is free and clear of all Encumbrances other than Permitted Encumbrances.

2.12 **Intellectual Property**.

(a) Section 2.12(a) of the Company Disclosure Schedule identifies each item of registered Company IP, including, with respect to each registered item: (i) the name of the applicant/registrant, (ii) the jurisdiction of application/registration, (iii) the application or registration number, and (iv) any other co-owners. To the Knowledge of the Company, each of the patents and patent applications included in the Section 2.12(a) of the Company Disclosure Schedule properly identifies by name each and every inventor of the inventions claimed therein as determined in accordance with applicable Laws of the United States. To the Knowledge of the Company, as of the date of this Agreement, no cancellation, interference, opposition, reissue, reexamination or other proceeding of any nature (other than office actions or similar communications issued by any Governmental Body in the ordinary course of prosecution of any pending applications for registration) is pending or threatened in writing, in which the scope, validity, enforceability or ownership of any Company IP is being or has been contested or challenged.

(b) The Company and its Subsidiaries own, are the assignees of, or have licensed all material Company IP, free and clear of all Encumbrances other than Permitted Encumbrances. To the Knowledge of the Company, each Company Associate involved in the creation or development of any material Company IP, pursuant to such Company Associate's activities on behalf of the Company or its Subsidiaries, has signed a written agreement containing an assignment of such Company Associate's rights in such Company IP to the Company or its Subsidiaries and confidentiality provisions protecting the Company IP.

(c) To the Knowledge of the Company, no funding, facilities or personnel of any Governmental Body or any university, college, research institute or other educational institution has been used to create Company IP, except for any such funding or use of facilities or personnel that does not result in such Governmental Body or institution obtaining ownership rights to such Company IP or the right to receive royalties for the practice of such Company IP.

(d) Section 2.12(d) of the Company Disclosure Schedule sets forth each Contract, if any, pursuant to which the Company or any of its Subsidiaries (i) is granted a license under any material Intellectual Property Right owned by any third party that is used by the Company or its Subsidiaries in its business as currently conducted (each a "***Company In-bound License***") or (ii) grants to any third party a license under any material Company IP or material Intellectual Property Right licensed to the Company or its Subsidiaries under a Company In-bound License (each a "***Company Out-bound License***"); *provided*, that, Company In-bound Licenses shall not include, when entered into in the ordinary course of business, material transfer agreements, clinical trial agreements, agreements with Company Associates, services agreements, non-disclosure agreements, commercially available Software-as-a-Service offerings, off-the-shelf software licenses or generally available patent license agreements; and Company Out-bound Licenses shall not include, when entered into in the ordinary course of business, material transfer agreements, clinical trial agreements, services agreements, non-disclosure agreements, or non-exclusive outbound licenses.

(e) To the Knowledge of the Company: (i) the operation of the businesses of the Company and its Subsidiaries since January 1, 2017, do not infringe, misappropriate or otherwise violate any valid and enforceable patent that is not included on Section 2.12(a) of the Company Disclosure Schedule and (ii) no other Person is infringing, misappropriating or otherwise violating any material Company IP. No Legal Proceeding is pending or, to the Knowledge of the Company, is threatened in writing (A) against the Company or its Subsidiaries alleging that the operation of the businesses of the Company or its Subsidiaries infringes or constitutes the misappropriation or other violation of any Intellectual Property Rights of another Person or (B) by the Company or its Subsidiaries alleging that another Person has infringed, misappropriated or otherwise violated any of the material Company IP or any Intellectual Property Rights exclusively licensed to the Company or its Subsidiaries. Since January 1, 2017, neither the Company nor its Subsidiaries has received any written notice or other written communication alleging that the operation of the businesses of the Company or its Subsidiaries infringes or constitutes the misappropriation or other violation of any Intellectual Property Right of another Person.

(f) None of the Company IP or, to the Knowledge of the Company, any material Intellectual Property Rights exclusively licensed to the Company or its Subsidiaries, is subject to any pending or outstanding injunction, directive, order, judgment or other disposition of dispute that adversely and materially restricts the use, transfer, registration or licensing by the Company or its Subsidiaries of any such Company IP or material Intellectual Property Rights exclusively licensed to the Company or its Subsidiaries.

(g) To the Knowledge of the Company, the Company, its Subsidiaries and the operation of the Company's and its Subsidiaries' business are in substantial compliance with all Laws pertaining to data privacy and data security of any personally identifiable information and sensitive business information (collectively, "***Sensitive Data***") except to the extent that such noncompliance has not and would not reasonably be expected to have a Company Material Adverse Effect. To the Knowledge of the Company, since January 1, 2017, there have been (i) no material losses or thefts of data or security breaches relating to Sensitive Data used in the business of the Company or its Subsidiaries, (ii) no violations of any security policy of the Company regarding any such Sensitive Data used in the business of the Company or its Subsidiaries, and (iii) no unauthorized access, unauthorized use or unintended or improper disclosure of any Sensitive Data used in the business of the Company or its Subsidiaries, in each case of (i) through (iii), except as would not reasonably be expected to, individually or in the aggregate, have a Company Material Adverse Effect.

2.13 **Agreements, Contracts and Commitments**.

(a) Section 2.13(a) of the Company Disclosure Schedule lists the following Company Contracts in effect as of the date of this Agreement, other than Company Benefit Plans, which are covered in *Section 2.17* (each, a "***Company Material Contract***" and collectively, the "***Company Material Contracts***"):

(i) each Company Contract the primary purpose of which is indemnification or guaranty not entered into in the Ordinary Course of Business;

(ii) each Company Contract containing (A) any covenant limiting the freedom of the Company, its Subsidiaries or the Surviving Corporation to engage in any line of business or compete with any Person, (B) any most-favored pricing arrangement or similar term by which any Person is or could become entitled to any benefit, right or privilege that must be at least as favorable to such Person as those offered to another Person, (C) any exclusivity provision, right of first refusal or right of first negotiation or similar covenant, or (D) any non-solicitation provision with respect to employees of other Persons, in each case, except for restrictions that would not materially affect the ability of the Company and its Subsidiaries to conduct their respective businesses;

(iii) each Company Contract relating to capital expenditures and requiring payments after the date of this Agreement in excess of $25,000 pursuant to its express terms and not cancelable without penalty;

(iv) each Company Contract relating to the disposition or acquisition of material assets or any ownership interest in any Entity, in each case, involving payments in excess of $25,000, other than Company Contracts in which the applicable acquisition or disposition has been consummated and there are no material ongoing obligations;

(v) each Company Contract relating to any mortgages, indentures, loans, notes or credit agreements, security agreements or other agreements or instruments relating to the borrowing of money or extension of credit or creating any material Encumbrances with respect to any assets of the Company or any of its Subsidiaries or any loans or debt obligations with officers or directors of the Company or its Subsidiaries, in each case, having an outstanding principal in an amount in excess of $25,000;

(vi) other than material transfer agreements and master service agreements in the Ordinary Course of Business, each Company Contract requiring payment by or to the Company after the date of this Agreement in excess of $25,000 pursuant to its express terms relating to: (A) any distribution agreement (identifying any that contain exclusivity provisions); (B) any agreement involving provision of services or products with respect to any pre-clinical or clinical development activities of the Company; (C) any dealer, distributor, joint marketing, alliance, joint venture, cooperation, development or other agreement currently in force under which the Company has continuing obligations to develop or market any product, technology or service, or any agreement pursuant to which the Company has continuing obligations to develop any Intellectual Property Rights that will not be owned, in whole or in part, by the Company; or (D) any Company Contract to license or engage any third party to manufacture or produce any product or drug substance, service or technology of the Company, any Contract for raw materials or warehousing of products or any Company Contract to sell, distribute or commercialize any products or service of the Company;

(vii) each Company Contract with any financial advisor, broker, finder, investment banker or other similar Person, providing advisory services to the Company in connection with the Contemplated Transactions;

(viii) each Company Real Estate Lease;

(ix) each Company Contract with any Governmental Body (other than clinical trial agreements for clinical trial studies);

(x) each Company Out-bound License and Company In-bound License;

(xi) each Company Contract containing any royalty, dividend or similar arrangement based on the revenues or profits of the Company or any of its Subsidiaries or obligation to pay any royalties, fees or other payments to any owner, licensor, or other claimant to any Intellectual Property Rights, in each case in excess of $25,000;

(xii) each Company Contract, offer letter, employment agreement or independent contractor agreement with any employee, consultant or independent contractor that (A) is not terminable by the Company without sixty (60) days' or more notice, without severance or other cost or liability, or (B) provides for retention payments, change of control payments, severance, accelerated vesting, or any payment or benefit that may or will become due as a result of the Merger (whether alone or in connection with any other event) (the "***Benefit Contracts***");

(xiii) each Company Contract that is a collective bargaining agreement or is with a professional employer agency, temporary employment agency or labor contractor; or

(xiv) any Company Contract that is not terminable at will (with no penalty or payment) by the Company or its Subsidiaries, as applicable, and (A) which involves payment or receipt by the Company or its Subsidiaries after the date of this Agreement under any such agreement, contract or commitment of more than $25,000 in the aggregate, or obligations after the date of this Agreement in excess of $25,000 in the aggregate, or (B) that is material to the business or operations of the Company or any of its Subsidiaries.

(b) The Company has delivered or made available to Parent accurate and complete copies of all Company Material Contracts, including all amendments thereto. There are no Company Material Contracts that are not in written form. Neither the Company nor any of its Subsidiaries, has, nor to the Company's Knowledge, as of the date of this Agreement has, any other party to a Company Material Contract, breached, violated or defaulted under, or received notice that it breached, violated or defaulted under, any of the terms or conditions of any Company Material Contract in such manner as would permit any other party to cancel or terminate any such Company Material Contract, or would permit any other party to seek damages which would reasonably be expected to be material to the Company, any of its Subsidiaries or their respective businesses. As to the Company and its Subsidiaries, as of the date of this Agreement, each Company Material Contract is valid, binding, enforceable and in full force and effect, subject to the Enforceability Exceptions. As of the date of this Agreement, no Person is renegotiating, or has a right pursuant to the terms of any Company Material Contract to change, any material amount paid or payable to the Company or any of its Subsidiaries under any Company Material Contract or any other material term or provision of any Company Material Contract.

2.14 **Compliance; Permits; Restrictions**.

(a) The Company and each of its Subsidiaries are, and since January 1, 2017 have been, in compliance in all material respects with all applicable Laws, including the Federal Food, Drug, and Cosmetic Act ("***FDCA***"), the Food and Drug Administration ("***FDA***") regulations adopted thereunder, the Public Health Service Act and any other similar Law administered or promulgated by the FDA or other comparable Governmental Body responsible for regulation of the development, clinical testing, manufacturing, sale, marketing, distribution and importation or exportation of drug and biopharmaceutical products (each, a "***Drug Regulatory Agency***"), except for any noncompliance, either individually or in the aggregate, which would not be material to the Company or its Subsidiaries. No investigation, claim, suit, proceeding, audit or other action by any Governmental Body is pending or, to the Knowledge of the Company, threatened against the Company or any of its Subsidiaries. There is no agreement, judgment, injunction, order or decree binding upon the Company or any of its Subsidiaries which (i) has or would reasonably be expected to have the effect of prohibiting or materially impairing any business practice of the Company or any of its Subsidiaries, any acquisition of material property by the Company or any of its Subsidiaries or the conduct of business by the Company or any of its Subsidiaries as currently conducted, (ii) is reasonably likely to have an adverse effect on the Company's ability to comply with or perform any covenant or obligation under this Agreement, or (iii) is reasonably likely to have the effect of preventing, delaying, making illegal or otherwise interfering with the Contemplated Transactions.

(b) The Company and its Subsidiaries hold all required Governmental Authorizations which are material to the operation of the business of the Company and its Subsidiaries as currently conducted (the "***Company Permits***"). Section 2.14(b) of the Company Disclosure Schedule identifies each Company Permit. Each of the Company and its Subsidiaries is in material compliance with the terms of the Company Permits. No Legal Proceeding is pending or, to the Knowledge of the

Company, threatened, which seeks to revoke, limit, suspend, or materially modify any Company Permit. The rights and benefits of each Company Permit will be available to the Surviving Corporation or its Subsidiaries, as applicable, immediately after the Effective Time on terms substantially identical to those enjoyed by the Company and its Subsidiaries as of the date of this Agreement and immediately prior to the Effective Time.

(c) There are no proceedings pending or, to the Knowledge of the Company, threatened against the Company or its Subsidiaries with respect to an alleged material violation by the Company or any of its Subsidiaries of the FDCA, FDA regulations adopted thereunder, the Public Health Service Act or any other similar Law administered or promulgated by any Drug Regulatory Agency.

(d) All clinical, pre-clinical and other studies and tests conducted by or on behalf of, or sponsored by, the Company or its Subsidiaries, or in which the Company or its Subsidiaries or their respective current products or product candidates have participated, were and, if still pending, are being conducted in all material respects in accordance with standard medical and scientific research procedures and in compliance in all material respects with the applicable regulations of any applicable Drug Regulatory Agency and other applicable Law, as applicable, including 21 C.F.R. Parts 50, 54, 56, 58 and 312. No preclinical or clinical trial conducted by or on behalf of the Company or any of its Subsidiaries has been terminated or suspended prior to completion for safety or non-compliance reasons. Since January 1, 2017, neither the Company nor any of its Subsidiaries has received any notices, correspondence, or other communications from any Drug Regulatory Agency requiring, or to the Knowledge of the Company threatening to initiate, the termination or suspension of any clinical studies conducted by or on behalf of, or sponsored by, the Company or any of its Subsidiaries or in which the Company or any of its Subsidiaries or their respective current products or product candidates have participated.

(e) Neither the Company nor any of its Subsidiaries is the subject of any pending or, to the Knowledge of the Company, threatened investigation in respect of its business or products by the FDA pursuant to its "Fraud, Untrue Statements of Material Facts, Bribery, and Illegal Gratuities" Final Policy set forth in 56 Fed. Reg. 46191 (September 10, 1991) and any amendments thereto. To the Knowledge of the Company, neither the Company nor any of its Subsidiaries has committed any acts, made any statement, or failed to make any statement, in each case in respect of its business or products that would violate the FDA's "Fraud, Untrue Statements of Material Facts, Bribery, and Illegal Gratuities" Final Policy, and any amendments thereto. None of the Company, any of its Subsidiaries or any of their respective officers, employees or, to the Knowledge of the Company, agents has been convicted of any crime or engaged in any conduct that could result in a debarment or exclusion (i) under 21 U.S.C. Section 335a or (ii) any similar applicable Law. No debarment or exclusionary claims, actions, proceedings or investigations in respect of their business or products are pending or, to the Knowledge of the Company, threatened against the Company, any of its Subsidiaries or any of their respective officers, employees or, to the Knowledge of the Company, agents.

(f) The Company and its Subsidiaries have complied with all Laws relating to patient, medical or individual health information, including the Health Insurance Portability and Accountability Act of 1996 and its implementing regulations promulgated thereunder, all as amended from time to time (collectively "***HIPAA***"), including the standards for the privacy of Individually Identifiable Health Information at 45 C.F.R. Parts 160 and 164, Subparts A and E, the standards for the protection of Electronic Protected Health Information set forth at 45 C.F.R. Part 160 and 45 C.F.R. Part 164, Subpart A and Subpart C, the standards for transactions and code sets used in electronic transactions at 45 C.F.R. Part 160, Subpart A and Part 162, and the standards for Breach Notification for Unsecured Protected Health Information at 45 C.F.R. Part 164, Subpart D, all as amended from time to time. The Company and its Subsidiaries have

entered into, where required, and are in compliance in all material respects with the terms of all Business Associate (as defined in HIPAA) agreements ("***Business Associate Agreements***") to which the Company or a Subsidiary is a party or otherwise bound. The Company and its Subsidiaries have created and maintained written policies and procedures to protect the privacy of all protected health information, provide training to all employees and agents as required under HIPAA, and have implemented security procedures, including physical, technical and administrative safeguards, to protect all personal information and Protected Health Information stored or transmitted in electronic form. Neither the Company nor any of its Subsidiaries has received written notice from the Office for Civil Rights for the U.S. Department of Health and Human Services or any other Governmental Body of any allegation regarding its failure to comply with HIPAA or any other state law or regulation applicable to the protection of individually identifiable health information or personally identifiable information. No successful Security Incident, Breach of Unsecured Protected Health Information or breach of personally identifiable information under applicable state or federal laws have occurred with respect to information maintained or transmitted to the Company, any of its Subsidiaries or an agent or third party subject to a Business Associate Agreement with the Company or a Subsidiary of the Company. The Company is currently submitting, receiving and handling or is capable of submitting receiving and handling transactions in accordance with the Standard Transaction Rule. Each of Company and its Subsidiaries has materially complied with its requirements related to protection of Protected Health Information under its clinical trial agreements with health care provider Covered Entities that have participated in Company's or its Subsidiaries' clinical studies under such agreements. All capitalized terms in this *Section 2.14(f)* not otherwise defined in this Agreement shall have the meanings set forth under HIPAA.

2.15 **Legal Proceedings; Orders**.

(a) As of the date of this Agreement, there is no material pending Legal Proceeding and, to the Knowledge of the Company, no Person has threatened in writing to commence any Legal Proceeding: (i) that involves (A) the Company, (B) any of its Subsidiaries, (C) any Company Associate (in his or her capacity as such) or (D) any of the material assets owned or used by the Company or any of its Subsidiaries; or (ii) that challenges, or that would have the effect of preventing, delaying, making illegal or otherwise interfering with, the Contemplated Transactions.

(b) Since January 1, 2017 through the date of this Agreement, no Legal Proceeding has been pending against the Company or any of its Subsidiaries that resulted in material liability to the Company or any of its Subsidiaries.

(c) There is no order, writ, injunction, judgment or decree to which the Company or any of its Subsidiaries, or any of the material assets owned or used by the Company or any of its Subsidiaries, is subject. To the Knowledge of the Company, no officer of the Company or any of its Subsidiaries is subject to any order, writ, injunction, judgment or decree that prohibits such officer or employee from engaging in or continuing any conduct, activity or practice relating to the business of the Company or any of its Subsidiaries or to any material assets owned or used by the Company or any of its Subsidiaries.

2.16 **Tax Matters**.

(a) All income and other material Tax Returns required to have been filed by the Company or any Subsidiary have been timely filed (taking into account any extension of time within which to file) with the applicable Governmental Body. All such Tax Returns are correct and complete in all material respects and have been prepared in compliance with all applicable Law. No claim has ever been made by any Governmental Body in any jurisdiction where the Company or any of its Subsidiaries does not file a particular Tax Return or pay a particular Tax that the Company or any Subsidiary is subject to taxation by that jurisdiction.

(b) All material Taxes due and owing by the Company or any of its Subsidiaries (whether or not shown on any Tax Return) have been fully and timely paid. The unpaid Taxes of the Company and its Subsidiaries did not, as of the date of the Company Unaudited Interim Balance Sheet, exceed the reserve for Tax liability (excluding any reserve for deferred Taxes established to reflect timing differences between book and Tax items) set forth on the face of the Company Unaudited Interim Balance Sheet. Since the date of the Company Unaudited Interim Balance Sheet, neither the Company nor any of its Subsidiaries has incurred any material Liability for Taxes outside the Ordinary Course of Business.

(c) All material Taxes required to have been withheld, collected, or deposited by or with respect to the Company and each Subsidiary have been timely withheld, collected or deposited as the case may be, and to the extent required, have been paid to the relevant Governmental Body, and the Company and each Subsidiary has complied with all material Tax information reporting provisions of applicable Law.

(d) There are no Encumbrances for material Taxes (other than Permitted Encumbrances) upon any of the assets of the Company or any of its Subsidiaries.

(e) All deficiencies asserted, or assessments made, against the Company or any Subsidiary as a result of any examinations by any Governmental Body have been fully paid and there are no deficiencies for Taxes of the Company or any of its Subsidiaries claimed or proposed by any Governmental Body in writing. There are no pending or ongoing, and to the Knowledge of the Company, threatened audits, assessments or other actions for or relating to any liability in respect of Taxes of the Company or any of its Subsidiaries. Neither the Company nor any of its Subsidiaries (or any of their predecessors) has waived any statute of limitations in respect of any Taxes or agreed to any extension of time with respect to any Tax assessment or deficiency.

(f) Neither the Company nor any of its Subsidiaries has been a United States real property holding corporation within the meaning of Section 897(c)(2) of the Code during the applicable period specified in Section 897(c)(1)(A)(ii) of the Code.

(g) Neither the Company nor any of its Subsidiaries is a party to any Tax allocation agreement, Tax sharing agreement, Tax indemnity agreement, or other similar agreement or arrangement, other than customary commercial contracts entered into in the Ordinary Course of Business the principal subject matter of which is not Taxes.

(h) Neither the Company nor any of its Subsidiaries has ever been a member of a consolidated, combined or unitary Tax group (other than such a group the common parent of which is the Company). Neither the Company nor any of its Subsidiaries has any Liability for Taxes of any Person (other than the Company and any of its Subsidiaries) under Treasury Regulations Section 1.1502-6 (or any similar provision of state, local, or non-U.S. Law), or as a transferee or successor or by contract (other than customary commercial contracts entered into in the Ordinary Course of Business the principal subject matter of which is not Taxes).

(i) Neither the Company nor any of its Subsidiaries has distributed stock of another Person, or had its stock distributed by another Person, in a transaction that was purported or intended to be governed in whole or in part by Section 355 of the Code or Section 361 of the Code (or any similar provisions of state, local or non-U.S. Law).

(j) Neither the Company nor any of its Subsidiaries has participated in or been a party to a transaction that, as of the date of this Agreement, constitutes a "listed transaction" that is required to be reported to the IRS pursuant to Section 6011 of the Code and applicable Treasury Regulations thereunder.

For purposes of this *Section 2.16*, each reference to the Company or any of its Subsidiaries shall be deemed to include any Person that was liquidated into, merged with, or is otherwise a predecessor to, the Company or any Subsidiary, as applicable.

2.17 **Employee and Labor Matters; Benefit Plans**.

(a) Section 2.17(a) of the Company Disclosure Schedule is a list of all material Company Benefit Plans. "***Company Benefit Plan***" means each (i) "employee benefit plan" as defined in Section 3(3) of ERISA, whether or not subject to ERISA, and (ii) other pension, retirement, deferred compensation, excess benefit, profit sharing, bonus, incentive, equity or equity-based, phantom equity, employment agreement or offer letter (other than at-will employment agreements or offer letters on the Company's standard forms, in which case only representative standard forms of such employment agreements or offer letters shall be scheduled), consulting, severance, change-of-control, retention, health, life, disability, group insurance, paid-time off, holiday, welfare and fringe benefit plan, program, agreement, contract, or arrangement (whether written or unwritten, qualified or nonqualified, funded or unfunded and including any that have been frozen), in any case, maintained, contributed to, or required to be contributed to, by the Company or any of its Subsidiaries or for the benefit of any current or former employee, director, officer or independent contractor of the Company or any of its Subsidiaries or under which the Company or any of its Subsidiaries has any actual or contingent liability (including, without limitation, as the result of it being treated as a single employer under ERISA Section 4001(b) or Code Section 414 with any other person).

(b) As applicable with respect to each Company Benefit Plan listed on Section 2.17(a) of the Company Disclosure Schedule, the Company has made available to Parent, true and complete copies of (i) each Company Benefit Plan, including all amendments thereto, and in the case of an unwritten Company Benefit Plan, a written description thereof, (ii) all current trust documents, investment management contracts, custodial agreements, administrative services agreements and insurance and annuity contracts relating thereto, (iii) the current summary plan description and each summary of material modifications thereto, (iv) the most recently filed annual reports with any Governmental Body (*e.g.*, Form 5500 and all schedules thereto), (v) the most recent IRS determination, opinion or advisory letter, (vi) the most recent summary annual reports, and the nondiscrimination testing reports, actuarial reports, financial statements and trustee reports for the two most recently completed plan years, (vii) all records, notices and filings concerning IRS or Department of Labor or other Governmental Body audits or investigations prepared or received in the most recent six years, (viii) all current policies and procedures established to comply with the privacy and security rules of HIPAA, and (ix) any written reports constituting a valuation of the Company's capital stock for purposes of Sections 409A or 422 of the Code prepared in the last six years, whether prepared internally by the Company or by an outside, third-party valuation firm.

(c) Each Company Benefit Plan has been maintained, operated and administered in compliance in all material respects with its terms and any related documents or agreements and the applicable provisions of ERISA, the Code and all other Laws.

(d) The Company Benefit Plans which are "employee pension benefit plans" within the meaning of Section 3(2) of ERISA and which are intended to meet the qualification requirements of Section 401(a) of the Code have received determination letters or, in the case of preapproved plans, the underlying plan documents have received favorable advisory or opinion letters from the IRS on which they may currently rely, to the effect that such plans are qualified under Section 401(a) of the Code and the related trusts are exempt from federal income Taxes under Section 501(a) of the Code, respectively, and to the Knowledge of the Company, nothing has occurred that would reasonably be expected to materially adversely affect the qualification of such Company Benefit Plan or the tax exempt status of the related trust.

(e) None of the Company, any of its Subsidiaries and any Company ERISA Affiliate maintains, contributes to, is required to contribute to, or has any actual or contingent liability with respect to, (i) any "employee pension benefit plan" (within the meaning of Section 3(2) of ERISA) that is subject to Title IV or Section 302 of ERISA or Section 412 of the Code, (ii) any "multiemployer plan" (within the meaning of Section 3(37) of ERISA), or (iii) any "multiple employer plan" (within the meaning of Section 413 of the Code). Neither the Company nor any of its Subsidiaries maintains, contributes to, is required to contribute to, or has any actual or contingent liability with respect to, any "multiple employer welfare arrangement" (within the meaning of Section 3(40) of ERISA).

(f) There are no pending or, to the Knowledge of the Company, threatened audits or investigations by any Governmental Body involving any Company Benefit Plan, and no pending or, to the Knowledge of the Company, threatened claims (except for individual claims for benefits payable in the normal operation of the Company Benefit Plans), suits or proceedings involving any Company Benefit Plan, any fiduciary thereof or service provider thereto (in such Person's capacity as fiduciary thereof or service provider thereto), in any case except as would not be reasonably expected to result in material liability to the Company or any of its Subsidiaries. All contributions and premium payments required to have been made under any of the Company Benefit Plans or by applicable Law (without regard to any waivers granted under Section 412 of the Code), have been made in all material respects and neither the Company nor any Company ERISA Affiliate has any material liability for any unpaid contributions with respect to any Company Benefit Plan.

(g) None of the Company or any of its Subsidiaries, nor to the Knowledge of the Company, any fiduciary, trustee or administrator of any Company Benefit Plan (in such Person's capacity as fiduciary, trustee or administrator thereof), has engaged in, nor are the Contemplated Transactions reasonably expected to result in, any transaction with respect to any Company Benefit Plan which would subject the Company, any Subsidiary of the Company, or Parent or any Affiliate of Parent to a material Tax, material penalty or material liability for a non-exempt "prohibited transaction" under Section 406 of ERISA or Section 4975 of the Code.

(h) No Company Benefit Plan provides death, medical, dental, vision, life insurance or other welfare benefits beyond termination of service or retirement other than coverage mandated by Law.

(i) Neither the execution of, nor the performance of the Contemplated Transactions will either alone or in connection with any other event(s) (i) result in any payment becoming due to any current or former employee, director, officer, or independent contractor of the Company or any of its Subsidiaries, (ii) increase any amount of compensation or benefits otherwise payable under any Company Benefit Plan, (iii) result in the acceleration of the time of payment, funding or vesting of any benefits under any Company Benefit Plan, (iv) require any contribution or payment to fund any obligation under any Company Benefit Plan or (v) limit the right to merge, amend or terminate any Company Benefit Plan.

(j) Neither the execution of, nor the consummation of the Contemplated Transactions (either alone or when combined with the occurrence of any other event, including without limitation, a termination of employment) will result in the receipt or retention by any person who is a "disqualified individual" (within the meaning of Code Section 280G) with respect to the Company and its Subsidiaries of any payment or benefit that is or could be characterized as a "parachute payment" (within the meaning of Code Section 280G), determined without regard to the application of Code Section 280G(b)(5).

(k) The exercise price of each Company Option is not and never has been less than the fair market value of one share of Company Common Stock as of the grant date of such Company

Option, as determined in a manner consistent with Section 409A of the Code and regulations thereunder.

(l) Each Company Benefit Plan providing for deferred compensation that constitutes a "nonqualified deferred compensation plan" (as defined in Section 409A(d)(1) of the Code and the regulations promulgated thereunder) is, and has been, established, administered and maintained in compliance with the requirements of Section 409A of the Code and the regulations promulgated thereunder in all material respects.

(m) No current or former employee, officer, director or independent contractor of the Company or any of its Subsidiaries has any "gross up" agreements with the Company or any of its Subsidiaries other assurance of reimbursement by the Company or any of its Subsidiaries for any Taxes imposed under Code Section 409A or Code Section 4999.

(n) No Company Benefit Plan is maintained outside of the United States.

(o) The Company has provided to Parent a true and correct list, as of the date of this Agreement, containing the names of all full-time, part-time or temporary employees and independent contractors (and indication as such), and, as applicable: (i) the annual dollar amount of base or other fixed compensation and director's fees, and the target bonus, payable to each person; (ii) dates of employment or service; (iii) title; (iv) whether the individual has any eligibility to receive severance, retention payment, change of control payment, or other similar compensation, other than through a broad-based plan that is generally available to similarly situated employees; (v) visa status, if applicable; and (vi) with respect to employees, a designation of whether they are classified as exempt or non-exempt for purposes of the Fair Labor Standards Act, as amended ("***FLSA***") and any similar state law.

(p) Neither the Company nor any of its Subsidiaries has ever been a party to, bound by, or has a duty to bargain under, any collective bargaining agreement or other Contract with a labor union, labor organization, or similar Person representing any of its employees, and there is no labor union, labor organization, or similar Person representing or, to the Knowledge of the Company, purporting to represent or seeking to represent any employees of the Company or its Subsidiaries, including through the filing of a petition for representation election. There is not and has not been in the past three years, nor is there or has there been in the past three years any threat of, any strike, slowdown, work stoppage, lockout, union election petition, demand for recognition, or any similar activity or dispute, or, to the Knowledge of the Company, any union organizing activity, against the Company or any of its Subsidiaries. No event has occurred, and no condition or circumstance exists, that might directly or indirectly be likely to give rise to or provide a basis for the commencement of any such strike, slowdown, work stoppage, lockout, union election petition, demand for recognition, any similar activity or dispute, or, to the Knowledge of the Company, any union organizing activity.

(q) The Company and each of its Subsidiaries is, and since January 1, 2017 has been, in material compliance with all applicable Laws respecting labor, employment, employment practices, and terms and conditions of employment, including worker classification, discrimination, harassment and retaliation, equal employment opportunities, fair employment practices, meal and rest periods, immigration, employee safety and health, payment of wages (including overtime wages), unemployment and workers' compensation, leaves of absence, and hours of work. Except as would not be reasonably likely to result in a material liability to the Company or any of its Subsidiaries, with respect to employees of the Company and its Subsidiaries, each of the Company and its Subsidiaries, since January 1, 2017: (i) has withheld and reported all amounts required by Law or by agreement to be withheld and reported with respect to wages, salaries and other payments, benefits, or compensation to employees, (ii) is not liable for any arrears of wages (including overtime wages), severance pay or any Taxes or any penalty for failure to comply with

any of the foregoing, and (iii) is not liable for any payment to any trust or other fund governed by or maintained by or on behalf of any Governmental Body, with respect to unemployment compensation benefits, disability, social security or other benefits or obligations for employees (other than routine payments to be made in the Ordinary Course of Business). There are no actions, suits, claims, charges, lawsuits, investigations, audits or administrative matters pending or, to the Knowledge of the Company, threatened or reasonably anticipated against the Company or any of its Subsidiaries relating to any employee, applicant for employment, consultant, employment agreement or Company Benefit Plan (other than routine claims for benefits).

(r) Except as would not be reasonably likely to result in a material liability to the Company or any of its Subsidiaries, with respect to each individual who currently renders services to the Company or any of its Subsidiaries, the Company and each of its Subsidiaries has accurately classified each such individual as an employee, independent contractor, or otherwise under all applicable Laws and, for each individual classified as an employee, the Company and each of its Subsidiaries has accurately classified him or her as exempt or non-exempt under all applicable Laws. Neither the Company nor any of its Subsidiaries has any material liability with respect to any misclassification of: (a) any Person as an independent contractor rather than as an employee, (b) any employee leased from another employer, or (c) any employee currently or formerly classified as exempt under all applicable Laws.

(s) Within the preceding five (5) years, the Company has not implemented any "plant closing" or "mass layoff" of employees that would reasonably be expected to require notification under the WARN Act or any similar state or local Law, no such "plant closing" or "mass layoff" will be implemented before the Closing Date without advance notification to and approval of Parent, and there has been no "employment loss" as defined by the WARN Act within the ninety (90) days prior to the Closing Date.

(t) There is no Legal Proceeding, claim, unfair labor practice charge or complaint, labor dispute or grievance pending or, to the Knowledge of the Company, threatened against the Company or any of its Subsidiaries relating to labor, employment, employment practices, or terms and conditions of employment.

2.18 **Environmental Matters**. The Company and each of its Subsidiaries are in compliance with and since January 1, 2017 have complied with all applicable Environmental Laws, which compliance includes the possession by the Company of all permits and other Governmental Authorizations required under applicable Environmental Laws and compliance with the terms and conditions thereof, except for any failure to be in such compliance that, either individually or in the aggregate, would not reasonably be expected to have a Company Material Adverse Effect. Neither the Company nor any of its Subsidiaries has received since January 1, 2017 (or prior to that time, which is pending and unresolved), any written notice or other communication (in writing or otherwise), whether from a Governmental Body or other Person, that alleges that the Company or any of its Subsidiaries is not in compliance with or has liability pursuant to any Environmental Law and, to the Knowledge of the Company, there are no circumstances that would reasonably be expected to prevent or interfere with the Company's or any of its Subsidiaries' compliance in any material respects with any Environmental Law, except where such failure to comply would not reasonably be expected to have a Company Material Adverse Effect. No current or (during the time a prior property was leased or controlled by the Company or any of its Subsidiaries) prior property leased or controlled by the Company or any of its Subsidiaries has had a release of or exposure to Hazardous Materials in violation of Environmental Law, except as would not reasonably be expected to have a Company Material Adverse Effect. Prior to the date hereof, the Company has provided or otherwise made available to Parent true and correct copies of all material environmental reports, assessments, studies and audits in the possession or control of the Company or any of its Subsidiaries with respect to any property leased or controlled by the Company or any of its Subsidiaries or any business operated by them.

2.19 **Insurance**. The Company has delivered or made available to Parent accurate and complete copies of all material insurance policies and all material self-insurance programs and arrangements relating to the business, assets, liabilities and operations of the Company and each of its Subsidiaries. Each of such insurance policies is in full force and effect and the Company and each of its Subsidiaries are in compliance in all material respects with the terms thereof. Other than customary end of policy notifications from insurance carriers, since January 1, 2017 through the date of this Agreement, neither the Company nor any of its Subsidiaries has received any notice or other communication regarding any actual or possible: (i) cancellation or invalidation of any insurance policy; or (ii) refusal or denial of any coverage, reservation of rights or rejection of any material claim under any insurance policy. The Company and each of its Subsidiaries have provided timely written notice to the appropriate insurance carrier(s) of each Legal Proceeding that is currently pending against the Company or any of its Subsidiaries for which the Company or such Subsidiary has insurance coverage, and no such carrier has issued a denial of coverage or a reservation of rights with respect to any such Legal Proceeding, or informed the Company or any of its Subsidiaries of its intent to do so.

2.20 **No Financial Advisors**. Other than Ladenburg Thalmann & Co. Inc., no broker, finder or investment banker is entitled to any brokerage fee, finder's fee, opinion fee, success fee, transaction fee or other fee or commission in connection with the Contemplated Transactions based upon arrangements made by or on behalf of the Company or any of its Subsidiaries.

2.21 **Disclosure**. The information supplied by the Company and each of its Subsidiaries for inclusion in the Registration Statement and the Proxy Statement/Prospectus (including any of the Company Audited Financial Statements or the Company Interim Financial Statements) will not, as of the effective date of the Registration Statement, the date of the Proxy Statement/Prospectus, or the date that the Proxy Statement/Prospectus is first mailed to Parent stockholders or Company stockholders, (i) contain any statement that is inaccurate or misleading with respect to any material facts, or (ii) omit to state any material fact necessary in order to make such information, in light of the circumstances under which such information will be provided, not false or misleading.

2.22 **Transactions with Affiliates**.

(a) There has been no material transactions or relationships, since January 1, 2017, between, on the one hand, the Company or any of its Subsidiaries and, on the other hand, any (A) executive officer or director of the Company or, to the Knowledge of the Company, any of its Subsidiaries or any of such executive officer's or director's immediate family members, (B) owner of more than 5% of the voting power of the outstanding Company Capital Stock or (C) to the Knowledge of the Company, any "related person" (within the meaning of Item 404 of Regulation S-K under the Securities Act) of any such officer, director or owner (other than the Company or its Subsidiaries) in the case of each of (A), (B) or (C) that is of the type that would be required to be disclosed under Item 404 of Regulation S-K under the Securities Act.

(b) Section 2.22(b) of the Company Disclosure Schedule lists each stockholders agreement, voting agreement, registration rights agreement, co-sale agreement or other similar Contract between the Company and any holders of Company Capital Stock, including any such Contract granting any Person investor rights, rights of first refusal, rights of first offer, registration rights, director designation rights or similar rights (collectively, the "***Investor Agreements***").

2.23 **Anti-Bribery**. None of the Company or any of its Subsidiaries or any of their respective directors, officers, employees or, to the Company's Knowledge, agents or any other Person acting on their behalf has directly or indirectly made any bribes, rebates, payoffs, influence payments, kickbacks, illegal payments, illegal political contributions, or other payments, in the form of cash, gifts, or otherwise, or taken any other action, in violation of the Foreign Corrupt Practices Act of 1977, or any other anti-bribery or anti-corruption Law (collectively, the "***Anti-Bribery Laws***"). Neither the Company nor any of its Subsidiaries has been the subject of any investigation or inquiry by any Governmental Body with respect to potential violations of Anti-Bribery Laws.

Section 3. REPRESENTATIONS AND WARRANTIES OF PARENT AND PROTEON MERGER SUB

Subject to *Section 10.14(h)*, except (a) as set forth in the written disclosure schedule delivered by Parent to the Company (the "***Parent Disclosure Schedule***") or (b) as disclosed in the Parent SEC Documents filed with the SEC prior to the date hereof and publicly available on the SEC's Electronic Data Gathering Analysis and Retrieval system (but (i) without giving effect to any amendment thereof filed with, or furnished to the SEC on or after the date hereof and (ii) excluding any disclosures contained under the heading "Risk Factors" or any disclosure of risks included in any "forward-looking statements" disclaimer or in any other section to the extent they are forward-looking statements or cautionary, predictive or forward-looking in nature), it being understood that any matter disclosed in the Parent SEC Documents (x) shall not be deemed disclosed for the purposes of *Section 3.1*, *Section 3.2*, *Section 3.3*, *Section 3.4*, *Section 3.5* or *Section 3.6* and (y) shall be deemed to be disclosed in a section of the Parent Disclosure Schedule only to the extent that it is readily apparent from a reading of such Parent SEC Document that it is applicable to such section of the Parent Disclosure Schedule, Parent and Proteon Merger Sub represent and warrant to the Company as follows:

3.1 **Due Organization; Subsidiaries**.

(a) Each of Parent and Proteon Merger Sub is a corporation duly incorporated, validly existing and in good standing under the Laws of the State of Delaware, and has all necessary corporate power and authority: (i) to conduct its business in the manner in which its business is currently being conducted; (ii) to own or lease and use its property and assets in the manner in which its property and assets are currently owned or leased and used; and (iii) to perform its obligations under all Contracts by which each is bound, except, in each case, where the failure to have such power or authority would not reasonably be expected to prevent or materially delay the ability of Parent and Proteon Merger Sub to consummate the Contemplated Transactions. Since the date of its incorporation, Proteon Merger Sub has not engaged in any activities other than activities incident to its formation or in connection with or as contemplated by this Agreement. Parent is duly licensed and qualified to do business, and is in good standing (to the extent applicable in such jurisdiction), under the Laws of all jurisdictions where the nature of its business requires such licensing or qualification other than in jurisdictions where the failure to be so qualified individually or in the aggregate would not be reasonably expected to have a Parent Material Adverse Effect.

(b) As of the date of this Agreement, Parent has no Subsidiaries; and neither Parent nor any of its Subsidiaries owns any capital stock of, or any equity, ownership or profit sharing interest of any nature in, or controls directly or indirectly, any other Entity other than any Entity that is a Subsidiary of Parent. Each of Parent's Subsidiaries is a corporation or other legal entity duly organized, validly existing and, if applicable, in good standing under the Laws of the jurisdiction of its organization and has all necessary corporate or other power and authority to conduct its business in the manner in which its business is currently being conducted and to own or lease and use its property and assets in the manner in which its property and assets are currently owned or leased and used, except where the failure to have such power or authority would not be reasonably expected to have a Parent Material Adverse Effect.

(c) Neither Parent nor any of its Subsidiaries is or has otherwise been, directly or indirectly, a party to, member of or participant in any partnership, joint venture or similar business entity. Neither Parent nor any of its Subsidiaries has agreed or is obligated to make, or is bound by any Contract under which it may become obligated to make, any future investment in or capital contribution to any other Entity. Neither Parent nor any of its Subsidiaries has, at any time, been a general partner of, or has otherwise been liable for any of the debts or other obligations of, any general partnership, limited partnership or other Entity.

3.2 **Organizational Documents**. Parent has made available to the Company accurate and complete copies of the Organizational Documents of Parent and each of its Subsidiaries in effect as of the date of this Agreement. Neither Parent nor any of its Subsidiaries is in material breach or violation of its respective Organizational Documents.

3.3 **Authority; Binding Nature of Agreement**.

(a) Each of Parent and Proteon Merger Sub has all necessary corporate power and authority to enter into this Agreement and, subject, with respect to Parent, to receipt of the Required Parent Stockholder Vote and, with respect to Proteon Merger Sub, the adoption of this Agreement by Parent in its capacity as sole stockholder of Proteon Merger Sub, to perform its obligations hereunder and to consummate the Contemplated Transactions. The Parent Board (at meetings duly called and held or by unanimous written consent in lieu of a meeting) has: (i) determined that the Contemplated Transactions are advisable and fair to, and in the best interests of, Parent and its stockholders; (ii) authorized, approved and declared advisable this Agreement and the Contemplated Transactions, including the Parent Series A Preferred Automatic Conversion, the Nasdaq Reverse Split, the Private Placement, the issuance of shares of Parent Capital Stock to the stockholders of the Company pursuant to the terms of this Agreement and in connection with the Private Placement and the treatment of the Company Options pursuant to this Agreement; (iii) determined to recommend, upon the terms and subject to the conditions set forth in this Agreement, that the holders of Parent Series A Preferred Stock vote or consent to approve the Parent Series A Preferred Stockholder Matters; and (iv) determined to recommend, upon the terms and subject to the conditions set forth in this Agreement, that the holders of Parent Common Stock vote to approve the Parent Common Stockholder Matters. The Proteon Merger Sub Board (by unanimous written consent) has: (A) determined that the Contemplated Transactions are advisable and fair to, and in the best interests of, Proteon Merger Sub and its sole stockholder; (B) authorized, approved and declared advisable this Agreement and the Contemplated Transactions; and (C) determined to recommend, upon the terms and subject to the conditions set forth in this Agreement, that the stockholder of Proteon Merger Sub vote to adopt this Agreement and thereby approve the Contemplated Transactions.

(b) This Agreement has been duly executed and delivered by each of Parent and Proteon Merger Sub and, assuming the due authorization, execution and delivery by the Company, constitutes the legal, valid and binding obligation of Parent and Proteon Merger Sub, enforceable against each of Parent and Proteon Merger Sub in accordance with its terms, subject to the Enforceability Exceptions. Prior to the execution of the Parent Stockholder Support Agreements, the Parent Board approved the Parent Stockholder Support Agreements and the transactions contemplated thereby.

3.4 **Vote Required**. (a) The affirmative vote (or written consent) of the holders of at least seventy-seven percent (77%) of the outstanding shares of Parent Series A Preferred Stock, voting as a separate class, and the affirmative vote of the holders of a majority of the outstanding shares of Parent Common Stock, voting as a separate class, are the only votes of the holders of any class or series of Parent's capital stock necessary to effect the Parent Series A Preferred Automatic Conversion, immediately following the consummation of the Private Placement, effected by the Parent Pre-Effective Time Charter Amendment with the Secretary of State of the State of Delaware filed immediately prior to the Effective Time, (b) the affirmative vote of the holders of a majority of the outstanding shares of Parent Common Stock, voting as a separate class, is the only vote of the holders of any class or series of Parent's capital stock necessary to approve the proposals in *Sections 5.3(a)(i)* and *5.3(a)(iv)*, and (c) the affirmative vote of a majority of the votes cast at the Parent Stockholders' Meeting is the only vote of the holders of any class or series of Parent's capital stock necessary to approve the proposals in *Section 5.3(a)(ii)* (the "***Required Parent Stockholder Vote***").

3.5 **Non-Contravention; Consents**. Subject to obtaining the Required Parent Stockholder Vote and the filing of the Certificate of Merger required by the DGCL, neither (x) the execution, delivery or performance of this Agreement by Parent or Proteon Merger Sub, nor (y) the consummation of the Contemplated Transactions, will directly or indirectly (with or without notice or lapse of time):

(a) contravene, conflict with or result in a violation of any of the provisions of the Organizational Documents of Parent or Proteon Merger Sub;

(b) contravene, conflict with or result in a material violation of, or, to the Knowledge of Parent, give any Governmental Body or other Person the right to challenge the Contemplated Transactions or to exercise any material remedy or obtain any material relief under, any Law or any order, writ, injunction, judgment or decree to which Parent or its Subsidiaries, or any of the assets owned or used by Parent or its Subsidiaries, is subject, except as would not reasonably be expected to be material to Parent or its business;

(c) contravene, conflict with or result in a violation of any of the terms or requirements of, or give any Governmental Body the right to revoke, withdraw, suspend, cancel, terminate or modify, any Governmental Authorization that is held by Parent or its Subsidiaries except as would not reasonably be expected to be material to Parent or its business;

(d) contravene, conflict with or result in a violation or breach of, or result in a default under, any provision of any Parent Material Contract, or give any Person the right to: (i) declare a default or exercise any remedy under any Parent Material Contract; (ii) demand any material payment, rebate, chargeback, penalty or change in delivery schedule under any Parent Material Contract; (iii) accelerate the maturity or performance of any Parent Material Contract; or (iv) cancel, terminate or modify any term of any Parent Material Contract, except in the case of any non-material breach, default, penalty or modification; or

(e) result in the imposition or creation of any Encumbrance upon or with respect to any material asset owned or used by Parent or its Subsidiaries (except for Permitted Encumbrances).

Except for (i) the Required Parent Stockholder Vote, (ii) the Parent Pre-Effective Time Charter Amendment, (iii) the filing of the Certificate of Merger with the Secretary of State of the State of Delaware pursuant to the DGCL, and (iv) such consents, waivers, approvals, orders, authorizations, registrations, declarations and filings as may be required under applicable federal and state securities Laws, neither Parent nor any of its Subsidiaries is or will be required to make any filing with or give any notice to, or to obtain any Consent from, any Governmental Body in connection with (A) the execution, delivery or performance of this Agreement, the Parent Stockholder Support Agreements, and the Parent Lock-up Agreements or (B) the consummation of the Contemplated Transactions, which if individually or in the aggregate were not given or obtained, would reasonably be expected to prevent or materially delay the ability of Parent and Proteon Merger Sub to consummate the Contemplated Transactions. The Parent Board and the Proteon Merger Sub Board have taken and will take all actions necessary to ensure that the restrictions applicable to business combinations contained in Section 203 of the DGCL are, and will be, inapplicable to the execution, delivery and performance of this Agreement, the Parent Stockholder Support Agreements, the Parent Lock-Up Agreements and to the consummation of the Contemplated Transactions. No other state takeover statute or similar Law applies or purports to apply to the Merger, this Agreement, the Parent Stockholder Support Agreements, the Parent Lock-Up Agreements or any of the other Contemplated Transactions.

3.6 **Capitalization**.

(a) The authorized capital stock of Parent as of the date of this Agreement consists of (i) 100,000,000 shares of Parent Common Stock, par value $0.001 per share, of which 19,585,394 shares have been issued and are outstanding as of the close of business on the Reference Date, and (ii) 10,000,000 shares of preferred stock of Parent, par value $0.001 per share, of which 21,660

shares have been designated Parent Series A Preferred Stock and have been issued and are outstanding as of the close of business on the Reference Date and 21,771,032 shares of Parent Common Stock were reserved for future issuance upon the conversion of such outstanding shares of Parent Series A Preferred Stock. Parent does not hold any shares of its capital stock in its treasury.

(b) All of the outstanding shares of Parent Common Stock have been duly authorized and validly issued, and are fully paid and nonassessable. None of the outstanding shares of Parent Common Stock is entitled or subject to any preemptive right, right of participation, right of maintenance or any similar right and none of the outstanding shares of Parent Common Stock is subject to any right of first refusal in favor of Parent. Except as contemplated herein, there is no Parent Contract or, to Parent's Knowledge, any other Contract, relating to the voting or registration of, or restricting any Person from purchasing, selling, pledging or otherwise disposing of (or granting any option or similar right with respect to), any shares of Parent Common Stock. Parent is not under any obligation, nor is it bound by any Contract pursuant to which it may become obligated, to repurchase, redeem or otherwise acquire any outstanding shares of Parent Common Stock or other securities. There are no repurchase or forfeiture rights with respect to shares of Parent Common Stock (including shares issued pursuant to the exercise of stock options).

(c) Except for the Parent Stock Plans, Parent does not have any stock option plan or any other plan, program, agreement or arrangement providing for any equity-based compensation for any Person. As of the close of business on the Reference Date, 2,298,697 shares have been reserved for issuance upon exercise of Parent Options granted under the Parent Stock Plans that are outstanding as of the date of this Agreement, and 3,637,638 shares remain available for future issuance pursuant to the Parent Stock Plans. Section 3.6(c) of the Parent Disclosure Schedule sets forth the following information with respect to each Parent Option outstanding as of the date of this Agreement: (i) the name of the holder; (ii) the number of shares of Parent Common Stock subject to such Parent Option at the time of grant; (iii) the number of shares of Parent Common Stock subject to such Parent Option as of the date of this Agreement; (iv) the exercise price of such Parent Option; (v) the date on which such Parent Option was granted; (vi) the applicable vesting schedule, including the number of vested and unvested shares as of the date of this Agreement and any acceleration provisions; (vii) the date on which such Parent Option expires (and whether there has been any extension of such expiration date or any other provisions or agreements that may result in an extension of the expiration date of such Parent Option beyond the date(s) provided in the form of stock option agreement provided to the Company); and (viii) whether such Parent Option is intended to constitute an "incentive stock option" (as defined in the Code) or a non-qualified stock option. Parent has made available to the Company accurate and complete copies of the Parent Stock Plans and all forms of the stock option and other award agreements evidencing outstanding awards granted thereunder.

(d) Except for the Parent Series A Preferred Stock, the Parent Stock Plans, and the Parent Options, there is no: (i) outstanding subscription, option, call, warrant or right (whether or not currently exercisable) to acquire any shares of the capital stock or other securities of Parent or any of its Subsidiaries; (ii) outstanding security, instrument or obligation that is or may become convertible into or exchangeable for any shares of the capital stock or other securities of Parent or any of its Subsidiaries; or (iii) to the Parent's Knowledge, condition or circumstance that is reasonably likely to give rise to or provide a basis for the assertion of a claim by any Person to the effect that such Person is entitled to acquire or receive any shares of capital stock or other securities of Parent or any of its Subsidiaries. There are no outstanding or authorized (x) stock appreciation, phantom stock, profit participation or other similar rights with respect to Parent or any of its Subsidiaries, stockholder rights plans (or similar plan commonly referred to as a "poison pill") or Contracts under which Parent or any of its Subsidiaries is or may become obligated to sell

or otherwise issue any shares of its capital stock or any other securities, or (y) bonds, debentures, notes or other indebtedness of Parent having the right to vote (or convertible into, or exchangeable for, securities having the right to vote) on any matters on which stockholders of Parent may vote.

(e) All outstanding shares of Parent Series A Preferred Stock, Parent Common Stock, Parent Options and other securities of Parent have been issued and granted in material compliance with (i) all applicable securities Laws and other applicable Law, (ii) all requirements set forth in applicable Contracts, and (iii) if applicable, the Parent Stock Plans.

3.7 **SEC Filings; Financial Statements**.

(a) Except as set forth in Section 3.7(a) of the Parent Disclosure Schedule, since January 1, 2017, Parent has filed or furnished (as applicable) on a timely basis all forms, reports and documents (including all exhibits, schedules and annexes thereto) required to be filed with or furnished to the SEC under applicable Laws, including any amendments or supplements thereto (collectively, together with all documents filed on a voluntary basis on Form 8-K and together with all documents and information incorporated by reference therein, the "***Parent SEC Documents***"). Parent has delivered or made available to the Company accurate and complete copies of all Parent SEC Documents, other than such documents that can be obtained on the SEC's website at www.sec.gov. As of the time it was filed with the SEC (or, if amended or superseded by a filing prior to the date of this Agreement, then on the date of such filing), each of the Parent SEC Documents complied in all material respects with the applicable requirements of the Securities Act or the Exchange Act (as the case may be) and, as of the time they were filed, none of the Parent SEC Documents contained any untrue statement of a material fact or omitted to state a material fact required to be stated therein or necessary in order to make the statements therein, in light of the circumstances under which they were made, not misleading. The certifications and statements required by (i) Rule 13a-14 under the Exchange Act and (ii) 18 U.S.C. §1350 (Section 906 of the Sarbanes-Oxley Act) relating to the Parent SEC Documents (collectively, the "***Certifications***") are accurate and complete and comply as to form and content with all applicable Laws, and no current or former executive officer of Parent has failed to make the Certifications required of him or her. Parent has made available to the Company true and complete copies of all correspondence, other than transmittal correspondence, between the SEC, on the one hand, and Parent, on the other, since January 1, 2017, including all SEC comment letters and responses to such comment letters and responses to such comment letters by or on behalf of Parent. As used in this *Section 3.7*, the term "file" and variations thereof shall be broadly construed to include any manner in which a document or information is furnished, supplied or otherwise made available to the SEC. From the time of the initial filing of Parent's registration statement on Form S-1 with the SEC, Parent has been and is an "emerging growth company," as defined in Section 2(a) of the Securities Act, as modified by the Jumpstart our Business Startups Act of 2012. As of the date hereof, there are no outstanding or unresolved comments in any comment letters of the staff of the SEC relating to the Parent SEC Documents and none of the Parent SEC Documents is, to the knowledge of Parent, the subject of ongoing SEC review and there are no inquiries or investigations by the SEC or any internal investigations pending or threatened, including with regards to any accounting practices of Parent.

(b) The financial statements (including any related notes) contained or incorporated by reference in the Parent SEC Documents: (i) complied as to form in all material respects with the published rules and regulations of the SEC applicable thereto; (ii) were prepared in accordance with GAAP (except as may be indicated in the notes to such financial statements or, in the case of unaudited financial statements, except as permitted by Form 10-K of the SEC, and except that the unaudited financial statements may not contain footnotes and are subject to normal and recurring year-end adjustments that are not reasonably expected to be material in amount) applied on a consistent basis unless otherwise noted therein throughout the periods indicated; and (iii) fairly

present, in all material respects, the financial position of Parent and its consolidated Subsidiaries as of the respective dates thereof and the results of operations and cash flows of Parent and its consolidated Subsidiaries for the periods covered thereby. Other than as expressly disclosed in the Parent SEC Documents filed prior to the date hereof, there has been no material change in Parent's accounting methods or principles that would be required to be disclosed in Parent's financial statements in accordance with GAAP. The books of account and other financial records of Parent and its consolidated Subsidiaries are true and complete in all material respects.

(c) Parent's independent registered accounting firm has at all times since the date Parent became subject to the applicable provisions of the Sarbanes-Oxley Act been: (i) a registered public accounting firm (as defined in Section 2(a)(12) of the Sarbanes-Oxley Act); (ii) to the Knowledge of Parent, "Independent" with respect to Parent within the meaning of Regulation S-X under the Exchange Act; and (iii) to the Knowledge of Parent, in compliance with subsections (g) through (l) of Section 10A of the Exchange Act and the rules and regulations promulgated by the SEC and the Public Company Accounting Oversight Board thereunder.

(d) Since January 1, 2017 through the date of this Agreement, Parent has not received any comment letter from the SEC or the staff thereof or any correspondence from officials of Nasdaq or the staff thereof relating to the delisting or maintenance of listing of the Parent Common Stock on Nasdaq. Parent has not disclosed any unresolved comments in the Parent SEC Documents.

(e) Since January 1, 2017, there have been no formal investigations regarding financial reporting or accounting policies and practices discussed with, reviewed by or initiated at the direction of the chief executive officer, chief financial officer, principal accounting officer or general counsel of Parent, the Parent Board or any committee thereof, other than ordinary course audits or reviews of accounting policies and practices or internal controls required by the Sarbanes-Oxley Act.

(f) Parent is and since January 1, 2017 has been, in compliance in all material respects with the applicable current listing and governance rules and regulations of Nasdaq.

(g) Parent maintains, and at all times since January 1, 2017 has maintained, a system of internal control over financial reporting (as defined in Rules 13a-15(f) and 15d-15(f) of the Exchange Act) that is sufficient to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with GAAP, including policies and procedures sufficient to provide reasonable assurance (i) that Parent maintains records in reasonable detail accurately and fairly reflecting the transactions and dispositions of the assets of Parent and its Subsidiaries; (ii) that transactions are recorded as necessary to permit preparation of financial statements in accordance with GAAP, (iii) that receipts and expenditures are made only in accordance with authorizations of management and the Parent Board and (iv) regarding prevention or timely detection of the unauthorized acquisition, use or disposition of Parent's assets that could have a material effect on Parent's financial statements. Parent has evaluated the effectiveness of Parent's internal control over financial reporting as of December 31, 2017 and, to the extent required by applicable Law, presented in any applicable Parent SEC Document that is a report on Form 10-K or Form 10-Q (or any amendment thereto) its conclusions about the effectiveness of the internal control over financial reporting as of the end of the period covered by such report or amendment based on such evaluation. Parent has disclosed, based on its most recent evaluation of internal control over financial reporting, to Parent's auditors and audit committee (and made available to the Company a summary of the significant aspects of such disclosure) (A) all material weaknesses and significant deficiencies, if any, in the design or operation of internal control over financial reporting that are reasonably likely to adversely affect Parent's ability to record, process, summarize and report financial information and (B) any known fraud that involves management or other employees who have a

significant role in Parent's internal control over financial reporting. Parent has not identified, based on its most recent evaluation of internal control over financial reporting, any material weaknesses in the design or operation of Parent's internal control over financial reporting.

(h) Parent maintains "disclosure controls and procedures" (as defined in Rules 13a-15(e) and 15d-15(e) of the Exchange Act) that are reasonably designed to ensure that all information (both financial and non-financial) required to be disclosed by Parent in the periodic reports that it files or submits under the Exchange Act is recorded, processed, summarized and reported within the time periods required by the SEC, and that all such information is accumulated and communicated to Parent's management as appropriate to allow timely decisions regarding required disclosure and to make the Certifications.

(i) Since January 1, 2017, (i) Parent has not received or otherwise had or obtained knowledge of any material complaint, allegation, assertion or claim, whether written or oral, regarding the accounting or auditing practices, procedures, methodologies or methods of Parent's internal accounting controls relating to periods after January 1, 2017, including any material complaint, allegation, assertion or claim that Parent has engaged in questionable accounting or auditing practices (except for any of the foregoing after the date of this Agreement which have no reasonable basis), and (ii) no attorney representing Parent, whether or not employed by Parent, has reported evidence of a material violation of securities Laws, breach of fiduciary duty or similar violation, relating to periods after January 1, 2017, by Parent or agents to the Parent Board or any committee thereof or, to the Knowledge of Parent, to any director or officer of Parent.

3.8 **Absence of Changes**. Between the date of the Parent Balance Sheet and the date of this Agreement, Parent and its Subsidiaries have conducted its business only in the Ordinary Course of Business (except for the execution and performance of this Agreement and the discussions, negotiations and transactions related thereto) and there has not been any (a) Parent Material Adverse Effect or (b) action, event or occurrence that would have required consent of the Company pursuant to *Section 4.1(b)* had such action, event or occurrence taken place after the execution and delivery of this Agreement.

3.9 **Absence of Undisclosed Liabilities**. As of the date hereof, Parent and its Subsidiaries do not have any Liability, individually or in the aggregate, of a type required to be recorded or reflected on a balance sheet or disclosed in the footnotes thereto under GAAP except for: (a) Liabilities disclosed, reflected or reserved against in the Parent Balance Sheet; (b) Liabilities that have been incurred by Parent or its Subsidiaries since the date of the Parent Balance Sheet in the Ordinary Course of Business; (c) Liabilities incurred in connection with the Contemplated Transactions; and (d) Liabilities described in Section 3.9 of the Parent Disclosure Schedule. In connection with terminating any past or current Parent Contracts, (x) there are no potential or contingent Liabilities of any amount or nature whatsoever for Parent or its Subsidiaries that would survive Closing and (y) any such termination would not negatively impact the treatment of the Merger as reorganization under Section 368(a) of the Code.

3.10 **Title to Assets**. Parent or its Subsidiaries owns, and has good and valid title to, or, in the case of leased properties and assets, valid leasehold interests in, all tangible properties or tangible assets and equipment used or held for use in its business or operations or purported to be owned by it that are material to Parent or its Subsidiaries or their respective businesses, including: (a) all tangible assets reflected on the Parent Balance Sheet; and (b) all other tangible assets reflected in the books and records of Parent as being owned by Parent or its Subsidiaries, in each case, other than assets disposed of since the date of the Parent Balance Sheet. All of such assets are owned or, in the case of leased assets, leased by Parent or its Subsidiaries free and clear of any Encumbrances, other than Permitted Encumbrances.

3.11 **Real Property; Leasehold**. Parent and its Subsidiaries do not own any real property. Parent has made available to the Company (a) an accurate and complete list of all real properties with respect to which Parent or its Subsidiaries directly or indirectly holds a valid leasehold interest as well as any other real estate that is in the possession of or leased by Parent or its Subsidiaries, and (b) copies of all leases under which any such real property is possessed (the "***Parent Real Estate Leases***"), each of which is in full force and effect, with no existing material default thereunder. Parent's use and operation of each such leased property conforms to all applicable Laws in all material respects, and Parent or its Subsidiaries have exclusive possession of each such leased property and has not granted any occupancy rights to tenants or licensees with respect to such leased property. In addition, each such leased property is free and clear of all Encumbrances other than Permitted Encumbrances.

3.12 **Intellectual Property**.

(a) To the knowledge of Parent, as of the date of this Agreement, no cancellation, interference, opposition, reissue, reexamination or other proceeding of any nature (other than office actions or similar communications issued by any Governmental Body in the ordinary course of prosecution of any pending applications for registration) is pending or threatened in writing, in which the scope, validity, enforceability or ownership of any Parent IP is being or has been contested or challenged.

(b) Except as has not had and would not reasonably be expected to have, individually or in the aggregate, a Parent Material Adverse Effect, Parent owns, is the assignee of, or has licensed all material Parent IP, free and clear of all Encumbrances other than Permitted Encumbrances. To the Knowledge of Parent, each Parent Associate involved in the creation or development of any material Parent IP, pursuant to such Parent Associate's activities on behalf of Parent, has signed a written agreement containing an assignment of such Parent Associate's rights in such Parent IP to Parent and confidentiality provisions protecting the Parent IP.

(c) To the Knowledge of Parent, no funding, facilities or personnel of any Governmental Body or any university, college, research institute or other educational institution has been used to create Parent IP, except for any such funding or use of facilities or personnel that does not result in such Governmental Body or institution obtaining ownership rights to such Parent IP or the right to receive royalties for the practice of such Parent IP.

(d) Section 3.12(d) of Parent Disclosure Schedule sets forth each license agreement pursuant to which the Parent or its Subsidiaries (i) is granted a license under any material Intellectual Property Right owned by any third party that is used by Parent in its business as currently conducted (each a "***Parent In-bound License***") or (ii) grants to any third party a license under any material Parent IP or material Intellectual Property Right licensed to the Parent or its Subsidiaries under a Parent In-bound License (each a "***Parent Out-bound License***"); *provided*, that, Parent In-bound Licenses shall not include, when entered into in the ordinary course of business, material transfer agreements, services agreements, clinical trial agreements, agreements with Parent Associates, non-disclosure agreements, commercially available Software-as-a-Service offerings, off-the-shelf software licenses or generally available patent license agreements; and Parent Out-bound Licenses shall not include, when entered into in the ordinary course of business, material transfer agreements, clinical trial agreements, services agreements, non-disclosure agreements, or non-exclusive outbound licenses.

(e) To the Knowledge of Parent: (i) the operation of the business of Parent and its Subsidiaries since January 1, 2017, does not infringe, misappropriate or otherwise violate any valid and enforceable patent that is not included on Section 2.12(a) of the Company Disclosure Schedule and (ii) no other Person is infringing, misappropriating or otherwise violating any material Parent IP. No Legal Proceeding is pending or, to the Knowledge of Parent, is threatened in writing (A) against Parent alleging that the operation of the business of Parent infringes or

constitutes the misappropriation or other violation of any Intellectual Property Rights of another Person or (B) by Parent alleging that another Person has infringed, misappropriated or otherwise violated any of the material Parent IP or any Intellectual Property Rights exclusively licensed to Parent. Since January 1, 2017, Parent has not received any written notice or other written communication alleging that the operation of the business of Parent infringes or constitutes the misappropriation or other violation of any Intellectual Property Right of another Person.

(f) None of Parent IP or, to the Knowledge of Parent, any material Intellectual Property Rights exclusively licensed to Parent is subject to any pending or outstanding injunction, directive, order, judgment or other disposition of dispute that adversely and materially restricts the use, transfer, registration or licensing by Parent of any such Parent IP or material Intellectual Property Rights exclusively licensed to Parent or its Subsidiaries.

(g) To the Knowledge of Parent, the operation of Parent's and its Subsidiaries' business are in substantial compliance with all Laws pertaining to data privacy and data security of Sensitive Data, except to the extent that such noncompliance has not and would not reasonably be expected to have a Parent Material Adverse Effect. To the Knowledge of Parent, since January 1, 2017, there have been (i) no material losses or thefts of data or security breaches relating to Sensitive Data used in the business of Parent or its Subsidiaries, (ii) no violations of any security policy of Parent regarding any such Sensitive Data used in the business of Parent or its Subsidiaries, and (iii) no unauthorized access, unauthorized use or unintended or improper disclosure of any Sensitive Data used in the business of Parent or its Subsidiaries, in each case of (i) through (iii), except as would not reasonably be expected to, individually or in the aggregate, have a Parent Material Adverse Effect.

3.13 **Agreements, Contracts and Commitments**. Section 3.13 of the Parent Disclosure Schedule lists the following Parent Contracts in effect as of the date of this Agreement (and, except with respect to clauses (m) and (n) below, other than any Parent Benefit Plans) (each, a "***Parent Material Contract***" and collectively, the "***Parent Material Contracts***"):

(a) each Parent Contract that is a material contract as defined in Item 601(b)(10) of Regulation S-K as promulgated under the Securities Act;

(b) each Parent Contract the primary purpose of which is indemnification or guaranty not entered into in the Ordinary Course of Business;

(c) each Parent Contract containing (A) any covenant limiting the freedom of Parent or its Subsidiaries to engage in any line of business or compete with any Person, (B) any most-favored pricing arrangement or similar term by which any Person is or could become entitled to any benefit, right or privilege that must be at least as favorable to such Person as those offered to another Person, (C) any exclusivity provision, right of first refusal or right of first negotiation or similar covenant, or (D) any non-solicitation provision with respect to employees of other Persons, in each case, except for restrictions that would not materially affect the ability of Parent or its Subsidiaries to conduct their respective businesses;

(d) each Parent Contract relating to capital expenditures and requiring payments after the date of this Agreement in excess of $25,000 pursuant to its express terms and not cancelable without penalty;

(e) each Parent Contract relating to the disposition or acquisition of material assets or any ownership interest in any Entity, in each case, involving payments in excess of $25,000, other than Parent Contracts in which the applicable acquisition or disposition has been consummated and there are no material ongoing obligations;

(f) each Parent Contract relating to any mortgages, indentures, loans, notes or credit agreements, security agreements or other agreements or instruments relating to the borrowing of money or extension of credit or creating any material Encumbrances with respect to any assets of Parent or its Subsidiaries or any loans or debt obligations with officers or directors of Parent or its Subsidiaries, in each case, having an outstanding principal in an amount in excess of $25,000;

(g) each Parent Contract requiring payment by or to Parent after the date of this Agreement in excess of $25,000 pursuant to its express terms relating to: (A) any distribution agreement (identifying any that contain exclusivity provisions); (B) any agreement involving provision of services or products with respect to any pre-clinical or clinical development activities of Parent; (C) any dealer, distributor, joint marketing, alliance, joint venture, cooperation, development or other agreement currently in force under which Parent has continuing obligations to develop or market any product, technology or service, or any agreement pursuant to which Parent has continuing obligations to develop any Intellectual Property Rights that will not be owned, in whole or in part, by Parent; or (D) any Parent Contract to license or engage any third party to manufacture or produce any product or drug substance, service or technology of Parent, any Contract for raw materials or warehousing of products or any Parent Contract to sell, distribute or commercialize any products or service of Parent;

(h) each Parent Contract with any financial advisor, broker, finder, investment banker or other similar Person, providing advisory services to Parent or its Subsidiaries in connection with the Contemplated Transactions;

(i) each Parent Real Estate Lease;

(j) each Parent Contract with any Governmental Body (other than clinical trial agreements for clinical trial studies);

(k) each Parent Out-bound License and Parent In-bound License;

(l) each Parent Contract containing any royalty, dividend or similar arrangement based on the revenues or profits of Parent or its Subsidiaries or obligation to pay any royalties, fees or other payments to any owner, licensor, or other claimant to any Intellectual Property Rights, in each case, in excess of $25,000;

(m) each offer letter, employment agreement, or independent contractor agreement with any employee, consultant or independent contractor currently providing services to Parent or its Subsidiaries that (A) is not terminable by Parent or a Subsidiary of Parent without sixty (60) days' or more notice, severance, or other cost or liability, or (B) provides for retention payments, change of control payments, severance, accelerated vesting, or any payment or benefit that may or will become due as a result of the Merger (whether alone or in connection with any other event);

(n) each Parent Contract that is a collective bargaining agreement or is with a professional employer agency, temporary employment agency or labor contractor; or

(o) any Parent Contract that is not terminable at will (with no penalty or payment) by Parent and (A) which involves payment or receipt by Parent after the date of this Agreement under any such agreement, contract or commitment of more than $25,000 in the aggregate, or obligations after the date of this Agreement in excess of $25,000 in the aggregate, or (B) that is material to the business or operations of Parent.

Parent has delivered or made available to the Company accurate and complete copies of all Parent Material Contracts, including all amendments thereto. There are no Parent Material Contracts that are not in written form. Neither Parent nor any of its Subsidiaries has nor, to Parent's Knowledge, as of the date of this Agreement, has any other party to a Parent Material Contract, breached, violated or defaulted under, or received notice that it breached, violated or defaulted under, any of the terms or

conditions of any Parent Material Contract in such manner as would permit any other party to cancel or terminate any such Parent Material Contract, or would permit any other party to seek damages which would reasonably be expected to be material to Parent or its Subsidiaries or their respective businesses. As to Parent or its Subsidiaries, as of the date of this Agreement, each Parent Material Contract is valid, binding, enforceable and in full force and effect, subject to the Enforceability Exceptions. As of the date of this Agreement, no Person is renegotiating, or has a right pursuant to the terms of any Parent Material Contract to change, any material amount paid or payable to Parent or its Subsidiaries under any Parent Material Contract or any other material term or provision of any Parent Material Contract.

3.14 **Compliance; Permits**.

(a) Parent and each of its Subsidiaries is, and since January 1, 2017 has been, in compliance in all material respects with all applicable Laws, including the FDCA, the FDA regulations adopted thereunder, the Public Health Service Act and any other similar Law administered or promulgated by the FDA or other Drug Regulatory Agency, except for any noncompliance, either individually or in the aggregate, which would not be material to Parent. No investigation, claim, suit, proceeding, audit or other action by any Governmental Body is pending or, to the Knowledge of Parent, threatened against Parent or its Subsidiaries. There is no agreement, judgment, injunction, order or decree binding upon Parent or its Subsidiaries which (i) has or would reasonably be expected to have the effect of prohibiting or materially impairing any business practice of Parent or its Subsidiaries, any acquisition of material property by Parent or its Subsidiaries or the conduct of business by Parent or its Subsidiaries as currently conducted, (ii) is reasonably likely to have an adverse effect on Parent's ability to comply with or perform any covenant or obligation under this Agreement, or (iii) is reasonably likely to have the effect of preventing, delaying, making illegal or otherwise interfering with the Contemplated Transactions.

(b) Parent or its Subsidiaries holds all required Governmental Authorizations which are material to the operation of the business of Parent and its Subsidiaries as currently conducted (the "***Parent Permits***"). Section 3.14(b) of the Parent Disclosure Schedule identifies each Parent Permit. Parent and its Subsidiaries are in material compliance with the terms of the Parent Permits, as applicable. No Legal Proceeding is pending or, to the Knowledge of Parent, threatened, which seeks to revoke, limit, suspend, or materially modify any Parent Permit.

(c) There are no proceedings pending or, to the Knowledge of Parent, threatened against Parent or its Subsidiaries with respect to an alleged material violation by Parent of the FDCA, FDA regulations adopted thereunder, the Public Health Service Act or any other similar Law administered or promulgated by any Drug Regulatory Agency.

(d) All clinical, pre-clinical and other studies and tests conducted by or on behalf of, or sponsored by, Parent or its Subsidiaries, or in which Parent or its Subsidiaries or their respective current products or product candidates have participated, were and, if still pending, are being conducted in all material respects in accordance with standard medical and scientific research procedures and in compliance in all material respects with the applicable regulations of any applicable Drug Regulatory Agency and other applicable Law, as applicable, including 21 C.F.R. Parts 50, 54, 56, 58 and 312. No preclinical or clinical trial conducted by or on behalf of Parent has been terminated or suspended prior to completion for safety or non-compliance reasons. Since January 1, 2017, neither Parent nor its Subsidiaries has received any notices, correspondence, or other communications from any Drug Regulatory Agency requiring, or to the Knowledge of Parent threatening to initiate, the termination or suspension of any clinical studies conducted by or on behalf of, or sponsored by, Parent or its Subsidiaries or in which Parent or its current products or product candidates have participated.

(e) Parent and each of its Subsidiaries is not the subject of any pending or, to the Knowledge of Parent, threatened investigation in respect of its business or products by the FDA pursuant to its "Fraud, Untrue Statements of Material Facts, Bribery, and Illegal Gratuities" Final Policy set forth in 56 Fed. Reg. 46191 (September 10, 1991) and any amendments thereto. To the Knowledge of Parent, Parent and each of its Subsidiaries has not committed any acts, made any statement, or has not failed to make any statement, in each case in respect of its business or products that would violate the FDA's "Fraud, Untrue Statements of Material Facts, Bribery, and Illegal Gratuities" Final Policy, and any amendments thereto. Parent, each of its Subsidiaries, and any of their respective officers, employees or, to the Knowledge of Parent, agents has not been convicted of any crime or engaged in any conduct that could result in a debarment or exclusion (i) under 21 U.S.C. Section 335a or (ii) any similar applicable Law. No debarment or exclusionary claims, actions, proceedings or investigations in respect of their business or products are pending or, to the Knowledge of Parent, threatened against Parent, its Subsidiaries, or any of their officers, employees or, to the Knowledge of Parent, agents.

(f) Parent and its Subsidiaries have complied with all Laws relating to HIPAA, including the standards for the privacy of Individually Identifiable Health Information at 45 C.F.R. Parts 160 and 164, Subparts A and E, the standards for the protection of Electronic Protected Health Information set forth at 45 C.F.R. Part 160 and 45 C.F.R. Part 164, Subpart A and Subpart C, the standards for transactions and code sets used in electronic transactions at 45 C.F.R. Part 160, Subpart A and Part 162, and the standards for Breach Notification for Unsecured Protected Health Information at 45 C.F.R. Part 164, Subpart D, all as amended from time to time. Parent and its Subsidiaries have entered into, where required, and are in compliance in all material respects with the terms of all Business Associate Agreements to which Parent or a Subsidiary is a party or otherwise bound. Parent and its Subsidiaries have created and maintained written policies and procedures to protect the privacy of all protected health information, provide training to all employees and agents as required under HIPAA, and have implemented security procedures, including physical, technical and administrative safeguards, to protect all personal information and Protected Health Information stored or transmitted in electronic form. Neither Parent nor any of its Subsidiaries has received written notice from the Office for Civil Rights for the U.S. Department of Health and Human Services or any other Governmental Body of any allegation regarding its failure to comply with HIPAA or any other state law or regulation applicable to the protection of individually identifiable health information or personally identifiable information. No successful Security Incident, Breach of Unsecured Protected Health Information or breach of personally identifiable information under applicable state or federal laws have occurred with respect to information maintained or transmitted to Parent, any of its Subsidiaries or an agent or third party subject to a Business Associate Agreement with Parent or any of its Subsidiaries. Parent and its Subsidiaries are currently submitting, receiving and handling or are capable of submitting, receiving and handling transactions in accordance with the Standard Transaction Rule. Parent and each of its Subsidiaries has materially complied with its requirements related to protection of Protected Health Information under its clinical trial agreements with health care provider Covered Entities that have participated in Parent's or its Subsidiaries' clinical studies under such agreements. All capitalized terms in this *Section 3.14(f)* not otherwise defined in this Agreement shall have the meanings set forth under HIPAA.

3.15 **Legal Proceedings; Orders**.

(a) As of the date of this Agreement, there is no material pending Legal Proceeding and, to the Knowledge of Parent, no Person has threatened in writing to commence any Legal Proceeding: (i) that involves (A) Parent, (B) any of Parent's Subsidiaries, (C) any Parent Associate (in his or her capacity as such) or (D) any of the material assets owned or used by Parent or its Subsidiaries;

or (ii) that challenges, or that would have the effect of preventing, delaying, making illegal or otherwise interfering with, the Contemplated Transactions.

(b) Since January 1, 2017 through the date of this Agreement, no Legal Proceeding has been pending against Parent or its Subsidiaries that resulted in material liability to Parent or its Subsidiaries.

(c) There is no order, writ, injunction, judgment or decree to which Parent, any of its Subsidiaries, or any of the material assets owned or used by Parent or any of its Subsidiaries, is subject. To the Knowledge of Parent, no officer of Parent or its Subsidiaries is subject to any order, writ, injunction, judgment or decree that prohibits such officer or employee from engaging in or continuing any conduct, activity or practice relating to the business of Parent or its Subsidiaries or to any material assets owned or used by Parent or its Subsidiaries.

3.16 **Tax Matters**.

(a) All income and other material Tax Returns required to have been filed by the Parent or any Subsidiary have been timely filed (taking into account any extension of time within which to file) with the applicable Governmental Body. All such Tax Returns are correct and complete in all material respects and have been prepared in compliance with all applicable Law. No claim has ever been made by any Governmental Body in any jurisdiction where Parent or any of its Subsidiaries does not file a particular Tax Return or pay a particular Tax that Parent or any Subsidiary is subject to taxation by that jurisdiction.

(b) All material Taxes due and owing by Parent or any of its Subsidiaries (whether or not shown on any Tax Return) have been fully and timely paid. The unpaid Taxes of Parent and its Subsidiaries did not, as of the date of the Parent Balance Sheet, exceed the reserve for Tax liability (excluding any reserve for deferred Taxes established to reflect timing differences between book and Tax items) set forth on the face of the Parent Balance Sheet. Since the Parent Balance Sheet Date, neither Parent nor any of its Subsidiaries has incurred any material Liability for Taxes outside the Ordinary Course of Business.

(c) All material Taxes required to have been withheld, collected, or deposited by or with respect to the Parent and each Subsidiary have been timely withheld, collected or deposited as the case may be, and to the extent required, have been paid to the relevant Governmental Body, and the Parent and each Subsidiary has complied with all material Tax information reporting provisions of applicable Law.

(d) There are no Encumbrances for material Taxes (other than Permitted Encumbrances) upon any of the assets of Parent or any of its Subsidiaries.

(e) All deficiencies asserted, or assessments made, against the Parent or any Subsidiary as a result of any examinations by any Governmental Body have been fully paid and there are no deficiencies for Taxes of Parent or any of its Subsidiaries claimed or proposed by any Governmental Body in writing. There are no pending or ongoing, and to the Knowledge of Parent, threatened audits, assessments or other actions for or relating to any liability in respect of Taxes of Parent or any of its Subsidiaries. Neither Parent nor any of its Subsidiaries (or any of their predecessors) has waived any statute of limitations in respect of any Taxes or agreed to any extension of time with respect to any Tax assessment or deficiency.

(f) Neither Parent nor any of its Subsidiaries has been a United States real property holding corporation within the meaning of Section 897(c)(2) of the Code during the applicable period specified in Section 897(c)(1)(A)(ii) of the Code.

(g) Neither Parent nor any of its Subsidiaries is a party to any Tax allocation agreement, Tax sharing agreement, Tax indemnity agreement, or other similar agreement or arrangement, other

than customary commercial contracts entered into in the Ordinary Course of Business the principal subject matter of which is not Taxes.

(h) Neither Parent nor any of its Subsidiaries has ever been a member of a consolidated, combined or unitary Tax group (other than such a group the common parent of which is Parent). Neither Parent nor any of its Subsidiaries has any Liability for Taxes of any Person (other than Parent and any of its Subsidiaries) under Treasury Regulations Section 1.1502-6 (or any similar provision of state, local, or non-U.S. Law), or as a transferee or successor or by contract (other than customary commercial contracts entered into in the Ordinary Course of Business the principal subject matter of which is not Taxes).

(i) Neither Parent nor any of its Subsidiaries has distributed stock of another Person, or had its stock distributed by another Person, in a transaction that was purported or intended to be governed in whole or in part by Section 355 of the Code or Section 361 of the Code (or any similar provisions of state, local or non-U.S. Law).

(j) Neither Parent nor any of its Subsidiaries has participated in or been a party to a transaction that, as of the date of this Agreement, constitutes a "listed transaction" that is required to be reported to the IRS pursuant to Section 6011 of the Code and applicable Treasury Regulations thereunder.

For purposes of this *Section 3.16*, each reference to Parent or any of its Subsidiaries shall be deemed to include any Person that was liquidated into, merged with, or is otherwise a predecessor to, Parent or any Subsidiary, as applicable.

3.17 **Employee and Labor Matters; Benefit Plans**.

(a) Section 3.17(a) of the Parent Disclosure Schedule is a list of all material Parent Benefit Plans. "***Parent Benefit Plan***" means each (i) "employee benefit plan" as defined in Section 3(3) of ERISA, whether or not subject to ERISA, and (ii) other pension, retirement, deferred compensation, excess benefit, profit sharing, bonus, incentive, equity or equity-based (other than individual Parent Options made pursuant to the Parent's or its Subsidiaries' standard forms, in which case only representative standard forms of such stock option agreements shall be scheduled), phantom equity, employment agreement or offer letter, consulting, severance, change-of-control, retention, health, life, disability, group insurance, paid-time off, holiday, welfare and fringe benefit plan, program, contract, or arrangement (whether written or unwritten, qualified or nonqualified, funded or unfunded and including any that have been frozen), in any case, maintained, contributed to, or required to be contributed to, by Parent or any of its Subsidiaries for the benefit of any current or former employee, director, officer or independent contractor of Parent or its Subsidiaries or under which Parent or its Subsidiaries have any actual or contingent liability (including, without limitation, as the result of being treated as a single employer under ERISA Section 4001(b) or Code Section 414 with any other person).

(b) As applicable with respect to each material Parent Benefit Plan listed on Section 3.17(a) of the Parent Disclosure Schedule, Parent has made available to the Company, true and complete copies of (i) each material Parent Benefit Plan, including all amendments thereto, and in the case of an unwritten material Parent Benefit Plan, a written description thereof, (ii) all current trust documents, investment management contracts, custodial agreements, administrative services agreements and insurance and annuity contracts relating thereto, (iii) the current summary plan description and each summary of material modifications thereto, (iv) the most recently filed annual reports with any Governmental Body (e.g., Form 5500 and all schedules thereto), (v) the most recent IRS determination, opinion or advisory letter, (vi) the most recent summary annual reports, and the nondiscrimination testing reports, actuarial reports, financial statements and trustee reports for the two most recently completed plan years, (vii) all records, notices and filings

concerning IRS or Department of Labor or other Governmental Body audits or investigations prepared or received in the most recent six years, and (viii) all policies and procedures established to comply with the privacy and security rules of HIPAA.

(c) Each Parent Benefit Plan has been maintained, operated and administered in compliance in all material respects with its terms and any related documents or agreements and the applicable provisions of ERISA, the Code and all other Laws.

(d) The Parent Benefit Plans which are "employee pension benefit plans" within the meaning of Section 3(2) of ERISA and which are intended to meet the qualification requirements of Section 401(a) of the Code have received determination letters or, in the case of preapproved plans, the underlying plan documents have received favorable advisory or opinion letters from the IRS on which they may currently rely to the effect that such plans are qualified under Section 401(a) of the Code and the related trusts are exempt from federal income Taxes under Section 501(a) of the Code, respectively, and to the Knowledge of Parent nothing has occurred that would reasonably be expected to materially adversely affect the qualification of such Parent Benefit Plan or the tax exempt status of the related trust.

(e) Neither Parent nor any of its Subsidiaries nor any "Parent ERISA Affiliate" maintains, contributes to, is required to contribute to, or has any actual or contingent liability with respect to, (i) any "employee pension benefit plan" (within the meaning of Section 3(2) of ERISA) that is subject to Title IV or Section 302 of ERISA or Section 412 of the Code, (ii) any "multiemployer plan" (within the meaning of Section 3(37) of ERISA), or (iii) any "multiple employer plan" (within the meaning of Section 413 of the Code). Neither the Company nor any of its Subsidiaries maintains, contributes to, is required to contribute to, or has any actual or contingent liability with respect to, any "multiple employer welfare arrangement" (within the meaning of Section 3(40) of ERISA).

(f) There are no pending or, to the Knowledge of the Company, threatened audits or investigations by any Governmental Body involving any Parent Benefit Plan, and no pending or, to the Knowledge of Parent, threatened claims (except for individual claims for benefits payable in the normal operation of the Parent Benefit Plans), suits or proceedings involving any Parent Benefit Plan, any fiduciary thereof or service provider thereto (in such Person's capacity as fiduciary thereof or service provider thereto), in any case, except as would not be reasonably expected to result in material liability to Parent or its Subsidiaries. All contributions and premium payments required to have been made under any of the Parent Benefit Plans or by applicable Law (without regard to any waivers granted under Section 412 of the Code), have been made in all material respects and neither Parent nor its Subsidiaries has any material liability for any unpaid contributions with respect to any Parent Benefit Plan.

(g) Neither Parent or any of its Subsidiaries, nor to the Knowledge of Parent, any fiduciary, trustee or administrator of any Parent Benefit Plan (in such Person's capacity as fiduciary, trustee or administrator thereof), has engaged in, nor are the contemplated transactions reasonably expected to result in, any transaction with respect to any Parent Benefit Plan which would subject Parent or any Affiliate of Parent to a material Tax, material penalty or material liability for a non-exempt "prohibited transaction" under Section 406 of ERISA or Section 4975 of the Code.

(h) No Parent Benefit Plan provides death, medical, dental, vision, life insurance or other welfare benefits beyond termination of service or retirement other than coverage mandated by Law.

(i) Neither the execution of, nor the performance of the transactions contemplated by, this Agreement will either alone or in connection with any other event(s) (i) result in any payment becoming due to any current or former employee, director, officer, or independent contractor of

Parent or its Subsidiaries, (ii) increase any amount of compensation or benefits otherwise payable under any Parent Benefit Plan, (iii) result in the acceleration of the time of payment, funding or vesting of any benefits under any Parent Benefit Plan, (iv) require any contribution or payment to fund any obligation under any Parent Benefit Plan or (v) limit the right to merge, amend or terminate any Parent Benefit Plan.

(j) Neither the execution of, nor the consummation of the transactions contemplated by this Agreement (either alone or when combined with the occurrence of any other event, including without limitation, a termination of employment) will result in the receipt or retention by any person who is a "disqualified individual" (within the meaning of Code Section 280G) with respect to Parent of any payment or benefit that is or could be characterized as a "parachute payment" (within the meaning of Code Section 280G).

(k) The exercise price of each Parent Option is not, and never has been, less than the fair market value of one share of Parent Common Stock as of the grant date of such Parent Option, as determined in a manner consistent with Section 409A of the Code and regulations thereunder.

(l) Each Parent Benefit Plan providing for deferred compensation that constitutes a "nonqualified deferred compensation plan" (as defined in Section 409A(d)(1) of the Code and the regulations promulgated thereunder) is, and has been, established, administered and maintained in compliance with the requirements of Section 409A of the Code and the regulations promulgated thereunder in all material respects.

(m) No current or former employee, officer, director or independent contractor of Parent or its Subsidiaries has any "gross up" agreements with the Parent or other assurance of reimbursement by the Parent or its Subsidiaries for any Taxes imposed under Code Section 409A or Code Section 4999.

(n) Parent has provided or made available to the Company an accurate list, as of the date of this Agreement, containing the names of independent contractors of Parent and its Subsidiaries and, as applicable: (i) the annual dollar amount of base or other fixed compensation, director's fees, and target bonus, payable to each person; (ii) dates of employment or service; (iii) title; (iv) whether the individual has any eligibility to receive severance, notice of termination, retention payment, change of control payment, or other similar compensation, other than through a broad-based plan that is generally available to similarly situated employees; (v) visa status, if applicable; and (vi) with respect to employees, a designation of whether they are classified as exempt or non-exempt for purposes of FLSA and any similar state law. Parent has two full-time employee and no part-time or temporary employees. Parent's Subsidiaries have no full-time, part-time or temporary employees. As of the Closing Date, Parent and its Subsidiaries shall have no employees of any type.

(o) Parent and each of its Subsidiaries is not and never has been a party to, bound by, or has a duty to bargain under, any collective bargaining agreement or other Contract with a labor union, labor organization, or similar Person representing any of its employees, and there is no labor union, labor organization, or similar Person representing or, to the Knowledge of Parent, purporting to represent or seeking to represent any employees of Parent or its Subsidiaries, including through the filing of a petition for representation election. There is not and has not been in the past three years, nor is there or has there been in the past three years any threat of, any strike, slowdown, work stoppage, lockout, union election petition, demand for recognition, or any similar activity or dispute, or, to the Knowledge of Parent, any union organizing activity, against Parent or any of its Subsidiaries. No event has occurred, and no condition or circumstance exists, that might directly or indirectly be likely to give rise to or provide a basis for the commencement of any such strike, slowdown, work stoppage, lockout, union election petition, demand for

recognition, any similar activity or dispute, or, to the Knowledge of Parent, any union organizing activity.

(p) Parent and each of its Subsidiaries is, and since January 1, 2017 has been, in material compliance with all applicable Laws respecting labor, employment, employment practices, and terms and conditions of employment, including worker classification, discrimination, harassment and retaliation, equal employment opportunities, fair employment practices, meal and rest periods, immigration, employee safety and health, payment of wages (including overtime wages), unemployment and workers' compensation, leaves of absence, and hours of work. Except as would not be reasonably likely to result in a material liability to Parent and its Subsidiaries, with respect to employees of Parent and its Subsidiaries, Parent and each Subsidiary, since January 1, 2017: (i) has withheld and reported all amounts required by Law or by agreement to be withheld and reported with respect to wages, salaries and other payments, benefits, or compensation to employees, (ii) is not liable for any arrears of wages (including overtime wages), severance pay or any Taxes or any penalty for failure to comply with any of the foregoing, and (iii) is not liable for any payment to any trust or other fund governed by or maintained by or on behalf of any Governmental Body, with respect to unemployment compensation benefits, disability, social security or other benefits or obligations for employees (other than routine payments to be made in the Ordinary Course of Business). There are no actions, suits, claims, charges, lawsuits, investigations, audits or administrative matters pending or, to the Knowledge of Parent, threatened or reasonably anticipated against Parent or its Subsidiaries relating to any employee, applicant for employment, consultant, employment agreement or Parent Benefit Plan (other than routine claims for benefits).

(q) Except as would not be reasonably likely to result in a material liability to Parent or its Subsidiaries, with respect to each individual who currently renders services to Parent or its Subsidiaries, Parent has accurately classified each such individual as an employee, independent contractor, or otherwise under all applicable Laws and, for each individual classified as an employee, Parent has accurately classified him or her as exempt or nonexempt under all applicable Laws. Parent has no material liability with respect to any misclassification of: (i) any Person as an independent contractor rather than as an employee, (ii) any employee leased from another employer, or (iii) any employee currently or formerly classified as exempt under all applicable Laws.

(r) Within the preceding five (5) years, neither Parent nor any of its Subsidiaries has implemented any "plant closing" or "mass layoff" of employees that would reasonably be expected to require notification under the WARN Act or any similar state or local Law, no such "plant closing" or "mass layoff" will be implemented before the Closing Date without advance notification to and approval of Parent, and there has been no "employment loss" as defined by the WARN Act within the 90 days prior to the Closing Date.

(s) There is no Legal Proceeding, claim, unfair labor practice charge or complaint, labor dispute or grievance pending or, to the Knowledge of Parent, threatened against Parent or its Subsidiaries relating to labor, employment, employment practices, or terms and conditions of employment.

(t) No Parent Benefit Plan is maintained outside the United States.

(u) As of the Closing Date, Parent and its Subsidiaries shall have no material Liability pursuant to any Parent Benefit Plan.

3.18 **Environmental Matters**. Parent and each of its Subsidiaries is and since January 1, 2017 has complied with all applicable Environmental Laws, which compliance includes the possession by Parent of all permits and other Governmental Authorizations required under applicable Environmental

Laws and compliance with the terms and conditions thereof, except for any failure to be in such compliance that, either individually or in the aggregate, would not reasonably be expected to have a Parent Material Adverse Effect. Parent has not received since January 1, 2017 (or prior to that time, which is pending and unresolved), any written notice or other communication (in writing or otherwise), whether from a Governmental Body or other Person, that alleges that Parent or its Subsidiaries is not in compliance with or has liability pursuant to any Environmental Law and, to the Knowledge of Parent, there are no circumstances that would reasonably be expected to prevent or interfere with Parent's or its Subsidiaries' compliance in any material respects with any Environmental Law, except where such failure to comply would not reasonably be expected to have a Parent Material Adverse Effect. No current or (during the time a prior property was leased or controlled by Parent) prior property leased or controlled by Parent or its Subsidiaries has had a release of or exposure to Hazardous Materials in violation of Environmental Law, except as would not reasonably be expected to have a Parent Material Adverse Effect. Prior to the date hereof, Parent has provided or otherwise made available to the Company true and correct copies of all material environmental reports, assessments, studies and audits in the possession or control of Parent with respect to any property leased or controlled by each of Parent or its Subsidiaries or any business operated by it.

3.19 **Transactions with Affiliates**. Except as set forth in the Parent SEC Documents filed prior to the date of this Agreement, since the date of Parent's Annual Report on Form 10-K for the year ended December 31, 2017 as filed with the SEC, no event has occurred that would be required to be reported by Parent pursuant to Item 404 of Regulation S-K.

3.20 **Insurance**. Parent has delivered or made available to the Company accurate and complete copies of all material insurance policies and all material self-insurance programs and arrangements relating to the business, assets, liabilities and operations of Parent and its Subsidiaries, which include accurate and complete copies of the existing policies (primary and excess) of directors' and officers' liability insurance maintained by Parent. Each of such insurance policies is in full force and effect and Parent and its Subsidiaries is in compliance in all material respects with the terms thereof. Other than customary end of policy notifications from insurance carriers, since January 1, 2017 through the date of this Agreement, Parent has not received any notice or other communication regarding any actual or possible: (a) cancellation or invalidation of any insurance policy; or (b) refusal or denial of any coverage, reservation of rights or rejection of any material claim under any insurance policy. Parent has provided timely written notice to the appropriate insurance carrier(s) of each Legal Proceeding that is currently pending against Parent or its Subsidiaries for which Parent has insurance coverage, and no such carrier has issued a denial of coverage or a reservation of rights with respect to any such Legal Proceeding, or informed Parent of its intent to do so.

3.21 **No Financial Advisors**. Other than H.C. Wainwright & Co., LLC, no broker, finder or investment banker is entitled to any brokerage fee, finder's fee, opinion fee, success fee, transaction fee or other fee or commission in connection with the Contemplated Transactions based upon arrangements made by or on behalf of Parent or its Subsidiaries.

3.22 **Anti-Bribery**. Neither Parent nor any of its Subsidiaries nor any of their respective directors, officers, employees or, to Parent's Knowledge, agents or any other Person acting on its behalf has directly or indirectly made any bribes, rebates, payoffs, influence payments, kickbacks, illegal payments, illegal political contributions, or other payments, in the form of cash, gifts, or otherwise, or taken any other action, in violation of Anti-Bribery Laws. Parent and each of its Subsidiaries is not and has not been the subject of any investigation or inquiry by any Governmental Body with respect to potential violations of Anti-Bribery Laws.

3.23 **Valid Issuance**. The Parent Common Stock to be issued in the Merger will, when issued in accordance with the provisions of this Agreement, be validly issued, fully paid and nonassessable.

3.24 **Opinion of Financial Advisor**. The Parent Board has received an opinion of H.C. Wainwright & Co., LLC to the effect that, as of the date of this Agreement and subject to the assumptions, qualifications, limitations and other matters set forth therein, the Exchange Ratio is fair, from a financial point of view, to Parent. Parent shall, promptly following the execution of this Agreement by the Parties, furnish a copy of such written opinion to the Company solely for information purposes, it being agreed and understood that such opinion is for the benefit of the Parent Board and may not be relied upon by the Company.

3.25 **Shell Company Status**. Parent is not an issuer identified in Rule 144(i)(1) of the Securities Act or a shell company as defined in Rule 12b-2 of the Exchange Act.

3.26 **Disclosure**. The information supplied by Parent and any of its Subsidiaries for inclusion in the Registration Statement or the Proxy Statement/Prospectus (including any of Parent's financial statements) will not, as of the effective date of the Registration Statement, the date of the Proxy Statement/Prospectus, or the date that the Proxy Statement/Prospectus is first mailed to Parent stockholders or the Company stockholders, (i) contain any statement that is inaccurate or misleading with respect to any material facts, or (ii) omit to state any material fact necessary in order to make such information, in light of the circumstances under which such information will be provided, not false or misleading.

Section 4. CERTAIN COVENANTS OF THE PARTIES

4.1 **Operation of Parent's Business**.

(a) Except as set forth on Section 4.1(a) of the Parent Disclosure Schedule, as expressly permitted by this Agreement (including in connection with the Divestiture Transactions, subject to *Section 4.7*), as required by applicable Law or unless the Company shall otherwise consent in writing (which consent shall not be unreasonably withheld, delayed or conditioned), during the period commencing on the date of this Agreement and continuing until the earlier to occur of the termination of this Agreement pursuant to *Section 9* and the Effective Time (the "***Pre-Closing Period***"): each of Parent and its Subsidiaries shall conduct its business and operations in the Ordinary Course of Business and in compliance in all material respects with all applicable Laws and the requirements of all Contracts that constitute Parent Material Contracts.

(b) Except (i) as expressly permitted by this Agreement (including in connection with the Divestiture Transactions, subject to *Section 4.7*), (ii) as set forth in Section 4.1(b) of the Parent Disclosure Schedule, (iii) as required by applicable Law or (iv) with the prior written consent of the Company (which consent shall not be unreasonably withheld, delayed or conditioned), at all times during the Pre-Closing Period, Parent shall not, nor shall it cause or permit its Subsidiaries to, do any of the following:

(i) declare, accrue, set aside or pay any dividend or make any other distribution in respect of any shares of its capital stock or repurchase, redeem or otherwise reacquire any shares of its capital stock or other securities (except in connection with the payment of withholding Taxes incurred upon the exercise, settlement or vesting of any award granted under the Parent Stock Plans in accordance with the terms of such award in effect on the date of this Agreement and except for repurchases of unvested shares of Parent Common Stock from terminated employees, directors or consultants of the Company pursuant to Parent Contracts, that have been made available to the Company prior to the date of this Agreement);

(ii) sell, issue, grant, pledge or otherwise dispose of or encumber or authorize any of the foregoing with respect to: (A) any capital stock or other security of Parent (except for Parent Common Stock issued upon the valid exercise or conversion of outstanding Parent Options or Parent Series A Preferred Stock); (B) any option, warrant or right to acquire any capital stock

or any other security; or (C) any instrument convertible into or exchangeable for any capital stock or other security of Parent;

(iii) Other than the Parent Series A Preferred Stockholder Matters and the Parent Common Stockholder Matters, amend any of its Organizational Documents, or effect or be a party to any merger, consolidation, share exchange, business combination, recapitalization, reclassification of shares, stock split, reverse stock split or similar transaction except, for the avoidance of doubt, the Contemplated Transactions;

(iv) except for Proteon Merger Sub, form any Subsidiary or acquire any equity interest or other interest in any other Entity or enter into a joint venture with any other Entity;

(v) (A) lend money to any Person, (B) incur or guarantee any indebtedness for borrowed money, (C) guarantee any debt securities of others, or (D) make any capital expenditure or commitment;

(vi) other than as required by applicable Law or the terms of any Parent Benefit Plan or Parent Contract as in effect on the date of this Agreement that have been made available to the Company prior to the date of this Agreement or the terms of any Parent Contract to be entered into after the date of this Agreement as contemplated under Section 4.1(b) of the Parent Disclosure Schedule (only to the extent that (x) there are no potential or contingent Liabilities of any amount or nature whatsoever for Parent or its Subsidiaries that would survive Closing and (y) any such action would not negatively impact the treatment of the Merger as reorganization under Section 368(a) of the Code): (A) adopt, terminate, establish or enter into any Parent Benefit Plan; (B) cause or permit any Parent Benefit Plan to be amended in any material respect (other than in connection with the termination thereof); (C) pay any bonus or make any profit-sharing or similar payment to, or increase the amount of the wages, salary, commissions, benefits or other compensation or remuneration payable to, any of its directors, officers or employees; (D) increase the severance, retention or change of control benefits offered to any current or former or new employees, directors or consultants; or (E) hire or retain any officer, employee or consultant;

(vii) recognize any labor union, labor organization, or similar Person except as otherwise required by law and after advance notice to the Company;

(viii) acquire any material asset or sell, lease or otherwise irrevocably dispose of any of its material assets or properties, other than the Divestiture Transactions (subject to *Section 4.7)*, or grant any Encumbrance with respect to such assets or properties;

(ix) sell, assign, transfer, license, sublicense or otherwise dispose of any material Parent IP (other than the Divestiture Transactions (subject to *Section 4.7)*);

(x) make, change or revoke any material Tax election, fail to pay any income or other material Tax as such Tax becomes due and payable, file any amendment making any material change to any Tax Return, settle or compromise any income or other material Tax liability, enter into any Tax allocation, sharing, indemnification or other similar agreement or arrangement (other than customary commercial contracts entered into in the Ordinary Course of Business the principal subject matter of which is not Taxes), request or consent to any extension or waiver of any limitation period with respect to any claim or assessment for any income or other material Taxes (other than pursuant to an extension of time to file any Tax Return granted in the Ordinary Course of Business of not more than six (6) months), or adopt or change any material accounting method in respect of Taxes;

(xi) enter into, materially amend or terminate any Parent Material Contract other than in connection with the Divestiture Transactions, subject to *Section 4.7*; provided that Parent may

terminate such Parent Material Contract as long as (x) there are no potential or contingent Liabilities of any amount or nature whatsoever for Parent or its Subsidiaries that would survive Closing and (y) any such termination would not negatively impact the treatment of the Merger as reorganization under Section 368(a) of the Code;

(xii) other than incurrence or payment of Parent Transaction Expenses, other than in connection with Divestiture Transactions (subject to *Section 4.7*) and other than in the Ordinary Course of Business, make any expenditures or incur any liabilities, in each case, in amounts that exceed $25,000 in the aggregate;

(xiii) other than as required by Law or GAAP, take any action to change accounting policies or procedures;

(xiv) subject to *Section 5.18*, initiate or settle any Legal Proceeding; or

(xv) agree, resolve or commit to do any of the foregoing.

(c) Nothing contained in this Agreement shall give the Company, directly or indirectly, the right to control or direct the operations of Parent prior to the Effective Time. Prior to the Effective Time, Parent shall exercise, consistent with the terms and conditions of this Agreement, complete unilateral control and supervision over its business operations.

4.2 **Operation of the Company's Business**.

(a) Except as set forth on *Section 4.2(a)* of the Company Disclosure Schedule, as expressly permitted by this Agreement, as required by applicable Law or unless Parent shall otherwise consent in writing (which consent shall not be unreasonably withheld, delayed or conditioned), during the Pre-Closing Period: each of the Company and its Subsidiaries shall conduct its business and operations in the Ordinary Course of Business and in compliance in all material respects with all applicable Laws and the requirements of all Contracts that constitute Company Material Contracts.

(b) Except (i) as expressly permitted by this Agreement, (ii) as expressly permitted in the Subscription Agreement or any of the other definitive agreements entered into on the date of this Agreement in connection with the Private Placement, (iii) as set forth in Section 4.2(b) of the Company Disclosure Schedule, (iv) as required by applicable Law or (v) with the prior written consent of Parent (which consent shall not be unreasonably withheld, delayed or conditioned), at all times during the Pre-Closing Period, the Company shall not, nor shall it cause or permit any of its Subsidiaries to, do any of the following:

(i) declare, accrue, set aside or pay any dividend or make any other distribution in respect of any shares of its capital stock or repurchase, redeem or otherwise reacquire any shares of its capital stock or other securities (except for shares of Company Common Stock from terminated employees, directors or consultants of the Company);

(ii) sell, issue, grant, pledge or otherwise dispose of or encumber or authorize any of the foregoing with respect to: (A) any capital stock or other security of the Company or any of its Subsidiaries (except for shares of outstanding Company Common Stock issued upon the valid exercise of Company Options); (B) any option, warrant, right to acquire any capital stock or any other security (other than grants of awards under the Company Plans or Benefit Contracts); or (C) any other instrument convertible into or exchangeable for any capital stock or other security of the Company or any of its Subsidiaries (other than grants of awards under the Company Plans or Benefit Contracts);

(iii) except as required to give effect to anything in contemplation of the Closing, amend any of its or its Subsidiaries' Organizational Documents, or effect or be a party to any merger,

consolidation, share exchange, business combination, recapitalization, reclassification of shares, stock split, reverse stock split or similar transaction except, for the avoidance of doubt, the Contemplated Transactions;

(iv) form any Subsidiary or acquire any equity interest or other interest in any other Entity or enter into a joint venture with any other Entity;

(v) (A) lend money to any Person, (B) incur or guarantee any indebtedness for borrowed money, (C) guarantee any debt securities of others, or (D) make any capital expenditure or commitment in excess of $100,000;

(vi) recognize any labor union, labor organization, or similar Person, except as otherwise required by law and after advance notice to the Parent;

(vii) other than in the Ordinary Course of Business, acquire any material asset or sell, lease or otherwise irrevocably dispose of any of its material assets or properties, or grant any Encumbrance with respect to such assets or properties;

(viii) sell, assign, transfer, license, sublicense or otherwise dispose of any material Company IP (other than pursuant to non-exclusive licenses in the Ordinary Course of Business);

(ix) make, change or revoke any material Tax election, fail to pay any income or other material Tax as such Tax becomes due and payable, file any amendment making any material change to any Tax Return, settle or compromise any income or other material Tax liability, enter into any Tax allocation, sharing, indemnification or other similar agreement or arrangement (other than customary commercial contracts entered into in the Ordinary Course of Business the principal subject matter of which is not Taxes), request or consent to any extension or waiver of any limitation period with respect to any claim or assessment for any income or other material Taxes (other than pursuant to an extension of time to file any Tax Return granted in the Ordinary Course of Business of not more than six (6) months), or adopt or change any material accounting method in respect of Taxes;

(x) other than in the Ordinary Course of Business or any Benefit Contracts, enter into, materially amend or terminate any Company Material Contract;

(xi) other than as required by Law or GAAP, take any action to change accounting policies or procedures;

(xii) initiate or settle any Legal Proceeding in the amounts that exceed $100,000 individually or $500,000 in the aggregate; or

(xiii) agree, resolve or commit to do any of the foregoing.

(c) Nothing contained in this Agreement shall give Parent, directly or indirectly, the right to control or direct the operations of the Company prior to the Effective Time. Prior to the Effective Time, the Company shall exercise, consistent with the terms and conditions of this Agreement, complete unilateral control and supervision over its business operations.

4.3 **Access and Investigation**.

(a) Subject to the terms of the Confidentiality Agreement, which the Parties agree will continue in full force following the date of this Agreement, during the Pre-Closing Period, upon reasonable notice, Parent, on the one hand, and the Company, on the other hand, shall and shall use commercially reasonable efforts to cause such Party's Representatives to: (i) provide the other Party and such other Party's Representatives with reasonable access, upon reasonable notice and during normal business hours to such Party's Representatives, personnel, property and assets and

to all existing books, records, Tax Returns, work papers and other documents and information relating to such Party and its Subsidiaries; (ii) provide the other Party and such other Party's Representatives with such copies of the existing books, records, Tax Returns, work papers, product data, and other documents and information relating to such Party and its Subsidiaries, and with such additional financial, operating and other data and information regarding such Party and its Subsidiaries as the other Party may reasonably request; (iii) permit the other Party's officers and other employees to meet, upon reasonable notice and during normal business hours, with the chief financial officer (or interim chief financial officer, as applicable), chief executive officer, and other officers and managers of such Party responsible for such Party's financial statements and the internal controls of such Party to discuss such matters as the other Party may deem necessary or appropriate; and (iv) make available to the other Party copies of unaudited financial statements, material operating and financial reports prepared for senior management or the board of directors of such Party, and any material notice, report or other document filed with or sent to or received from any Governmental Body in connection with the Contemplated Transactions. Any investigation conducted by either Parent or the Company pursuant to this *Section 4.3* shall be conducted in such manner as not to interfere unreasonably with the conduct of the business of the other Party.

(b) Notwithstanding the foregoing, any Party may restrict the foregoing access to the extent that any Law applicable to such Party requires such Party to restrict or prohibit access to any such properties or information or as may be necessary to preserve the attorney-client privilege under any circumstances in which such privilege may be jeopardized by such disclosure or access.

4.4 **Parent Non-Solicitation**.

(a) Parent agrees that, during the Pre-Closing Period, it shall not, and shall not authorize any of its Representatives to, directly or indirectly: (i) solicit, initiate or knowingly encourage, induce or facilitate the communication, making, submission or announcement of any Acquisition Proposal or Acquisition Inquiry or take any action that could reasonably be expected to lead to an Acquisition Proposal or Acquisition Inquiry; (ii) furnish any nonpublic information regarding Parent to any Person in connection with or in response to an Acquisition Proposal or Acquisition Inquiry; (iii) engage in discussions (other than to inform any Person of the existence of the provisions contained in this *Section 4.4*) or negotiations with any Person with respect to any Acquisition Proposal or Acquisition Inquiry; (iv) approve, endorse or recommend any Acquisition Proposal (subject to *Section 5.3*); (v) execute or enter into any letter of intent or any Contract contemplating or otherwise relating to any Acquisition Transaction (other than a confidentiality agreement permitted under this *Section 4.4(a)*); or (vi) publicly propose to do any of the foregoing; *provided, however*, that, notwithstanding anything contained in this *Section 4.4* and subject to compliance with this *Section 4.4*, prior to obtaining the Required Parent Stockholder Vote, Parent may furnish non-public information regarding Parent to, and enter into discussions or negotiations with, any Person in response to a bona fide written Acquisition Proposal by such Person, which the Parent Board determines in good faith, after consultation with Parent's outside financial advisors and outside legal counsel, constitutes, or is reasonably likely to result in, a Superior Offer (and is not withdrawn) if: (A) neither Parent nor any of its Representatives shall have breached this *Section 4.4* in any material respect; (B) the Parent Board concludes in good faith based on the advice of outside legal counsel, that the failure to take such action is reasonably likely to be inconsistent with the fiduciary duties of the Parent Board under applicable Law; (C) at least two (2) Business Days prior to furnishing such nonpublic confidential information to, or entering into discussions with, such Person, Parent gives the Company written notice of the identity of such Person and of Parent's intention to furnish nonpublic information to, or enter into discussions with, such Person; (D) Parent receives from such Person an executed confidentiality agreement containing provisions, in the aggregate, at least as favorable to Parent as those contained in the Confidentiality Agreement and which includes a customary standstill provision (only to the extent

if the failure to include such standstill provision is reasonably likely to be inconsistent with the fiduciary duties of the Parent Board under applicable Law) (a "***Parent Permitted Confidentiality Agreement***"); and (E) at least two (2) Business Days prior to furnishing any such nonpublic information to such Person, Parent furnishes such nonpublic information to the Company (to the extent such information has not been previously furnished by Parent to the Company). Without limiting the generality of the foregoing, Parent acknowledges and agrees that, in the event any Representative of Parent (whether or not such Representative is purporting to act on behalf of Parent) takes any action that, if taken by Parent, would constitute a breach of this *Section 4.4*, the taking of such action by such Representative shall be deemed to constitute a breach of this *Section 4.4* by Parent for purposes of this Agreement.

(b) If Parent or any Representative of Parent receives an Acquisition Proposal or Acquisition Inquiry at any time during the Pre-Closing Period, then Parent shall promptly (and in no event later than twenty-four (24) hours after Parent becomes aware of such Acquisition Proposal or Acquisition Inquiry) advise the Company orally and in writing of such Acquisition Proposal or Acquisition Inquiry (including the identity of the Person making or submitting such Acquisition Proposal or Acquisition Inquiry, and the material terms thereof) and provide a copy of all written materials relating to such Acquisition Proposal or Acquisition Inquiry, including a written summary of all material oral communications made by any Person in connection with such Acquisition Proposal or Acquisition Inquiry, confidentiality agreements and Parent responses. Parent shall keep the Company reasonably informed on a current basis with respect to the status and material terms of any such Acquisition Proposal or Acquisition Inquiry (including any amendment thereto) and the status of any such discussions or negotiations, including by promptly including copies of any additional requests, proposals or offers, including any drafts of proposed agreements and amendments thereto.

(c) Parent shall immediately cease and cause to be terminated any existing discussions, negotiations and communications with any Person that relate to any Acquisition Proposal or Acquisition Inquiry as of the date of this Agreement and as soon as practicable after the date of this Agreement and in any event prior to the Closing Date request the destruction or return of any nonpublic information of Parent provided to any Person that Parent has had discussions, negotiations and communications that relate to any Acquisition Proposal or Acquisition Inquiry.

4.5 **Company Non-Solicitation.**

(a) The Company agrees that, during the Pre-Closing Period, neither it nor any of its Subsidiaries shall, nor shall it or any of its Subsidiaries authorize any of its Representatives to, directly or indirectly: (i) solicit, initiate or knowingly encourage, induce or facilitate the communication, making, submission or announcement of any Acquisition Proposal or Acquisition Inquiry or take any action that could reasonably be expected to lead to an Acquisition Proposal or Acquisition Inquiry; (ii) furnish any non-public information regarding the Company or any of its Subsidiaries to any Person in connection with or in response to an Acquisition Proposal or Acquisition Inquiry; (iii) engage in discussions (other than to inform any Person of the existence of the provisions contained in this *Section 4.5*) or negotiations with any Person with respect to any Acquisition Proposal or Acquisition Inquiry; (iv) approve, endorse or recommend any Acquisition Proposal; (v) execute or enter into any letter of intent or any Contract contemplating or otherwise relating to any Acquisition Transaction; or (vi) publicly propose to do any of the foregoing; *provided*, *however*, that, notwithstanding anything contained in this *Section 4.5* and subject to compliance with this *Section 4.5*, prior to obtaining the Required Company Stockholder Vote, the Company may furnish non-public information regarding the Company to, and enter into discussions or negotiations with, any Person in response to a bona fide Acquisition Proposal by such Person, which the Company Board determines in good faith, after consultation with the Company's outside financial advisors and outside legal counsel, constitutes, or is reasonably likely

to result in, a Superior Offer (and is not withdrawn) if: (A) neither the Company nor any of its Representatives shall have breached this *Section 4.5* in any material respect; (B) the Company Board concludes in good faith based on the advice of outside legal counsel, that the failure to take such action is reasonably likely to be inconsistent with the fiduciary duties of the Company Board under applicable Law; (C) at least two (2) Business Days prior to furnishing such nonpublic confidential information to, or entering into discussions with, such Person, the Company gives Parent written notice of the identity of such Person and of the Company's intention to furnish nonpublic information to, or enter into discussions with, such Person; (D) the Company receives from such Person an executed confidentiality agreement containing provisions, in the aggregate, at least as favorable to the Company as those contained in the Confidentiality Agreement (a "***Company Permitted Confidentiality Agreement***"); and (E) at least two (2) Business Days prior to furnishing any such nonpublic information to such Person, the Company furnishes such nonpublic information to Parent (to the extent such information has not been previously furnished by the Company to Parent). Without limiting the generality of the foregoing, the Company acknowledges and agrees that, in the event any Representative of the Company (whether or not such Representative is purporting to act on behalf of the Company) takes any action that, if taken by the Company, would constitute a breach of this *Section 4.5*, the taking of such action by such Representative shall be deemed to constitute a breach of this *Section 4.5* by the Company for purposes of this Agreement.

(b) If the Company or any Representative of the Company receives an Acquisition Proposal or Acquisition Inquiry at any time during the Pre-Closing Period, then the Company shall promptly (and in no event later than twenty-four (24) hours after the Company becomes aware of such Acquisition Proposal or Acquisition Inquiry) advise Parent orally and in writing of such Acquisition Proposal or Acquisition Inquiry (including the identity of the Person making or submitting such Acquisition Proposal or Acquisition Inquiry, and the material terms thereof) and provide a copy of all written materials relating to such Acquisition Proposal or Acquisition Inquiry, including a written summary of all material oral communications made by any Person in connection with such Acquisition Proposal or Acquisition Inquiry, confidentiality agreements and Company responses. The Company shall keep Parent reasonably informed with respect to the status and material terms of any such Acquisition Proposal or Acquisition Inquiry(including any amendment thereto) and the status of any such discussions or negotiations, including by promptly including copies of any additional requests, proposals or offers, including any drafts of proposed agreements and amendments thereto.

(c) The Company shall immediately cease and cause to be terminated any existing discussions, negotiations and communications with any Person that relate to any Acquisition Proposal or Acquisition Inquiry as of the date of this Agreement and promptly (and in any event within three (3) Business Days) request the destruction or return of any nonpublic information of the Company or any of its Subsidiaries provided to any Person that the Company has had discussions, negotiations and communications that relate to any Acquisition Proposal or Acquisition Inquiry.

4.6 **Notification of Certain Matters.**

(a) During the Pre-Closing Period, the Company shall promptly notify Parent (and, if in writing, furnish copies of) if any of the following occurs: (i) any notice or other communication is received from any Person alleging that the Consent of such Person is or may be required in connection with any of the Contemplated Transactions; (ii) any Legal Proceeding against or involving or otherwise affecting the Company or its Subsidiaries is commenced, or, to the Knowledge of the Company, threatened against the Company or its Subsidiaries or, to the Knowledge of the Company, any director or officer of the Company or its Subsidiaries; (iii) the Company becomes aware of any inaccuracy in any representation or warranty made by it in this

Agreement; or (iv) the failure of the Company to comply with any covenant or obligation of the Company; in the case of (iii) and (iv) that could reasonably be expected to make the timely satisfaction of any of the conditions set forth in *Sections 6* or *7*, as applicable, impossible or materially less likely. No notification given to Parent pursuant to this *Section 4.6(a)* shall change, limit or otherwise affect any of the representations, warranties, covenants or obligations of the Company or any of its Subsidiaries contained in this Agreement or the Company Disclosure Schedule for purposes of *Sections 6* and *7*, as applicable.

(b) During the Pre-Closing Period, Parent shall promptly notify the Company (and, if in writing, furnish copies of) if any of the following occurs: (i) any notice or other communication is received from any Person alleging that the Consent of such Person is or may be required in connection with any of the Contemplated Transactions; (ii) any Legal Proceeding against or involving or otherwise affecting Parent is commenced, or, to the Knowledge of Parent, threatened against Parent or, to the Knowledge of Parent, any director or officer of Parent; (iii) Parent becomes aware of any inaccuracy in any representation or warranty made by it in this Agreement; or (iv) the failure of Parent to comply with any covenant or obligation of Parent or Proteon Merger Sub; in the case of (iii) and (iv) that could reasonably be expected to make the timely satisfaction of any of the conditions set forth in *Sections 6* or *8*, as applicable, impossible or materially less likely. No notification given to the Company pursuant to this *Section 4.6(b)* shall change, limit or otherwise affect any of the representations, warranties, covenants or obligations of Parent contained in this Agreement or the Parent Disclosure Schedule for purposes of *Sections 6* and *8*, as applicable.

4.7 **Potential Divestiture.** Notwithstanding anything in this Agreement to the contrary (but subject to the provisions set forth below in this *Section 4.7*), Parent shall be entitled to divest the Divestiture Assets; *provided*, *however*, that (a) if (i) there are any potential or contingent post-disposition Liabilities of any amount or nature whatsoever for Parent or its Subsidiaries in connection with such disposition or (ii) any such disposition could negatively impact the treatment of the Merger as reorganization under Section 368(a) of the Code, then Parent shall seek the Company's written consent (not to be unreasonable withheld, conditioned or delayed) prior to entering into a definitive agreement for such disposition and (b) Parent shall use reasonable efforts to structure the terms of any Divestiture Transaction so that such Divestiture Transaction is consummated no earlier than five Business Days prior to the Closing Date. Notwithstanding anything to the contrary in this Agreement, the Contemplated Transactions shall not be delayed by or conditioned upon the Divestiture Transaction. For clarity, if the Divestiture Transaction is not completed at or prior to the Effective Time, the Divestiture Assets shall be retained by Parent. Notwithstanding anything in the foregoing provisions of this *Section 4.7* express or implied to the contrary, if the Company provides written notice to Parent at any time prior to the Closing Date (the "***Company No Divestiture Notice***") requesting that Parent not enter into a Divestiture Transaction with respect to any Divestiture Assets prior to the Closing, and if, prior to receipt of the Company No Divestiture Notice, Parent has not given written notice to the Company that Parent has entered into, or promptly after the date of such written notice given by Parent, will be entering into, a binding Contract with a third party for a Divestiture Transaction with respect to any Divestiture Assets (any such written notice by Parent, a "***Parent Divestiture Notice***"), then, unless otherwise agreed in writing by the Company, Parent shall not be entitled to enter into a binding Contract to effect a Divestiture Transaction that involves any Divestiture Assets subject to the Company No Divestiture Notice.

Section 5. ADDITIONAL AGREEMENTS OF THE PARTIES

5.1 **Registration Statement; Proxy Statement/Prospectus.**

(a) As promptly as practicable after the date of this Agreement (but in no event later than 50 days following the date of this Agreement), the Parties shall prepare, and Parent shall cause to be filed with the SEC, the Registration Statement, in which the Proxy Statement/Prospectus will be included as a prospectus. Parent covenants and agrees that the Registration Statement (and the letter to stockholders, notice of meeting and form of proxy included therewith) will not, at the time that the Proxy Statement/Prospectus or any amendment or supplement thereto is filed with the SEC or is first mailed to the Parent stockholders, contain any untrue statement of a material fact or omit to state any material fact required to be stated therein or necessary in order to make the statements made therein, in light of the circumstances under which they were made, not misleading. The Company covenants and agrees that the information provided by the Company or its Subsidiaries to Parent for inclusion in the Registration Statement (including the Company Audited Financial Statements and the Company Interim Financial Statements) will not contain any untrue statement of a material fact or omit to state any material fact required to be stated therein or necessary in order to make such information not misleading. Notwithstanding the foregoing, Parent makes no covenant, representation or warranty with respect to statements made in the Registration Statement (and the letter to stockholders, notice of meeting and form of proxy included therewith), if any, based on information provided by the Company or its Subsidiaries or any of their Representatives in writing specifically for inclusion therein. Notwithstanding the foregoing, the Company makes no covenant, representation or warranty with respect to statements made in the Registration Statement (and the letter to stockholders, notice of meeting and form of proxy included therewith), if any, based on information provided by Parent or any of its Representatives specifically for inclusion therein. As soon as reasonably practicable, Parent shall establish a record date for, duly call, give notice of and, as soon as reasonably practicable thereafter, in accordance with *Section 5.3*, convene the Parent Stockholders' Meeting. Parent shall notify the Company promptly of the receipt of any comments from the SEC or staff of the SEC, for amendments or supplements to the Registration Statement or for additional information and shall supply the Company with copies of all correspondence between Parent or any of its Representatives, on the one hand, and the SEC or the staff of the SEC, on the other hand, with respect to the Registration Statement or Proxy Statement/Prospectus. Each of the Parties shall use commercially reasonable efforts to cause the Registration Statement to comply with the applicable rules and regulations promulgated by the SEC, to respond promptly to any comments of the SEC or its staff (and to give the Company and its counsel a reasonable opportunity to participate in the formulation of any response to any such comments to the SEC or its staff) and to have the Registration Statement declared effective under the Securities Act as promptly as practicable after it is filed with the SEC. Parent shall use commercially reasonable efforts to cause the Proxy Statement/Prospectus to be mailed to Parent's stockholders as promptly as practicable (but within five Business Days) after the Registration Statement is declared effective under the Securities Act. Each Party shall promptly furnish to the other Party all information concerning such Party and such Party's Affiliates and such Party's stockholders that may be required or reasonably requested in connection with any action contemplated by this *Section 5.1*. If Parent, Proteon Merger Sub or the Company become aware of any event or information that, pursuant to the Securities Act or the Exchange Act, should be disclosed in an amendment or supplement to the Registration Statement, as the case may be, then such Party, as the case may be, shall promptly inform the other Parties thereof and shall cooperate with such other Parties in filing such amendment or supplement with the SEC and, if appropriate, in mailing such amendment or supplement to the Parent stockholders.

(b) Prior to the Effective Time, Parent shall use commercially reasonable efforts to obtain all regulatory approvals needed to ensure that the Parent Common Stock to be issued in the Merger

(to the extent required) shall be registered or qualified or exempt from registration or qualification under the securities law of every jurisdiction of the United States in which any registered holder of Company Capital Stock has an address of record on the applicable record date for determining the holders of Company Capital Stock entitled to notice and to vote pursuant to the Company Stockholder Written Consent.

(c) The Company shall reasonably cooperate with Parent and provide, and require its Representatives to provide, Parent and its Representatives, with all true, correct and complete information regarding the Company or its Subsidiaries that is required by Law to be included in the Registration Statement or reasonably requested by Parent to be included in the Registration Statement. Each Party will use commercially reasonable efforts to cause to be delivered to Parent a consent letter of such Party's independent accounting firm, dated no more than two (2) Business Days before the date on which the Registration Statement becomes effective (and reasonably satisfactory in form and substance to the other Party), that is customary in scope and substance for consent letters delivered by independent public accountants in connection with registration statements similar to the Registration Statement.

(d) Prior to filing of the Registration Statement, Parent (and Proteon Merger Sub) and the Company shall use their respective reasonable best efforts to execute and deliver to Cooley LLP ("***Cooley***") and to Morgan, Lewis & Bockius LLP ("***Morgan Lewis***") the applicable "Tax Representation Letters" referenced in *Section 5.9(d)*. Following the delivery of the Tax Representation Letters pursuant to the preceding sentence, Parent and the Company shall use their respective reasonable best efforts to cause Cooley to deliver to the Company, and to cause Morgan Lewis to deliver to Parent, a Tax opinion satisfying the requirements of Item 601 of Regulation S-K promulgated under the Securities Act. In rendering such opinions, each of such counsel shall be entitled to rely on the Tax Representation Letters referred to in this *Section 5.1(d)* and *Section 5.9(d)*.

5.2 **Company Information Statement; Stockholder Written Consent.**

(a) Promptly after the Registration Statement shall have been declared effective under the Securities Act, and in any event no later than five (5) Business Days thereafter, the Company shall prepare, with the cooperation of Parent, and commence mailing to its stockholders an information statement, which shall include a copy of the Proxy Statement/Prospectus (the "***Information Statement***"), to solicit the Company Stockholder Written Consent evidencing the Required Company Stockholder Vote for purposes of (within ten (10) Business Days after the Registration Statement shall have been declared effective) (i) adopting this Agreement and thereby approving the Contemplated Transactions, (ii) acknowledging that the approval given thereby is irrevocable and that such stockholder is aware of its rights to demand appraisal for its shares pursuant to Section 262 of the DGCL, a true and correct copy of which will be attached thereto, and that such stockholder has received and read a copy of Section 262 of the DGCL and (iii) acknowledging that by its approval of the Merger it is not entitled to appraisal rights with respect to its shares in connection with the Merger and thereby waives any rights to receive payment of the fair value of its capital stock under the DGCL (collectively, the "***Company Stockholder Matters***"). Under no circumstances shall the Company, other than with the consent of Parent (which consent shall not be unreasonably withheld, delayed or conditioned), assert that any other approval or consent is necessary by its stockholders to approve the Company Stockholder Matters. All materials (including any amendments thereto) submitted to the stockholders of the Company in accordance with this *Section 5.2(a)* shall be subject to Parent's advance review and reasonable approval (which consent shall not be unreasonably withheld, delayed or conditioned).

(b) The Company covenants and agrees that the Information Statement, including any pro forma financial statements included therein (and the letter to stockholders and form of Company

Stockholder Written Consent included therewith), will not, at the time that the Information Statement or any amendment or supplement thereto is first mailed to the stockholders of the Company, at the time of receipt of the Required Company Stockholder Vote and at the Effective Time, contain any untrue statement of a material fact or omit to state any material fact required to be stated therein or necessary in order to make the statements made therein, in light of the circumstances under which they were made, not misleading. Notwithstanding the foregoing, the Company makes no covenant, representation or warranty with respect to statements made in the Information Statement or incorporated by reference from the Registration Statement (and the letter to the stockholders and form of Company Stockholder Written Consent included therewith), if any, based on information furnished in writing by Parent specifically for inclusion therein. Each of the Parties shall use commercially reasonable efforts to cause the Information Statement to comply with the DGCL and the applicable rules and regulations promulgated by the SEC in all material respects (which consent shall not be unreasonably withheld, delayed or conditioned).

(c) Promptly following receipt of the Required Company Stockholder Vote, the Company shall prepare and mail a notice (the "***Stockholder Notice***") to every stockholder of the Company that did not execute the Company Stockholder Written Consent. The Stockholder Notice shall (i) be a statement to the effect that the Company Board determined that the Merger is advisable in accordance with Section 251(b) of the DGCL and in the best interests of the stockholders of the Company and approved and adopted this Agreement, the Merger and the other Contemplated Transactions, (ii) provide the stockholders of the Company to whom it is sent with notice of the actions taken in the Company Stockholder Written Consent, including the adoption and approval of this Agreement, the Merger and the other Contemplated Transactions in accordance with Section 228(e) of the DGCL and the applicable rules and regulations promulgated by the SEC and the certificate of incorporation and bylaws of the Company and (iii) include a description of the appraisal rights of the Company's stockholders available under the DGCL, along with such other information as is required thereunder and pursuant to applicable Law. All materials (including any amendments thereto) submitted to the stockholders of the Company in accordance with this *Section 5.2(c)* shall be subject to Parent's advance review and reasonable approval.

(d) The Company agrees that, subject to *Section 5.2(e)*: (i) the Company Board shall recommend that the Company's stockholders vote to approve the Company Stockholder Matters and shall use reasonable best efforts to solicit such approval from each of the Company stockholders necessary to deliver the Company Stockholder Written Consent evidencing the Required Company Stockholder Vote within the time set forth in *Section 5.2(a)* (the recommendation of the Company Board that the Company's stockholders vote to adopt and approve this Agreement being referred to as the "***Company Board Recommendation***"); (ii) the Company Board Recommendation shall not be withdrawn or modified (and the Company Board shall not publicly propose to withdraw or modify the Company Board Recommendation) in a manner adverse to Parent, and no resolution by the Company Board or any committee thereof to withdraw or modify the Company Board Recommendation in a manner adverse to Parent or to adopt, approve or recommend (or publicly propose to adopt, approve or recommend) any Acquisition Proposal shall be adopted or proposed (the actions set forth in the foregoing clause (ii), collectively, a "***Company Board Adverse Recommendation Change***"); and (iii) other than a Company Permitted Confidentiality Agreement, neither the Company nor its Affiliates shall enter into any agreement in principle, letter of intent, term sheet or any other agreement, understanding or contract (whether binding or not) contemplating or otherwise relating to any Acquisition Proposal, submit any Acquisition Proposal to the vote of any stockholders of the Company or resolve, propose or agree to do any of the foregoing.

(e) Notwithstanding anything to the contrary contained in this Agreement, if at any time prior to the approval of Company Stockholder Matters by the Required Company Stockholder Vote:

(i) Company has received a written Acquisition Proposal (which Acquisition Proposal did not arise out of a material breach of *Section 4.5*) from any Person that has not been withdrawn and after consultation with outside legal counsel, the Company Board shall have determined, in good faith, that such Acquisition Proposal is a Superior Offer, the Company Board may make a Company Board Adverse Recommendation Change, if and only if: (A) the Company Board determines in good faith, after consultation with Company's outside legal counsel, that the failure to do so would be reasonably likely to be inconsistent with the fiduciary duties of the Company Board to the Company's stockholders under applicable Law; (B) Company shall have given the Parent prior written notice of its intention to consider making a Company Board Adverse Recommendation Change or terminate this Agreement pursuant to *Section 9.1(g)* at least four (4) Business Days prior to making any such Company Board Adverse Recommendation Change or termination (a "***Company Determination Notice***") (which notice shall not constitute a Company Board Adverse Recommendation Change); and (C) (1) the Company shall have provided to Parent the material terms and conditions and written material relating to the Acquisition Proposal in accordance with *Section 4.5(b)* , including unredacted copies of the Acquisition Proposal and all other documents related to the Acquisition Proposal, (2) the Company shall have given Parent the four (4) Business Days after the Company Determination Notice to propose revisions to the terms of this Agreement or make another proposal and shall have made its Representatives reasonably available to negotiate in good faith with Parent with respect to such proposed revisions or other proposal, if any, and (3) after considering the results of any such negotiations and giving effect to the proposals made by Parent, if any, after consultation with outside legal counsel, the Company Board shall have determined, in good faith, that such Acquisition Proposal is a Superior Offer and that the failure to make the Company Board Adverse Recommendation Change or terminate this Agreement pursuant to *Section 9.1(g)* would be reasonably likely to be inconsistent with the fiduciary duties of the Company Board to the Company's stockholders under applicable Law. For the avoidance of doubt, the provisions of this *Section 5.2(e)(i)* shall also apply to any material change to the facts and circumstances relating to such Acquisition Proposal and require a new Company Determination Notice, except that the references to four (4) Business Days shall be deemed to be three (3) Business Days.

(ii) other than in connection with an Acquisition Proposal, the Company Board may make a Company Board Adverse Recommendation Change in response to a Company Change in Circumstance, if and only if: (A) the Company Board determines in good faith, after consultation with the Company's outside legal counsel, that the failure to do so would be reasonably likely to be inconsistent with the fiduciary duties of the Company Board to Company's stockholders under applicable Law; (B) the Company shall have given Parent a Company Determination Notice at least four (4) Business Days prior to making any such Company Board Adverse Recommendation Change; and (C) (1) Company shall have specified the Company Change in Circumstance in reasonable detail, (2) the Company shall have given Parent the four (4) Business Days after the Company Determination Notice to propose revisions to the terms of this Agreement or make another proposal, and shall have made its Representatives reasonably available to negotiate in good faith with Parent with respect to such proposed revisions or other proposal, if any, and (3) after considering the results of any such negotiations and giving effect to the proposals made by Parent, if any, after consultation with outside legal counsel, the Company Board shall have determined, in good faith, that the failure to make the Company Board Adverse Recommendation Change in response to such Company Change in Circumstance would be reasonably likely to be inconsistent with the

fiduciary duties of the Company Board to the Company's stockholders under applicable Law. For the avoidance of doubt, the provisions of this *Section 5.2(e)(ii)* shall also apply to any material change to the facts and circumstances relating to such Company Change in Circumstance and require a new Company Determination Notice, except that the references to four (4) Business Days shall be deemed to be three (3) Business Days.

(f) The Company's obligation to solicit the consent of its stockholders to sign the Company Stockholder Written Consent in accordance with *Section 5.2(a)* shall not be limited or otherwise affected by the commencement, disclosure, announcement or submission of any Superior Offer or other Acquisition Proposal or by any Company Board Adverse Recommendation Change.

5.3 **Parent Stockholders' Meeting.**

(a) Promptly after the Registration Statement has been declared effective by the SEC under the Securities Act, Parent shall take all action necessary under applicable Law to call, give notice of and hold a meeting of the holders of Parent Common Stock for the purpose of seeking approval of:

(i) the amendment of Parent's certificate of incorporation to effect the Nasdaq Reverse Split;

(ii) the issuance pursuant to the Merger and the Private Placement of shares of Parent Capital Stock that represent (or are convertible into) more than twenty percent (20%) of the shares of Parent Common Stock outstanding immediately prior to the Merger and the change of control of Parent resulting from the Merger and the Private Placement, in each case pursuant to the Nasdaq rules;

(iii) the amendment of Parent's certificate of incorporation to effect the Parent Series A Preferred Automatic Conversion immediately following the consummation of the Private Placement; and

(iv) the Parent EIP Amendment (the matters contemplated by the clauses 5.3(a)(i) through (iv) are referred to as the "***Parent Common Stockholder Matters***," and the matters contemplated by the clauses 5.3(a)(i) through (iii) are referred to as the "***Closing Parent Common Stockholder Matters"*** and such meeting, the "***Parent Stockholders' Meeting***").

(b) The Parent Stockholders' Meeting shall be held as promptly as practicable after the Registration Statement is declared effective under the Securities Act and in any event no later than 50 calendar days thereafter. Parent shall take reasonable measures to ensure that all proxies solicited in connection with the Parent Stockholders' Meeting are solicited in compliance with all applicable Law. Notwithstanding anything to the contrary contained herein, if on the date of the Parent Stockholders' Meeting, or a date preceding the date on which the Parent Stockholders' Meeting is scheduled, Parent reasonably believes that (i) it will not receive proxies sufficient to obtain the required approval of the holders of Parent Common Stock at the Parent Stockholders' Meeting with respect to all of the Parent Common Stockholder Matters, whether or not a quorum would be present at the Parent Stockholders' Meeting or (ii) it will not have sufficient shares of Parent Common Stock represented (whether in person or by proxy) to constitute a quorum necessary to conduct the business of the Parent Stockholders' Meeting, Parent and the Company may mutually agree to postpone or adjourn the Parent Stockholders' Meeting as long as the date of the Parent Stockholders' Meeting is not postponed or adjourned more than an aggregate of twenty (20) consecutive calendar days in connection with such postponement or adjournment.

(c) Parent agrees that, subject to *Section 5.3(d)*: (i) the Parent Board shall recommend that the holders of Parent Common Stock vote to approve the Parent Common Stockholder Matters and shall use commercially reasonable efforts to solicit such approval (the recommendation of the Parent Board with respect to the Parent Common Stockholder Matters being referred to, collectively, as the "***Parent Board Recommendation***"); (ii) the Proxy Statement/Prospectus shall include a statement to the effect that the Parent Board recommends that holders of Parent Common Stock vote to approve the Parent Common Stockholder Matters; (iii) the Parent Board Recommendation shall not be withheld, amended, withdrawn or modified (and the Parent Board shall not resolve or publicly propose or agree to withhold, amend, withdraw or modify the Parent Board Recommendation) in a manner adverse to the Company (the actions set forth in the foregoing clause (iii), collectively, a "***Parent Board Adverse Recommendation Change***"); and (iv) other than a Parent Permitted Confidentiality Agreement, neither Parent nor its Affiliates shall enter into any agreement in principle, letter of intent, term sheet or any other agreement, understanding or contract (whether binding or not) contemplating or otherwise relating to any Acquisition Proposal, submit any Acquisition Proposal to the vote of any stockholders of Parent or resolve, propose or agree to do any of the foregoing.

(d) Notwithstanding anything to the contrary contained in this Agreement, if at any time prior to the approval of the Parent Common Stockholder Matters by the required vote of the holders of Parent Common Stock at the Parent Stockholders' Meeting:

(i) Parent has received a written Acquisition Proposal (which Acquisition Proposal did not arise out of a material breach of *Section 4.4*) from any Person that has not been withdrawn and after consultation with outside legal counsel, the Parent Board shall have determined, in good faith, that such Acquisition Proposal is a Superior Offer, the Parent Board may make a Parent Board Adverse Recommendation Change, if and only if: (A) the Parent Board determines in good faith, after consultation with Parent's outside legal counsel, that the failure to do so would be reasonably likely to be inconsistent with the fiduciary duties of the Parent Board to Parent's stockholders under applicable Law; (B) Parent shall have given the Company prior written notice of its intention to consider making a Parent Board Adverse Recommendation Change or terminate this Agreement pursuant to *Section 9.1(j)* at least four (4) Business Days prior to making any such Parent Board Adverse Recommendation Change or termination (a "***Determination Notice***") (which notice shall not constitute a Parent Board Adverse Recommendation Change); and (C) (1) Parent shall have provided to the Company the material terms and conditions and written material relating to the Acquisition Proposal in accordance with *Section 4.4(b)*, including unredacted copies of the Acquisition Proposal and all other documents related to the Acquisition Proposal (2) Parent shall have given the Company the four (4) Business Days after the Determination Notice to propose revisions to the terms of this Agreement or make another proposal and shall have made its Representatives reasonably available to negotiate in good faith with the Company with respect to such proposed revisions or other proposal, if any, and (3) after considering the results of any such negotiations and giving effect to the proposals made by the Company, if any, after consultation with outside legal counsel, the Parent Board shall have determined, in good faith, that such Acquisition Proposal is a Superior Offer and that the failure to make the Parent Board Adverse Recommendation Change or terminate this Agreement pursuant to *Section 9.1(j)* would be reasonably likely to be inconsistent with the fiduciary duties of the Parent Board to Parent's stockholders under applicable Law. For the avoidance of doubt, the provisions of this *Section 5.3(d)(i)* shall also apply to any material change to the facts and circumstances relating to such Acquisition Proposal and require a new Determination Notice, except that the references to four (4) Business Days shall be deemed to be three (3) Business Days.

(ii) other than in connection with an Acquisition Proposal, the Parent Board may make a Parent Board Adverse Recommendation Change in response to a Parent Change in Circumstance, if and only if: (A) the Parent Board determines in good faith, after consultation with Parent's outside legal counsel, that the failure to do so would be reasonably likely to be inconsistent with the fiduciary duties of the Parent Board to Parent's stockholders under applicable Law; (B) Parent shall have given the Company a Determination Notice at least four (4) Business Days prior to making any such Parent Board Adverse Recommendation Change; and (C) (1) Parent shall have specified the Parent Change in Circumstance in reasonable detail, (2) Parent shall have given the Company the four (4) Business Days after the Determination Notice to propose revisions to the terms of this Agreement or make another proposal, and shall have made its Representatives reasonably available to negotiate in good faith with the Company with respect to such proposed revisions or other proposal, if any, and (3) after considering the results of any such negotiations and giving effect to the proposals made by the Company, if any, after consultation with outside legal counsel, the Parent Board shall have determined, in good faith, that the failure to make the Parent Board Adverse Recommendation Change in response to such Parent Change in Circumstance would be reasonably likely to be inconsistent with the fiduciary duties of the Parent Board to Parent's stockholders under applicable Law. For the avoidance of doubt, the provisions of this *Section 5.3(d)(ii)* shall also apply to any material change to the facts and circumstances relating to such Parent Change in Circumstance and require a new Determination Notice, except that the references to four (4) Business Days shall be deemed to be three (3) Business Days.

(e) Subject to *Section 9.1(j)*, Parent's obligation to solicit the approval of the Parent Common Stockholder Matters by the required vote of the holders of Parent Common Stock at the Parent Stockholders' Meeting shall not be limited or otherwise affected by the commencement, disclosure, announcement or submission of any Superior Offer or other Acquisition Proposal or by any Parent Board Adverse Recommendation Change.

(f) Nothing contained in this Agreement shall prohibit Parent or the Parent Board from (i) complying with Rules 14d-9 and 14e-2(a) promulgated under the Exchange Act, (ii) issuing a "stop, look and listen" communication or similar communication of the type contemplated by Section 14d-9(f) under the Exchange Act or (iii) otherwise making any disclosure to the Parent stockholders that is required by applicable Law; *provided* that Parent shall not effect or disclose pursuant to such rules or Law or otherwise take a position which constitutes, a Parent Board Adverse Recommendation Change unless specifically permitted pursuant to the terms of *Section 5.3*.

5.4 **Company Options**.

(a) At the Effective Time, each Company Option that is outstanding and unexercised immediately prior to the Effective Time under the Company Plan, whether or not vested, shall be converted into and become an option to purchase Parent Common Stock, and Parent shall assume the Company Plan and each such Company Option in accordance with the terms (as in effect as of the date of this Agreement) of the Company Plan and the terms of the stock option agreement by which such Company Option is evidenced (but with changes to such documents as Parent and the Company mutually agree are appropriate to reflect the substitution of the Company Options by Parent to purchase shares of Parent Common Stock). All rights with respect to Company Common Stock under Company Options assumed by Parent shall thereupon be converted into rights with respect to Parent Common Stock. Accordingly, from and after the Effective Time: (i) each Company Option assumed by Parent may be exercised solely for shares of Parent Common Stock; (ii) the number of shares of Parent Common Stock subject to each Company Option assumed by Parent shall be determined by multiplying (A) the number of shares of Company Common Stock

that were subject to such Company Option, as in effect immediately prior to the Effective Time, by (B) the Exchange Ratio, and rounding the resulting number down to the nearest whole number of shares of Parent Common Stock; (iii) the per share exercise price for the Parent Common Stock issuable upon exercise of each Company Option assumed by Parent shall be determined by dividing (A) the per share exercise price of Company Common Stock subject to such Company Option, as in effect immediately prior to the Effective Time, by (B) the Exchange Ratio and rounding the resulting exercise price up to the nearest whole cent; and (iv) any restriction on the exercise of any Company Option assumed by Parent shall continue in full force and effect and the term, exercisability, vesting schedule and other provisions of such Company Option shall otherwise remain unchanged; *provided*, *however*, that the Parent Board or a committee thereof shall succeed to the authority and responsibility of the Company Board or any committee thereof with respect to each Company Option assumed by Parent. Notwithstanding anything to the contrary in this *Section 5.4(a)* , the conversion of each Company Option (regardless of whether such option qualifies as an "incentive stock option" within the meaning of Section 422 of the Code) into an option to purchase shares of Parent Common Stock shall be made in a manner consistent with Treasury Regulation Section 1.424-1, such that the conversion of a Company Option shall not constitute a "modification" of such Company Option for purposes of Section 409A or Section 424 of the Code.

(b) Parent shall file with the SEC, reasonably promptly after the Effective Time, a registration statement on Form S-8 (or any successor or alternative form), relating to the shares of Parent Common Stock issuable with respect to Company Options assumed by Parent in accordance with *Section 5.4(a)*.

(c) Prior to the Effective Time, the Company and Parent shall take all actions that may be reasonably necessary (under the Company Plan and otherwise) to effectuate the provisions of this *Section 5.4* and to ensure that, from and after the Effective Time, holders of Company Options have no rights with respect thereto other than those specifically provided in this *Section 5.4*.

5.5 **Indemnification of Officers and Directors**.

(a) The provisions of the certificate of incorporation and bylaws of Parent with respect to indemnification, advancement of expenses and exculpation of present and former directors and officers of Parent that are presently set forth in the certificate of incorporation and bylaws of Parent shall not be amended, modified or repealed for a period of six (6) years from the Effective Time in a manner that would adversely affect the rights thereunder of individuals who, at or prior to the Effective Time, were officers or directors of Parent. The certificate of incorporation and bylaws of the Surviving Corporation shall contain, and Parent shall cause the certificate of incorporation and bylaws of the Surviving Corporation to so contain, provisions no less favorable with respect to indemnification, advancement of expenses and exculpation of present and former directors and officers as those presently set forth in the certificate of incorporation and bylaws of Parent.

(b) From and after the Effective Time, (i) the Surviving Corporation shall fulfill and honor in all respects the obligations of the Company to its directors and officers as of immediately prior to the Closing pursuant to any indemnification provisions under the Company's Organizational Documents and pursuant to any indemnification agreements between the Company and such directors and officers, with respect to claims arising out of matters occurring at or prior to the Effective Time and (ii) Parent shall fulfill and honor in all respects the obligations of Parent to its directors and officers as of immediately prior to the Closing pursuant to any indemnification provisions under Parent's Organizational Documents and pursuant to any indemnification agreements between Parent and such directors and officers, with respect to claims arising out of matters occurring at or prior to the Effective Time.

(c) From and after the Effective Time, Parent shall maintain directors' and officers' liability insurance policies, with an effective date as of the Closing Date, on commercially available terms and conditions and with coverage limits customary for U.S. public companies similarly situated to Parent. In addition, Parent shall purchase, prior to the Effective Time, a six (6) year prepaid "tail policy" for the non-cancellable extension of the directors' and officers' liability coverage of Parent's existing directors' and officers' insurance policies for a claims reporting or discovery period of at least six (6) years from and after the Effective Time with respect to any claim related to any period of time at or prior to the Effective Time (the "***D&O Tail Policy***"); *provided, however*, that (i) the D&O Tail Policy shall have a maximum liability coverage of $20,000,000 and a retention of $2,500,000, notwithstanding that Parent's existing directors' and officers insurance policies have a higher maximum liability coverage and a lower retention, and (ii) in no event shall Parent expend for the D&O Tail Policy a one-time premium in excess of three hundred percent (300%) of the annual premium currently paid by Parent for Parent's existing directors' and officers insurance policies; and *provided, further*, that, if the one-time premium for the D&O Tail Policy exceeds the amount contemplated under clause (ii) above, Parent shall obtain a D&O Tail Policy with the greatest coverage available that is consistent with clause (i) above for a cost not exceeding the amount contemplated under clause (ii) above.

(d) From and after the Effective Time, Parent shall pay all expenses, including reasonable attorneys' fees, that are incurred by the persons referred to in this *Section 5.5* in connection with their successful enforcement of the rights provided to such persons in this *Section 5.5*.

(e) The provisions of this *Section 5.5* are intended to be in addition to the rights otherwise available to the current and former officers and directors of Parent, Proteon Merger Sub and the Company by Law, charter, statute, bylaw or agreement, and shall operate for the benefit of, and shall be enforceable by, each of such current and former directors and officers, their heirs and their representatives.

(f) In the event Parent or the Surviving Corporation or any of their respective successors or assigns (i) consolidates with or merges into any other Person and shall not be the continuing or surviving corporation or entity of such consolidation or merger, or (ii) transfers all or substantially all of its properties and assets to any Person, then, and in each such case, proper provision shall be made so that the successors and assigns of Parent or the Surviving Corporation, as the case may be, shall succeed to the obligations set forth in this *Section 5.5*. Parent shall cause the Surviving Corporation to perform all of the obligations of the Surviving Corporation under this *Section 5.5*.

5.6 **Additional Agreements**. The Parties shall use commercially reasonable efforts to cause to be taken all actions necessary to consummate the Contemplated Transactions. Without limiting the generality of the foregoing, each Party to this Agreement: (a) shall make all filings and other submissions (if any) and give all notices (if any) required to be made and given by such Party in connection with the Contemplated Transactions; (b) shall use commercially reasonable efforts to obtain each Consent (if any) reasonably required to be obtained (pursuant to any applicable Law or Contract, or otherwise) by such Party in connection with the Contemplated Transactions or for such Contract (with respect to Contracts set forth in *Section 5.6* of the Company Disclosure Schedule) to remain in full force and effect; (c) shall use commercially reasonable efforts to lift any injunction prohibiting, or any other legal bar to, the Contemplated Transactions; and (d) shall use commercially reasonable efforts to satisfy the conditions precedent to the consummation of this Agreement.

5.7 **Disclosure**. The initial press release relating to this Agreement shall be a joint press release issued by the Company and Parent and thereafter Parent and the Company shall consult with each other before issuing any further press release(s) or otherwise making any public statement or making any announcement to Parent Associates or Company Associates (to the extent not previously issued or made in accordance with this Agreement) with respect to the Contemplated Transactions and shall not

issue any such press release, public statement or announcement to Parent Associates or Company Associates without the other Party's written consent (which shall not be unreasonably withheld, conditioned or delayed). Notwithstanding the foregoing: (a) each Party may, without such consultation or consent, make any public statement in response to questions from the press, analysts, investors or those attending industry conferences, make internal announcements to employees and make disclosures in Parent SEC Documents, so long as such statements are consistent with previous press releases, public disclosures or public statements made jointly by the parties (or individually, if approved by the other Party); (b) a Party may, without the prior consent of the other Party hereto but subject to giving advance notice to the other Party, and subject to any limitations pursuant to *Sections 5.2* or *5.3*, issue any such press release or make any such public announcement or statement as may be required by any Law; and (c) a Party need not consult with the other Party in connection with such portion of any press release, public statement or filing to be issued or made with respect to any Acquisition Proposal or Parent Board Adverse Recommendation Change or Company Board Adverse Recommendation Change, as applicable.

5.8 **Listing**. Parent shall (a) maintain its existing listing on Nasdaq until the Effective Time and obtain approval of the listing of the combined corporation on Nasdaq; (b) prepare and submit to Nasdaq a notification form for the listing of the shares of Parent Common Stock to be issued in connection with the Contemplated Transactions (including, without limitation, the Parent Series A Preferred Automatic Conversion), and to cause such shares to be approved for listing (subject to official notice of issuance); (c) to effect the Nasdaq Reverse Split; and (d) to the extent required by Nasdaq Marketplace Rule 5110, to file an initial listing application for the Parent Common Stock on Nasdaq (the "***Nasdaq Listing Application***"), which Nasdaq Listing Application shall be prepared by the Company, and to cause such Nasdaq Listing Application to be conditionally approved prior to the Effective Time. The Parties will use reasonable best efforts to coordinate with respect to compliance with Nasdaq rules and regulations. Each Party will promptly inform the other Party of all verbal or written communications between Nasdaq and such Party or its representatives. All Nasdaq fees associated with the Nasdaq Listing Application and the Nasdaq Reverse Split, if any (the "***Nasdaq Fees***") shall be borne by the Company. The Company will cooperate with Parent as reasonably requested by Parent with respect to the Nasdaq Listing Application and promptly furnish to Parent all information concerning the Company and its stockholders that may be required or reasonably requested in connection with any action contemplated by this *Section 5.8*.

5.9 **Tax Matters**.

(a) For United States federal income Tax purposes, (i) the Parties desire that the Merger qualify as a "reorganization" within the meaning of Section 368(a) of the Code (the "***Intended Tax Treatment***"), and (ii) this Agreement is intended to be, and is hereby adopted as, a "plan of reorganization" for purposes of Section 354 and 361 of the Code and Treasury Regulations Section 1.368-2(g) and 1.368-3(a), to which the Parent, Proteon Merger Sub and the Company are parties under Section 368(b) of the Code.

(b) The Parties acknowledge and agree that each has relied upon the advice of its own tax advisors in connection with the Merger and the Contemplated Transactions and that none of Parent, Company and Proteon Merger Sub makes any representation or warranty as to the Intended Tax Treatment.

(c) The Parties shall use their respective commercially reasonable efforts to cause the Merger to qualify, and will not take any action or cause any action to be taken which action would reasonably be expected to prevent the Merger from qualifying, for the Intended Tax Treatment.

(d) The Company shall use its reasonable best efforts to deliver to Cooley and Morgan Lewis a "Tax Representation Letter," dated as of the date of the Tax opinions referenced in *Section 5.1(d)* and signed by an officer of the Company, containing representations of the

Company, and Parent (and Proteon Merger Sub) shall use their reasonable best efforts to deliver to Cooley and Morgan Lewis a "Tax Representation Letter," dated as of the date of the Tax opinions referenced in *Section 5.1(d)* and signed by an officer of Parent (and Proteon Merger Sub), containing representations of Parent (and Proteon Merger Sub), in each case as shall be reasonably necessary or appropriate to enable Cooley and Morgan Lewis to render the applicable tax opinions described in *Section 5.1(d)*.

5.10 **Legends**. Parent shall be entitled to place appropriate legends on the book entries and/or certificates evidencing any shares of Parent Common Stock to be received in the Merger by equity holders of the Company who may be considered "affiliates" of Parent for purposes of Rules 144 and 145 under the Securities Act reflecting the restrictions set forth in Rules 144 and 145 and to issue appropriate stop transfer instructions to the transfer agent for Parent Common Stock.

5.11 **Directors and Officers**. The Parties shall take all necessary action, including by adopting resolutions and amending its Organizational Documents, so that effective as of the Effective Time, (a) the Parent Board is comprised of seven (7) members, with five (5) such members designated by the Company, one (1) such member designated by Parent, and one (1) such member being the Chief Executive Officer of Parent following the Effective Time and (b) the Persons listed in **Exhibit C** under the heading "Officers" are elected or appointed, as applicable, to the positions of officers of Parent and the Surviving Corporation, as set forth therein, to serve in such positions effective as of the Effective Time until successors are duly appointed and qualified in accordance with applicable Law. If any Person listed in **Exhibit C** is unable or unwilling to serve as an officer of Parent or the Surviving Corporation, as set forth therein, as of the Effective Time, the Parties shall mutually agree upon a successor. The Persons listed in **Exhibit C** under the heading "Board Designees—Company" shall be the Company's designees pursuant to clause (a) of this *Section 5.11* (which list may be changed by the Company at any time prior to the Closing by written notice to Parent to include different board designees who are reasonably acceptable to Parent) and the Person listed in **Exhibit C** under the heading "Board Designee—Parent" shall be Parent's designee pursuant to clause (a) of this *Section 5.11* (which Person shall be an "independent director" under Nasdaq Stock Market Rule 5605 and may be changed by Parent at any time prior to the Closing by written notice to the Company to include a different board designee who is reasonably acceptable to the Company, so long as any such substitute would be an "independent director" under Nasdaq Stock Market Rule 5605).

5.12 **Termination of Certain Agreements and Rights**. The Company shall cause any Investor Agreements (excluding the Company Stockholder Support Agreements and Company Lock-up Agreements) to be terminated immediately prior to the Effective Time, without any liability being imposed on the part of Parent or the Surviving Corporation.

5.13 **Section 16 Matters**. Prior to the Effective Time, Parent and the Company shall take all such steps as may be required (to the extent permitted under applicable Laws) to cause any acquisitions of Parent Common Stock, restricted stock awards to purchase Parent Common Stock and any options to purchase Parent Common Stock in connection with the Contemplated Transactions, by each individual who is reasonably expected to become subject to the reporting requirements of Section 16(a) of the Exchange Act with respect to Parent, to be exempt under Rule 16b-3 promulgated under the Exchange Act. At least thirty (30) calendar days prior to the Closing Date, the Company shall furnish the following information to Parent for each individual who, immediately after the Effective Time, will become subject to the reporting requirements of Section 16(a) of the Exchange Act with respect to Parent: (a) the number of shares of Company Common Stock owned by such individual and expected to be exchanged for shares of Parent Common Stock pursuant to the Merger, and (b) the number of other derivative securities (if any) with respect to Company Common Stock owned by such individual and expected to be converted into shares of Parent Common Stock, restricted stock awards to purchase Parent Common Stock or derivative securities with respect to Parent Common Stock in connection with the Merger.

5.14 **Cooperation**. Each Party shall cooperate reasonably with the other Party and shall provide the other Party with such assistance as may be reasonably requested for the purpose of facilitating the performance by each Party of its respective obligations under this Agreement and to enable the combined entity to continue to meet its obligations following the Effective Time.

5.15 **Allocation Certificates**.

(a) The Company will prepare and deliver to Parent at least five (5) Business Days prior to the Closing Date a certificate signed by the Chief Executive Officer of the Company in a form reasonably acceptable to Parent setting forth (as of immediately prior to the Effective Time) (i) each holder of Company Common Stock and Company Options; (ii) such holder's name and address; (iii) the number and type of Company Common Stock held and/or underlying the Company Options as of the immediately prior to the Effective Time for each such holder; and (iv) the number of shares of Parent Common Stock to be issued to such holder, or to underlie any Parent Option to be issued to such holder, pursuant to this Agreement in respect of the Company Common Stock or Company Options held by such holder as of immediately prior to the Effective Time (the "***Allocation Certificate***").

(b) Parent will prepare and deliver to the Company at least five (5) Business Days prior to the Closing Date a certificate signed by the Interim Chief Financial Officer or President of Parent in a form reasonably acceptable to the Company, setting forth, as of immediately prior to the Effective Time (after giving effect to the Nasdaq Reverse Split and the Parent Series A Preferred Automatic Conversion assuming, solely for purposes of such certificate, that the Parent Series A Preferred Automatic Conversion is effected immediately prior to the Effective Time) (i) each record holder of Parent Common Stock or Parent Options; and (ii) such record holder's name and address (the "***Parent Outstanding Shares Certificate***").

5.16 **Company Financial Statements**. As promptly as reasonably practicable following the date of this Agreement (i) the Company will furnish to Parent audited financial statements for the fiscal years ended 2017 and 2018 for inclusion in the Proxy Statement/Prospectus and the Registration Statement (the "***Company Audited Financial Statements***") and (ii) the Company will furnish to Parent unaudited interim financial statements for each interim period completed prior to Closing that would be required to be included in the Registration Statement or any periodic report due prior to the Closing if the Company were subject to the periodic reporting requirements under the Securities Act or the Exchange Act (the "***Company Interim Financial Statements***"), each such Company Interim Financial Statements to be furnished to Parent no later than forty-five (45) days following the end of the interim period to which such Company Interim Financial Statements relate. Each of the Company Audited Financial Statements and the Company Interim Financial Statements will be suitable for inclusion in the Proxy Statement/Prospectus and the Registration Statement and prepared in accordance with GAAP as applied on a consistent basis during the periods involved (except in each case as described in the notes thereto) and on that basis will present fairly, in all material respects, the financial position and the results of operations, changes in stockholders' equity, and cash flows of the Company as of the dates of and for the periods referred to in the Company Audited Financial Statements or the Company Interim Financial Statements, as the case may be.

5.17 **Takeover Statutes**. If any Takeover Statute is or may become applicable to the Contemplated Transactions, each of the Company, the Company Board, Parent and the Parent Board, as applicable, shall grant such approvals and take such actions as are necessary so that the Contemplated Transactions may be consummated as promptly as practicable on the terms contemplated by this Agreement and otherwise act to eliminate or minimize the effects of such statute or regulation on the Contemplated Transactions.

5.18 **Stockholder Litigation**. Parent shall conduct and control the defense and settlement of any stockholder litigation against Parent or any of its directors relating to this Agreement or the

Contemplated Transactions; *provided, that*, any settlement and any cost and expenses in relation thereto (or a reasonable estimate agreed by the parties hereto for potential settlement and any cost and expenses in relation thereto) that cannot be paid in full out of Parent Net Cash (disregarding the deduction in item (vi) in such definition solely for this purpose) prior to the Effective Time shall be subject to the prior written consent of the Company (provided that such consent shall not be unreasonably withheld, conditioned or delayed). Without limiting the foregoing, prior to the Closing, Parent shall give the Company the opportunity to consult with Parent in connection with the defense of any such stockholder litigation, in good faith take any comments of the Company into account with respect to such stockholder litigation, give the Company the right to review and comment in advance on all material filings or responses to be made by Parent in connection with any such stockholder litigation, give the Company the right to participate in such stockholder litigation and shall keep the Company apprised of any material developments in connection with any such stockholder litigation.

5.19 **[*Intentionally Omitted*]**

5.20 **Parent Options**.

(a) Prior to the Closing, the Parent Board shall have adopted appropriate resolutions and taken all other actions necessary and appropriate to provide that each unexpired and unexercised Parent Option (other than the Parent Consultant Options and any Parent Options held by the Person listed in **Exhibit C** under the heading "Board Designee—Parent"), whether vested or unvested, shall be cancelled effective as of immediately prior to the Effective Time in accordance with the Parent Stock Plans.

(b) Prior to the Closing, Parent shall take all actions that may be necessary (under the Parent Stock Plans and otherwise) to effectuate the provisions of this *Section 5.20*.

5.21 **Company Lock-Up**. Only to the extent not obtained at or prior to the date of this Agreement, the Company shall use commercially reasonable efforts to obtain execution of a Lock-Up Agreement from each officer and director of the Company and each stockholder of the Company (other than those stockholders listed on Section A-2 of the Company Disclosure Schedule) expected to own more than two percent (2%) of the outstanding Parent Common Stock after the Closing and the consummation of the Private Placement.

5.22 **Parent Lock-Up**. Only to the extent not obtained at or prior to the date of this Agreement, Parent shall use commercially reasonable efforts to obtain execution of a Lock-Up Agreement from each person listed on Section A-2 of the Parent Disclosure Schedule.

5.23 **Employee Benefits**.

(a) Except for the Company Plans, following the Closing, the Company Benefit Plans shall remain in full and force and effect and shall not be terminated or discontinued in connection with or following the Closing.

(b) Prior to the Closing Date, and subject to any applicable law, Parent shall, and shall cause its Subsidiaries to, terminate the employment and service, as applicable, of each employee, independent contractor, officer or director of Parent, any of its Subsidiaries or any Affiliate of Parent (each, a "***Parent Associate***"), other than the service of any current member of the Parent Board that is designated by Parent pursuant to *Section 5.11* to serve as a member of the Parent Board after the Effective Time (all Parent Associates whose employment or service is terminated pursuant to the foregoing provisions of this *Section 5.23(b)* are hereinafter referred to, collectively, as the "***Terminated Parent Associates***"), such that Parent and its Subsidiaries shall have no Parent Associate in their employ or service, as applicable, as of the Closing Date, other than any such current member of the Parent Board that is designated by Parent pursuant to *Section 5.11* to serve as a member of the Parent Board after the Effective Time. Parent shall, and shall cause any of its

Subsidiaries to, terminate the employment and service of each the Parent Associate to be terminated pursuant to this *Section 5.23(b)* in full compliance with applicable laws, regulations, and contractual agreements, and shall provide the Company with evidence that all Parent Associates have been terminated in accordance with this *Section 5.23* and its subparts by no later than the Closing Date.

(c) As a condition to the payment or provision of any change of control, retention, notice, severance, termination or similar payments or obligations, bonuses, accrued vacations or paid time off, accelerated vesting and other payments or benefits (including COBRA costs) owed to or to be paid or provided to a Terminated Parent Associate and prior to the Closing Date, Parent shall obtain from each Terminated Parent Associate an effective general release of all known and unknown claims, in the form made available to the Company prior to the date of this Agreement, and effective as of the Closing Date. Prior to the Closing Date, Parent shall, and cause any of its Subsidiaries to, comply with all of the requirements of the WARN Act and any applicable state laws or other legal requirements regarding redundancies, reductions in force, mass layoffs, and plant closings, including all obligations to promptly and correctly furnish all notices required to be given thereunder in connection with any redundancy, reduction in force, mass layoff, or plant closing to affected employees, representatives, any state dislocated worker unit and local government officials, or any other Governmental Body, and any other requirements under applicable laws equivalent with respect to the Terminated Parent Associates.

(d) Section 5.23(d) of the Parent Disclosure Schedule sets forth, with respect to each Terminated Parent Associate and each Parent Associate whose employment or service may be terminated on or prior to the Closing (collectively, the "***Former Parent Associates***"), Parent's good faith estimate of the amount of any change of control, retention, notice, severance, termination or similar payments or obligations, bonuses, accrued vacations or paid time off, accelerated vesting and other payments or benefits (including COBRA costs) owed to or to be paid or provided to each Former Parent Associate that will be included or will be required to be included in the Parent Cash Calculation. To the extent required to be paid prior to the Closing, Parent shall cause all such change of control, retention, notice, severance, termination or similar payments or obligations, accelerated vesting, bonuses, accrued vacation and/or paid time off, and other payments or benefits (including COBRA costs) to be paid and satisfied in full such that Parent, the Surviving Corporation, the Parent and any of their Affiliates shall not have any Tax or other Liability with respect to the Former Parent Associates on or following the Effective Time.

(e) If requested by the Company prior to the Closing, Parent shall take (or cause to be taken) all actions necessary or appropriate to terminate, effective no later than the day prior to the Closing Date, any Parent Benefit Plan that contains a cash or deferred arrangement intended to qualify under Section 401(k) of the Code (a "***Parent 401(k) Plan***"). If Parent is required to terminate any Parent 401(k) Plan pursuant to this *Section 5.23(e)*, Parent shall provide to the Company no later than five (5) Business Days prior to the Closing Date written evidence of the adoption by the Parent Board (and/or other relevant governing body) of resolutions authorizing the termination of such Parent 401(k) Plan (the form and substance of which resolutions shall be subject to the prior review and approval of the Company). Parent also shall take such other actions in furtherance of terminating such Parent 401(k) Plan as the Company may reasonably request.

(f) The provisions of this *Section 5.23* are for the sole benefit of Parent, the Company and their respective Subsidiaries, and no provision of this Agreement shall (i) create any third-party beneficiary or other rights in any Person, including rights in respect of any benefits that may be provided, directly or indirectly, under any Company Benefit Plan, Parent Benefit Plan or rights to continued employment or service with the Company or the Parent (or any Subsidiary thereof), (ii) be construed as an amendment, waiver or creation of or limitation on the ability to terminate

any Company Benefit Plan or Parent Benefit Plan, or (iii) limit the ability of the Parent to terminate the employment of any employees of the Company after the Closing.

5.24 **Nasdaq Reverse Split.** Parent and the Company shall use reasonable best efforts to mutually agree upon the actual reverse stock split ratio to be determined in accordance with the definition of "Nasdaq Reverse Split."

Section 6. CONDITIONS PRECEDENT TO OBLIGATIONS OF EACH PARTY

The obligations of each Party to effect the Merger and otherwise consummate the Contemplated Transactions to be consummated at the Closing are subject to the satisfaction or, to the extent permitted by applicable Law, the written waiver by each of the Parties, at or prior to the Closing, of each of the following conditions:

6.1 **Effectiveness of Registration Statement**. The Registration Statement shall have become effective in accordance with the provisions of the Securities Act, and shall not be subject to any stop order or proceeding (or threatened proceeding by the SEC) seeking a stop order with respect to the Registration Statement that has not been withdrawn.

6.2 **No Restraints**. No temporary restraining order, preliminary or permanent injunction or other order preventing the consummation of the Contemplated Transactions shall have been issued by any court of competent jurisdiction or other Governmental Body of competent jurisdiction and remain in effect and there shall not be any Law which has the effect of making the consummation of the Contemplated Transactions illegal.

6.3 **Stockholder Approval**. (a) Parent shall have obtained the Required Parent Stockholder Vote on the Closing Parent Common Stockholder Matters and (b) the Company shall have obtained the Required Company Stockholder Vote.

6.4 **Listing**. The existing shares of Parent Common Stock shall have been continually listed on Nasdaq as of and from the date of this Agreement through the Closing Date, the approval of the listing on Nasdaq of additional shares of Parent Common Stock to be issued pursuant to the Parent Series A Preferred Automatic Conversion shall have been obtained and the shares of Parent Common Stock to be issued in the Merger pursuant to this Agreement shall have been approved for listing (subject to official notice of issuance) on Nasdaq as of the Closing.

6.5 **Filing of Parent Pre-Effective Time Charter Amendment**. Parent shall have filed the Parent Pre-Effective Time Charter Amendment with the Secretary of State of the State of Delaware and, upon and by virtue of such filing, (i) the Nasdaq Reverse Split shall have been effected and consummated, and (ii) the Parent Series A Preferred Automatic Conversion shall become effective and shall be consummated immediately following the consummation of the Private Placement.

Section 7. ADDITIONAL CONDITIONS PRECEDENT TO OBLIGATIONS OF PARENT AND PROTEON MERGER SUB

The obligations of Parent and Proteon Merger Sub to effect the Merger and otherwise consummate the transactions to be consummated at the Closing are subject to the satisfaction or the written waiver by Parent, at or prior to the Closing, of each of the following conditions:

7.1 **Accuracy of Representations**. The representations and warranties of the Company contained in this Agreement shall have been true and correct as of the date of this Agreement and shall be true and correct on and as of the Closing Date with the same force and effect as if made on the Closing Date except (a) in each case, or in the aggregate, where the failure to be true and correct would not reasonably be expected to have a Company Material Adverse Effect (without giving effect to any references therein to any Company Material Adverse Effect or other materiality qualifications), or (b) for those representations and warranties which address matters only as of a particular date (which

representations shall have been true and correct, subject to the qualifications as set forth in the preceding clause (a), as of such particular date) (it being understood that, for purposes of determining the accuracy of such representations and warranties, any update of or modification to the Company Disclosure Schedule made or purported to have been made after the date of this Agreement shall be disregarded).

7.2 **Performance of Covenants**. The Company shall have performed or complied with, in all material respects, all agreements and covenants required to be performed or complied with by it under this Agreement at or prior to the Effective Time.

7.3 **Documents**. Parent shall have received the following documents, each of which shall be in full force and effect:

(a) a certificate executed by the Chief Executive Officer of the Company (the "***Company Certificate***") certifying (i) that the conditions set forth in *Sections 7.1*, *7.2*, *7.5*, and *7.6* have been duly satisfied and (ii) that the information set forth in the Allocation Certificate delivered by the Company in accordance with *Section 5.15* is true and accurate in all respects as of the Closing Date; and

(b) the Allocation Certificate.

7.4 **FIRPTA Certificate**. Parent shall have received (i) an original signed statement from the Company that the Company is not, and has not been at any time during the applicable period specified in Section 897(c)(1)(A)(ii) of the Code, a "United States real property holding corporation," as defined in Section 897(c)(2) of the Code, conforming to the requirements of Treasury Regulations Section 1.1445-2(c)(3) and 1.897-2(h), and (ii) an original signed notice to be delivered to the IRS in accordance with the provisions of Treasury Regulations Section 1.897-2(h)(2), together with written authorization for Parent to deliver such notice to the IRS on behalf of the Company following the Closing, each dated as of the Closing Date, duly executed by an authorized officer of the Company, and in form and substance reasonably acceptable to Parent.

7.5 **No Company Material Adverse Effect**. Since the date of this Agreement, there shall not have occurred any Company Material Adverse Effect that is continuing.

7.6 **Termination of Investor Agreements**. The Investor Agreements shall have been terminated.

7.7 **Company Lock-Up Agreements**. Parent shall have received the Company Lock-Up Agreements duly executed by each officer and director of the Company and by each stockholder of the Company (other than the stockholders listed on *Section A-2* of the Company Disclosure Schedules) expected to own more than two percent (2%) of the outstanding Parent Common Stock after the Closing and the consummation of the Private Placement, and each of such Company Lock-Up Agreements shall be in full force and effect.

7.8 **Dissenting Shares**. No more than 1% of the Company Common Stock outstanding shall be Dissenting Shares.

7.9 **Private Placement**. The Subscription Agreement and each other definitive agreement in connection with the Private Placement shall be in full force and effect; each party (other than Parent) to the Subscription Agreement and each such other definitive agreement shall be ready, able and willing to consummate the transactions contemplated under the Subscription Agreement and each such other definitive agreement in accordance with their respective terms; all of the conditions precedent (other than (i) the consummation of the Merger at the Effective Time and (ii) Section 7.01(l)(*Board Composition; CEO Appointment*) under the Subscription Agreement, *provided* that, for purposes of this clause (ii), no event or circumstance shall have occurred that would reasonably be expected to cause or that otherwise indicates that the condition precedent in Section 7.01(l) of the Subscription Agreement shall not be satisfied) to the obligation of the parties to the Subscription Agreement and each such

other definitive agreement to consummate the Private Placement and the other transactions contemplated under the Subscription Agreement and each such other definitive agreement shall have been satisfied or waived, and, at Parent's request, Parent shall have been provided with documentation that all of such conditions precedent shall have been so satisfied or waived and that the Private Placement will be consummated immediately after the Effective Time; and upon consummation of the Private Placement in accordance with the terms of the Subscription Agreement and each such other definitive agreement, Parent shall receive gross proceeds from the Private Placement in an amount not less than $40,000,000.

Section 8. ADDITIONAL CONDITIONS PRECEDENT TO OBLIGATION OF THE COMPANY

The obligations of the Company to effect the Merger and otherwise consummate the transactions to be consummated at the Closing are subject to the satisfaction or the written waiver by the Company, at or prior to the Closing, of each of the following conditions:

8.1 **Accuracy of Representations**. The representations and warranties of Parent and Proteon Merger Sub contained in this Agreement shall have been true and correct as of the date of this Agreement and shall be true and correct on and as of the Closing Date with the same force and effect as if made on the Closing Date except (a) in each case, or in the aggregate, where the failure to be true and correct would not reasonably be expected to have a Parent Material Adverse Effect (without giving effect to any references therein to any Parent Material Adverse Effect or other materiality qualifications), or (b) for those representations and warranties which address matters only as of a particular date (which representations shall have been true and correct, subject to the qualifications as set forth in the preceding clause (a), as of such particular date) (it being understood that, for purposes of determining the accuracy of such representations and warranties, any update of or modification to the Parent Disclosure Schedule made or purported to have been made after the date of this Agreement shall be disregarded).

8.2 **Performance of Covenants**. Parent and Proteon Merger Sub shall have performed or complied with, in all material respects, all of their agreements and covenants required to be performed or complied with by each of them under this Agreement at or prior to the Effective Time.

8.3 **Documents**. The Company shall have received the following documents, each of which shall be in full force and effect:

(a) a certificate executed by the President or Chief Financial Officer of Parent (the "***Parent Certificate***") certifying (i) that the conditions set forth in *Sections 8.1*, *8.2*, *8.4*, *8.8* and *8.11* have been duly satisfied and (ii) as to the Divestiture Transactions, including that the transactions contemplated thereby are anticipated to be consummated concurrently with the Closing and as to the amount of aggregate proceeds thereof.

(b) the Parent Outstanding Shares Certificate; and

(c) a written resignation, in a form reasonably satisfactory to the Company, dated as of the Closing Date and effective as of the Closing, executed by each of the officers and directors of Parent who are not to continue as officers or directors of Parent after the Closing pursuant to *Section 5.11* hereof.

8.4 **No Parent Material Adverse Effect**. Since the date of this Agreement, there shall not have occurred any Parent Material Adverse Effect that is continuing.

8.5 **Private Placement**. The Subscription Agreement and each other definitive agreement in connection with the Private Placement shall be in full force and effect; each party to the Subscription Agreement and each such other definitive agreement shall be ready, able and willing to consummate the transactions contemplated under the Subscription Agreement and each such other definitive agreement in accordance with their respective terms; all of the conditions precedent (other than (i) the consummation of the Merger at the Effective Time and (ii) Section 7.01(l)(*Board Composition; CEO Appointment*) under the Subscription Agreement, *provided* that, for purposes of this clause (ii), no event or circumstance shall have occurred that would reasonably be expected to cause or that otherwise indicates that the condition precedent in Section 7.01(l) (*Board Composition; CEO Appointment*) of the Subscription Agreement shall not be satisfied) to the obligation of the parties to the Subscription Agreement and each such other definitive agreement to consummate the Private Placement and the other transactions contemplated under the Subscription Agreement and each such other definitive agreement shall have been satisfied or waived, and, at the Company's request, the Company shall have been provided with documentation that all of such conditions precedent shall have been so satisfied or waived and that the Private Placement will be consummated immediately after the Effective Time; and upon consummation of the Private Placement in accordance with the terms of the Subscription Agreement and each such other definitive agreement, Parent shall receive gross proceeds from the Private Placement in an amount not less than $40,000,000.

8.6 **Parent Lock-up Agreements**. The Company shall have received the Parent Lock-Up Agreements duly executed by each person listed on Section A-2 of the Parent Disclosure Schedule, and each of such Parent Lock-Up Agreements shall be in full force and effect.

8.7 **Board of Directors**. Parent shall have caused the Parent Board to be constituted as set forth in *Section 5.11* of this Agreement effective as of the Effective Time.

8.8 **Satisfaction of Liabilities**. Parent has satisfied all of its Liabilities with respect to the matters set forth on Section 3.9 of the Parent Disclosure Schedule and the Company has received payoff letters of other proof of payment evidencing the satisfaction of such Liabilities and authorization of release of any Encumbrances related to such Liabilities, in form and substance reasonably satisfactory to the Company.

8.9 **Termination of Contracts; Acknowledgment**. Company has received evidence, in form and substance satisfactory to it, that all Parent Contracts listed on Schedule 8.9 have been terminated, assigned or fully performed by Parent and all obligations of Parent thereunder have been fully satisfied, waived or otherwise discharged, including any work or purchase orders, statement of work or verbal agreement.

8.10 **Parent Net Cash.** As of the Closing Date, Parent Net Cash is equal to or greater than $0.

8.11 **Parent Series A Preferred Stockholder Matters.** The Parent Series A Preferred Stockholder Matters shall have been approved by the required vote as described in *Section 3.4(a)*.

Section 9. TERMINATION

9.1 **Termination**. This Agreement may be terminated prior to the Effective Time (whether before or after the Required Parent Stockholder Vote and/or the Required Company Stockholder Vote has been obtained, unless otherwise specified below):

(a) by mutual written consent of Parent and the Company;

(b) by either Parent or the Company if the Contemplated Transactions shall not have been consummated by January 31, 2020 (subject to possible extension as provided in this *Section 9.1(b)*, the "***End Date***"); *provided*, *however*, that the right to terminate this Agreement under this *Section 9.1(b)* shall not be available to the Company, on the one hand, or to Parent, on the other hand, if such Party's action or failure to act has been a principal cause of the failure of the

Contemplated Transactions to occur on or before the End Date and such action or failure to act constitutes a breach of this Agreement; *provided*, *further*, *however*, that, in the event that the SEC has not declared effective under the Securities Act the Registration Statement by the date which is sixty (60) days prior to the End Date, then either the Company or Parent shall be entitled to extend the End Date for an additional sixty (60) days by written notice to the other the Party; *provided*, *further*, *however*, that, in the event an adjournment or postponement of the Parent Stockholders' Meeting has occurred as permitted pursuant to *Section 5.3(b)* and such adjournment or postponement continues through the End Date, then the End Date shall automatically extend until the date that is 10 calendar days following such adjournment or postponement;

(c) by either Parent or the Company if a court of competent jurisdiction or other Governmental Body shall have issued a final and non-appealable order, decree or ruling, or shall have taken any other action, having the effect of permanently restraining, enjoining or otherwise prohibiting the Contemplated Transactions;

(d) by Parent if the Company Stockholder Written Consent evidencing the Required Company Stockholder Vote shall not have been obtained within ten (10) Business Days after the Registration Statement has become effective in accordance with the provisions of the Securities Act; *provided*, *however*, that once the Company Stockholder Written Consent evidencing the Required Company Stockholder Vote has been obtained, Parent may not terminate this Agreement pursuant to this *Section 9.1(d)*;

(e) by either Parent or the Company if (i) the Parent Stockholders' Meeting (including, if applicable, the adjournment or postponement thereof as permitted pursuant to *Section 5.3(b)*) shall have been held and completed and the holders of Parent Common Stock shall have taken a final vote on the Parent Common Stockholder Matters and (ii) the Closing Parent Common Stockholder Matters shall not have been approved at the Parent Stockholders' Meeting (or at any adjournment or postponement thereof) by the Required Parent Stockholder Vote; *provided*, *however*, that the right to terminate this Agreement under this *Section 9.1(e)* shall not be available to Parent where the failure to obtain the approval of the Closing Parent Common Stockholder Matters at the Parent Stockholders' Meeting by the Required Parent Stockholder Vote has been caused by the action or failure to act of Parent or Proteon Merger Sub and such action or failure to act constitutes a material breach by Parent or Proteon Merger Sub of this Agreement;

(f) by the Company (at any time prior to Parent obtaining the Required Parent Stockholder Vote) if a Parent Triggering Event shall have occurred;

(g) by Parent (at any time prior to the Company obtaining the Required Company Stockholder Vote) if a Company Triggering Event shall have occurred;

(h) by the Company, upon a breach of any representation, warranty, covenant or agreement set forth in this Agreement by Parent or Proteon Merger Sub or if any representation or warranty of Parent or Proteon Merger Sub shall have become inaccurate, in either case, such that the conditions set forth in *Section 8.1* or *Section 8.2* would not be satisfied as of the time of such breach or as of the time such representation or warranty shall have become inaccurate; *provided* that the Company is not then in material breach of any representation, warranty, covenant or agreement under this Agreement; *provided*, *further*, that if such inaccuracy in Parent's or Proteon Merger Sub's representations and warranties or breach by Parent or Proteon Merger Sub is curable by the End Date by Parent or Proteon Merger Sub, then this Agreement shall not terminate pursuant to this *Section 9.1(h*) as a result of such particular breach or inaccuracy until the expiration of a thirty (30) day period commencing upon delivery of written notice from the Company to Parent or Proteon Merger Sub of such breach or inaccuracy and its intention to terminate pursuant to this *Section 9.1(h)* (it being understood that this Agreement shall not

terminate pursuant to this *Section 9.1(h*) as a result of such particular breach or inaccuracy if such breach by Parent or Proteon Merger Sub is cured prior to such termination becoming effective);

(i) by Parent, upon a breach of any representation, warranty, covenant or agreement set forth in this Agreement by the Company or if any representation or warranty of the Company shall have become inaccurate, in either case, such that the conditions set forth in *Section 7.1* or *Section 7.2* would not be satisfied as of the time of such breach or as of the time such representation or warranty shall have become inaccurate; *provided* that Parent is not then in material breach of any representation, warranty, covenant or agreement under this Agreement; *provided*, *further*, that if such inaccuracy in the Company's representations and warranties or breach by the Company is curable by the End Date by the Company then this Agreement shall not terminate pursuant to this *Section 9.1(i)* as a result of such particular breach or inaccuracy until the expiration of a thirty (30) day period commencing upon delivery of written notice from Parent to the Company of such breach or inaccuracy and its intention to terminate pursuant to this *Section 9.1(i)* (it being understood that this Agreement shall not terminate pursuant to this *Section 9.1(i)* as a result of such particular breach or inaccuracy if such breach by the Company is cured prior to such termination becoming effective); or

(j) by Parent, at any time prior to obtaining the Required Parent Stockholder Vote and following compliance with all of the requirements set forth in the proviso to this *Section 9.1(j)*, if (i) Parent has received a Superior Offer, (ii) Parent has complied with its obligations under *Section 4.4* and *Section 5.3*, (iii) Parent concurrently terminates this Agreement and enters into a Permitted Alternative Agreement and (iv) Parent shall concurrently pay to the Company the amount set forth in *Section 9.3(d*).

The Party desiring to terminate this Agreement pursuant to this *Section 9.1* (other than pursuant to *Section 9.1(a)*) shall give a notice of such termination to the other Party specifying the provisions hereof pursuant to which such termination is made and the basis therefor described in reasonable detail.

9.2 **Effect of Termination**. In the event of the termination of this Agreement as provided in *Section 9.1*, this Agreement shall be of no further force or effect; *provided*, *however*, that (a) this *Section 9.2*, *Section 5.7*, *Section 9.3*, *Section 10* and the definitions of the defined terms in such sections shall survive the termination of this Agreement and shall remain in full force and effect, and (b) the termination of this Agreement and the provisions of *Section 9.3* shall not relieve any Party of any liability for common law fraud or for any Willful Breach of any representation, warranty, covenant, obligation or other provision contained in this Agreement. "***Willful Breach***" means a deliberate act or deliberate failure to act, taken with the actual knowledge that such act or failure to act would result in or constitute a material breach of this Agreement.

9.3 **Expenses; Termination Fees**.

(a) Except as set forth in this *Section 9.3*, whether or not the Merger is consummated, (i) all Parent Transaction Expenses shall be paid by Parent (or on behalf of Parent) at or prior to the Closing and (ii) all Company Transaction Expenses shall be paid by the Company at or prior to Closing; *provided*, *however*, that Parent and the Company shall share equally all fees and expenses incurred in relation to the printing and filing with the SEC of the Registration Statement (including any financial statements and exhibits) and any amendments or supplements thereto and paid to a financial printer or the SEC. It is understood and agreed that all fees and expenses incurred or to be incurred by the Company in connection with the Contemplated Transactions and preparing, negotiating and entering into this Agreement and the performance of its obligations under this Agreement shall be paid by the Company in cash at or prior to the Closing.

(b) If (i) this Agreement is terminated by Parent or the Company pursuant to *Section 9.1(e)*, or this Agreement is terminated by the Company pursuant to *Section 9.1(b)*, (ii) at any time after the date of this Agreement and prior to the Parent Stockholders' Meeting an Acquisition Proposal with respect to Parent shall have been publicly announced, disclosed or otherwise communicated to the Parent Board (and shall not have been withdrawn) and (iii) within 12 months after the date of such termination, Parent enters into a definitive agreement with respect to a Subsequent Transaction or consummates a Subsequent Transaction, then Parent shall pay to the Company, upon such entry into a definitive agreement and/or consummation of a Subsequent Transaction, a nonrefundable fee in an amount equal to $750,000.

(c) If this Agreement is terminated by the Company pursuant to *Section 9.1(f)*, then Parent shall pay to the Company, a nonrefundable fee in an amount equal to $750,000 within three (3) Business Days of such termination.

(d) If this Agreement is terminated by Parent pursuant to *Section 9.1(j)*, then Parent shall pay to the Company, concurrent with such termination, a nonrefundable fee in an amount equal to $750,000.

(e) If (i) this Agreement is terminated by Parent pursuant to *Section 9.1(d)*, (ii) at any time after the date of this Agreement and before obtaining the Required Company Stockholder Vote an Acquisition Proposal with respect to the Company shall have been publicly announced, disclosed or otherwise communicated to the Company Board (and shall not have been withdrawn), and (iii) within 12 months after the date of such termination, the Company enters into a definitive agreement with respect to a Subsequent Transaction or consummates a Subsequent Transaction, then the Company shall pay to Parent, upon such entry into a definitive agreement and/or consummation of a Subsequent Transaction, a nonrefundable fee in an amount equal to $750,000.

(f) If (i) this Agreement is terminated by Parent pursuant to *Section 9.1(g)*, and (ii) an Acquisition Proposal with respect to the Company shall have been publicly announced or disclosed or otherwise communicated to Company or the Company Board after the date of this Agreement but prior to the termination of this Agreement, and (iii) within twelve (12) months after the date of such termination, the Company enters into a definitive agreement with respect to any Subsequent Transaction or consummates a Subsequent Transaction, then the Company shall pay to Parent, upon such entry into a definitive agreement and/or consummation of a Subsequent Transaction, a nonrefundable fee in an amount equal to $750,000.

(g) If this Agreement is terminated (i) by the Company pursuant to *Section 9.1(h)*, then Parent shall pay to the Company an amount equal to the Company's documented out-of-pocket expenses incurred in connection with this Agreement and the Contemplated Transactions up to an aggregate of $350,000 within five (5) Business Days of terminating this Agreement, (ii) by Parent pursuant to *Section 9.1(i)*, then the Company shall pay to Parent an amount equal to Parent's documented out-of-pocket expenses incurred in connection with this Agreement and the Contemplated Transactions up to an aggregate of $350,000 within five (5) Business Days of terminating this Agreement.

(h) Any fee payable by the Company or Parent under *Section 9.2* or this *Section 9.3* shall be paid when due by wire transfer pursuant to written instructions provided by the Party being paid. If a Party fails to pay when due any amount payable by it under *Section 9.2* or this *Section 9.3*, then (i) such Party shall reimburse the other Party for reasonable costs and expenses (including reasonable fees and disbursements of counsel) incurred in connection with the collection of such overdue amount and the enforcement by the other Party of its rights under *Section 9.2* and this *Section 9.3*, and (ii) such Party shall pay to the other Party interest on such overdue amount (for the period commencing as of the date such overdue amount was originally required to be paid and ending on the date such overdue amount is actually paid to the other Party in full) at a rate per annum equal to the "prime rate" (as published in *The Wall Street Journal* or any successor thereto) in effect on the date such overdue amount was originally required to be paid.

(i) The Parties agree that, subject to *Section 9.2*, the payment of the fees and expenses set forth in this *Section 9.3* shall be the sole and exclusive remedy of each Party following a termination of this Agreement under the circumstances described in this *Section 9.3*, it being understood that in no event shall either Parent or the Company be required to pay the individual fees or damages payable pursuant to this *Section 9.3* on more than one occasion. Subject to *Section 9.2*, following the payment of the fees and expenses set forth in this *Section 9.3* by a Party, (i) such Party shall have no further liability to the other Party in connection with or arising out of this Agreement or the termination thereof, any breach of this Agreement by the other Party giving rise to such termination, or the failure of the Contemplated Transactions to be consummated, (ii) the other Party and its respective Affiliates shall not be entitled to bring or maintain any other claim, action or proceeding against such Party or seek to obtain any recovery, judgment or damages of any kind against such Party (or any partner, member, stockholder, director, officer, employee, Subsidiary, affiliate, agent or other representative of such Party) in connection with or arising out of this Agreement or the termination thereof, any breach by such Party giving rise to such termination or the failure of the Contemplated Transactions to be consummated and (iii) the other Party and its respective Affiliates shall be precluded from any other remedy against such Party and its Affiliates, at law or in equity or otherwise, in connection with or arising out of this Agreement or the termination thereof, any breach by such Party giving rise to such termination or the failure of the Contemplated Transactions to be consummated; *provided*, *however*, that nothing in this *Section 9.3(i)* shall limit the rights of any Party under *Section 10.11*.

(j) Each of the Parties acknowledges that (i) the agreements contained in this *Section 9.3* are an integral part of the Contemplated Transactions, (ii) without such agreements, the Parties would not enter into this Agreement, and (iii) any amount payable pursuant to this *Section 9.3* is not a penalty, but rather is liquidated damages in a reasonable amount that will compensate the applicable Party in the circumstances in which such amount is payable.

Section 10. MISCELLANEOUS PROVISIONS

10.1 **Non-Survival of Representations and Warranties**. The representations and warranties of the Company, Parent and Proteon Merger Sub contained in this Agreement or any certificate or instrument delivered pursuant to this Agreement shall terminate at the Effective Time, and only the covenants that by their terms survive the Effective Time and this *Section 10* shall survive the Effective Time.

10.2 **Amendment**. This Agreement may be amended with the approval of the respective boards of directors of the Company, Proteon Merger Sub and Parent at any time (whether before or after obtaining the Required Parent Stockholder Vote and the Required Company Stockholder Vote); *provided*, *however*, that after any such approval of this Agreement by a Party's stockholders, no amendment shall be made which by Law requires further approval of such stockholders without the further approval of such stockholders. This Agreement may not be amended except by an instrument in writing signed on behalf of each of the Company, Proteon Merger Sub and Parent.

10.3 **Waiver**.

(a) No failure on the part of any Party to exercise any power, right, privilege or remedy under this Agreement, and no delay on the part of any Party in exercising any power, right, privilege or remedy under this Agreement, shall operate as a waiver of such power, right, privilege or remedy; and no single or partial exercise of any such power, right, privilege or remedy shall preclude any other or further exercise thereof or of any other power, right, privilege or remedy.

(b) No Party shall be deemed to have waived any claim arising out of this Agreement, or any power, right, privilege or remedy under this Agreement, unless the waiver of such claim, power, right, privilege or remedy is expressly set forth in a written instrument duly executed and delivered on behalf of such Party and any such waiver shall not be applicable or have any effect except in the specific instance in which it is given.

10.4 **Entire Agreement; Counterparts; Exchanges by Electronic Transmission**. This Agreement and the other agreements referred to in this Agreement constitute the entire agreement and supersede all prior agreements and understandings, both written and oral, among or between any of the Parties with respect to the subject matter hereof and thereof; *provided*, *however*, that the Confidentiality Agreement shall not be superseded and shall remain in full force and effect in accordance with its terms. This Agreement may be executed in several counterparts, each of which shall be deemed an original and all of which shall constitute one and the same instrument. The exchange of a fully executed Agreement (in counterparts or otherwise) by all Parties by electronic transmission in .PDF format shall be sufficient to bind the Parties to the terms and conditions of this Agreement.

10.5 **Applicable Law; Jurisdiction**. This Agreement shall be governed by, and construed in accordance with, the Laws of the State of Delaware, regardless of the Laws that might otherwise govern under applicable principles of conflicts of laws. In any action or proceeding between any of the Parties arising out of or relating to this Agreement or any of the Contemplated Transactions, each of the Parties: (a) irrevocably and unconditionally consents and submits to the exclusive jurisdiction and venue of the Court of Chancery of the State of Delaware or, to the extent such court does not have subject matter jurisdiction, the United States District Court for the District of Delaware or, to the extent that neither of the foregoing courts has jurisdiction, the Superior Court of the State of Delaware; (b) agrees that all claims in respect of such action or proceeding shall be heard and determined exclusively in accordance with clause (a) of this *Section 10.5*; (c) waives any objection to laying venue in any such action or proceeding in such courts; (d) waives any objection that such courts are an inconvenient forum or do not have jurisdiction over any Party; (e) agrees that service of process upon such Party in any such action or proceeding shall be effective if notice is given in accordance with *Section 10.8*; and (f) irrevocably and unconditionally waives the right to trial by jury.

10.6 **Attorneys' Fees**. In any action at law or suit in equity to enforce this Agreement or the rights of any of the Parties, the prevailing Party in such action or suit (as determined by a court of competent jurisdiction) shall be entitled to recover its reasonable out-of-pocket attorneys' fees and all other reasonable costs and expenses incurred in such action or suit.

10.7 **Assignability**. This Agreement shall be binding upon, and shall be enforceable by and inure solely to the benefit of, the Parties and their respective successors and permitted assigns; *provided*, *however*, that neither this Agreement nor any of a Party's rights or obligations hereunder may be assigned or delegated by such Party without the prior written consent of the other Party, and any attempted assignment or delegation of this Agreement or any of such rights or obligations by such Party without the other Party's prior written consent shall be void and of no effect.

10.8 **Notices**. All notices and other communications hereunder shall be in writing and shall be deemed to have been duly delivered and received hereunder (a) one (1) Business Day after being sent for next Business Day delivery, fees prepaid, via a reputable international overnight courier service, (b) upon delivery in the case of delivery by hand, or (c) on the date delivered in the place of delivery if sent by email (with a written or electronic confirmation of delivery) prior to 5:00 p.m. New York time, otherwise on the next succeeding Business Day, in each case to the intended recipient as set forth below:

if to Parent or Proteon Merger Sub:

Proteon Therapeutics, Inc.
200 West Street
Waltham, Massachusetts 02451
Attention: Chief Executive Officer
Email: ceo@proteontx.com

with a copy (which shall not constitute notice) to:

Morgan, Lewis & Bockius LLP
One Federal Street
Boston, Massachusetts 02210
Attention: Julio E. Vega
Email: julio.vega@morganlewis.com

if to the Company:

ArTara Therapeutics
1 Little W 12th Street
New York, NY 10014
Attention: Jesse Shefferman
Email: jesse.shefferman@artaratx.com

with a copy (which shall not constitute notice) to:

Cooley LLP
500 Boylston Street, 14th Floor
Boston, MA 02116-3736
Attention: Ryan Sansom
Email: rsansom@cooley.com

10.9 **Cooperation**. Each Party agrees to cooperate fully with the other Party and to execute and deliver such further documents, certificates, agreements and instruments and to take such other actions as may be reasonably requested by the other Party to evidence or reflect the Contemplated Transactions and to carry out the intent and purposes of this Agreement.

10.10 **Severability**. Any term or provision of this Agreement that is invalid or unenforceable in any situation in any jurisdiction shall not affect the validity or enforceability of the remaining terms and provisions of this Agreement or the validity or enforceability of the offending term or provision in any other situation or in any other jurisdiction. If a final judgment of a court of competent jurisdiction declares that any term or provision of this Agreement is invalid or unenforceable, the Parties agree that the court making such determination shall have the power to limit such term or provision, to delete specific words or phrases or to replace such term or provision with 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, and this Agreement shall be valid and enforceable as so modified. In the event such court does not exercise the power granted to it in the prior sentence, the Parties agree to replace such invalid or unenforceable term or provision with a valid and enforceable term or provision that will achieve, to the extent possible, the economic, business and other purposes of such invalid or unenforceable term or provision.

10.11 **Other Remedies; Specific Performance**. Except as otherwise provided herein, any and all remedies herein expressly conferred upon a Party will be deemed cumulative with and not exclusive of any other remedy conferred hereby, or by law or equity upon such Party, and the exercise by a Party of any one remedy will not preclude the exercise of any other remedy. The Parties agree that irreparable damage for which monetary damages, even if available, would not be an adequate remedy, would occur in the event that any Party does not perform the provisions of this Agreement (including failing to take such actions as are required of it hereunder to consummate this Agreement) in accordance with its specified terms or otherwise breaches such provisions. Accordingly, the Parties acknowledge and agree that the Parties shall be entitled to an injunction, specific performance and other equitable relief to prevent breaches of this Agreement and to enforce specifically the terms and provisions hereof, in addition to any other remedy to which they are entitled at law or in equity. Each of the Parties agrees that it will not oppose the granting of an injunction, specific performance or other equitable relief on

the basis that any other Party has an adequate remedy at law or that any award of specific performance is not an appropriate remedy for any reason at law or in equity. Any Party seeking an injunction or injunctions to prevent breaches of this Agreement shall not be required to provide any bond or other security in connection with any such order or injunction.

10.12 **No Third Party Beneficiaries**. Nothing in this Agreement, express or implied, is intended to or shall confer upon any Person (other than the Parties and the directors and officers to the extent of their respective rights pursuant to *Section 5.5*) any right, benefit or remedy of any nature whatsoever under or by reason of this Agreement.

10.13 **Certain Acknowledgements**.

(a) Each Party acknowledges that, except as set forth in *Section 2* hereof or in the Company Certificate, the Company makes no representation or warranty, express or implied, at law or in equity, with respect to it or any of its assets, liabilities or operations, and any such other representations or warranties are hereby expressly disclaimed, and except as set forth in *Section 3* or in the Parent Certificate, Parent and Proteon Merger Sub make no representation or warranty, express or implied, at law or in equity, with respect to it or any of its assets, liabilities or operations, and any such other representations or warranties are hereby expressly disclaimed.

(b) The Company acknowledges and agrees that, except for the representations and warranties of Parent and Proteon Merger Sub set forth in *Section 3* or in the Parent Certificate, none of the Company or any of its Representatives is relying on any other representation or warranty of Parent or any other Person made outside of *Section 3* and the Parent Certificate, including regarding the accuracy or completeness of any such other representations or warranties or the omission of any material information, whether express or implied, in each case, with respect to the Contemplated Transactions. Parent and Proteon Merger Sub acknowledge and agree that, except for the representations and warranties of the Company set forth in *Section 2* or in the Company Certificate, none of Parent, Proteon Merger Sub or any of their respective Representatives is relying on any other representation or warranty of the Company or any other Person made outside of *Section 2* and the Company Certificate, including regarding the accuracy or completeness of any such other representations or warranties or the omission of any material information, whether express or implied, in each case, with respect to the Contemplated Transactions.

10.14 **Construction**.

(a) References to "cash," "dollars" or "$" are to U.S. dollars.

(b) For purposes of this Agreement, whenever the context requires: the singular number shall include the plural, and vice versa; the masculine gender shall include the feminine and neuter genders; the feminine gender shall include the masculine and neuter genders; and the neuter gender shall include masculine and feminine genders.

(c) The Parties have participated jointly in the negotiating and drafting of this Agreement and agree that any rule of construction to the effect that ambiguities are to be resolved against the drafting Party shall not be applied in the construction or interpretation of this Agreement, and no presumption or burden of proof shall arise favoring or disfavoring any Party by virtue of the authorship of any provision of this Agreement.

(d) As used in this Agreement, the words "include" and "including," and variations thereof, shall not be deemed to be terms of limitation, but rather shall be deemed to be followed by the words "without limitation."

(e) Except as otherwise indicated, all references in this Agreement to "Sections," "Exhibits" and "Schedules" are intended to refer to Sections of this Agreement and Exhibits and Schedules to this Agreement, respectively.

(f) Any reference to legislation or to any provision of any legislation shall include any modification, amendment, re-enactment thereof, any legislative provision substituted therefor and all rules, regulations, and statutory instruments issued or related to such legislations.

(g) The bold-faced headings and table of contents contained in this Agreement are for convenience of reference only, shall not be deemed to be a part of this Agreement and shall not be referred to in connection with the construction or interpretation of this Agreement.

(h) The Parties agree that each of the Company Disclosure Schedule and the Parent Disclosure Schedule shall be arranged in sections and subsections corresponding to the numbered and lettered sections and subsections contained in this Agreement. The disclosures in any section or subsection of the Company Disclosure Schedule or the Parent Disclosure Schedule shall qualify other sections and subsections in this Agreement to the extent it is readily apparent on its face from a reading of the disclosure that such disclosure is applicable to such other sections and subsections.

(i) Each of "delivered" or "made available" means, with respect to any documentation, that prior to 11:59 p.m. (New York time) on the date that is one (1) Business Day prior to the date of this Agreement (i) a copy of such material has been posted to and made available by a Party to the other Party and its Representatives in the electronic data room maintained by such disclosing Party or (ii) such material is disclosed in the Parent SEC Documents filed with the SEC prior to the date hereof and publicly made available on the SEC's Electronic Data Gathering Analysis and Retrieval system.

(j) Whenever the last day for the exercise of any privilege or the discharge of any duty hereunder shall fall upon a Saturday, Sunday, or any date on which banks in New York, New York are authorized or obligated by Law to be closed, the Party having such privilege or duty may exercise such privilege or discharge such duty on the next succeeding day which is a regular Business Day.

[*Remainder of page intentionally left blank; signatures follow on next page*]

IN WITNESS WHEREOF, the Parties have caused this Agreement to be executed as of the date first above written.

PROTEON THERAPEUTICS, INC.

By: /s/ TIMOTHY P. NOYES

Name: Timothy P. Noyes
Title: *President and Chief Executive Officer*

REM 1 ACQUISITION, INC.

By: /s/ TIMOTHY P. NOYES

Name: Timothy P. Noyes
Title: *President and Chief Executive Officer*

ARTARA THERAPEUTICS, INC.

By: /s/ JESSE SHEFFERMAN

Name: Jesse Shefferman
Title: *Chief Executive Officer*

EXHIBIT A

CERTAIN DEFINITIONS

(a) For purposes of this Agreement (including this **Exhibit A**):

"***Acquisition Inquiry***" means, with respect to a Party, an inquiry, indication of interest or request for information (other than an inquiry, indication of interest or request for information made or submitted by the Company or any of its Affiliates, on the one hand, or Parent or any of its Affiliates, on the other hand, to the other Party) that would reasonably be expected to lead to an Acquisition Proposal.

"***Acquisition Proposal***" means, with respect to a Party, any offer or proposal, whether written or oral (other than an offer or proposal made or submitted by or on behalf of the Company or any of its Affiliates, on the one hand, or by or on behalf of Parent or any of its Affiliates, on the other hand, to the other Party) contemplating or otherwise relating to any Acquisition Transaction with such Party.

"***Acquisition Transaction***" means any transaction or series of related transactions (other than the Contemplated Transactions) involving:

(i) any merger, consolidation, amalgamation, share exchange, business combination, issuance of securities, acquisition of securities, reorganization, recapitalization, tender offer, exchange offer or other similar transaction: (i) in which a Party is a constituent entity; (ii) in which a Person or "group" (as defined in the Exchange Act and the rules promulgated thereunder) of Persons directly or indirectly acquires beneficial or record ownership of securities representing more than twenty percent (20%) of the outstanding securities of any class of voting securities of a Party or any of its Subsidiaries; or (iii) in which a Party or any of its Subsidiaries issues securities representing more than twenty percent (20%) of the outstanding securities of any class of voting securities of such Party or any of its Subsidiaries; or

(ii) any sale, lease, exchange, transfer, license, acquisition or disposition of any business or businesses or assets that constitute or account for twenty percent (20%) or more of the consolidated book value or the fair market value of the assets of a Party and its Subsidiaries, taken as a whole (excluding any Divestiture Transaction).

"***Affiliate***" of a Person means any other Person that directly or indirectly, through one or more intermediaries, controls, is controlled by, or is under common control with, such Person. The term "control" (including the terms "controlled by" and "under common control with") means the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of a Person, whether through the ownership of voting securities, by contract or otherwise.

"***Agreement***" means this Agreement and Plan of Merger and Reorganization to which this **Exhibit A** is attached, as it may be amended from time to time.

"***Business Day***" means any day other than a Saturday, Sunday or other day on which banks in New York, New York are authorized or obligated by Law to be closed.

"***Cash and Cash Equivalents***" means all (a) cash and cash equivalents and (b) marketable securities, in each case determined in accordance with GAAP, in a manner consistently applied in the Parent Audited Financial Statement.

"***Code***" means the Internal Revenue Code of 1986, as amended.

"***Company Associate***" means any current or former employee, independent contractor, officer or director of the Company or its Subsidiaries.

"***Company Board***" means the board of directors of the Company.

"***Company Capital Stock***" means the Company Common Stock, including exchangeable common stock of the Company.

"***Company Change in Circumstance***" means a change in circumstances (other than an Acquisition Proposal, any events, changes or circumstances relating to Parent, Proteon Merger Sub or any of their Subsidiaries or the mere fact that the Company meets, exceeds, or falls short of any internal or analysts' published projections, estimates or predictions of revenue, earnings or other financial or operating metrics for an period on or after the date hereof) that affects the business, assets or operations of the Company and its Subsidiaries (taken as a whole) that occurs or arises after the date of this Agreement that was neither known nor reasonably foreseeable by the Company Board as of, or prior to, the date of this Agreement, nor known nor reasonably foreseeable by the officers of the Company as of, or prior to, the date of this Agreement.

"***Company Common Stock***" means the Common Stock, $0.0001 par value per share, of the Company, including exchangeable common stock as set forth in Section 2.6 of the Company Disclosure Schedule.

"***Company Contract***" means any Contract: (a) to which the Company or any of its Subsidiaries is a Party; (b) by which the Company or any of its Subsidiaries or any Company IP or any other asset of the Company or its Subsidiaries is or may become bound or under which the Company or any of its Subsidiaries has, or may become subject to, any obligation; or (c) under which the Company or any of its Subsidiaries has or may acquire any right or interest.

"***Company ERISA Affiliate***" means any corporation or trade or business (whether or not incorporated) that is (or at any relevant time was) treated with the Company or any of its Subsidiaries as a single employer within the meaning of Section 414 of the Code or Section 4001(b) of ERISA.

"***Company IP***" means all Intellectual Property Rights that are owned or purported to be owned by, assigned to, or exclusively licensed by, the Company or its Subsidiaries.

"***Company Material Adverse Effect***" means any Effect that, considered together with all other Effects that have occurred prior to the date of determination of the occurrence of a Company Material Adverse Effect, has or would reasonably be expected to have a material adverse effect on the business, financial condition, assets, liabilities or results of operations of the Company and its Subsidiaries, taken as a whole; *provided, however*, that Effects arising or resulting from the following shall not be taken into account in determining whether there has been a Company Material Adverse Effect: (a) general business, economic or political conditions affecting the industry in which the Company and its Subsidiaries operate, (b) any natural disaster or any acts of war, armed hostilities or terrorism, (c) changes in financial, banking or securities markets, (d) the failure of the Company to meet internal or analysts' expectations or projections or the results of operations of the Company, (e) any clinical trial programs or studies, including any adverse data, event or outcome arising out of or relating to any such programs or studies, (f) any change in, or any compliance with or action taken for the purpose of complying with, any Law or GAAP (or interpretations of any Law or GAAP), (g) resulting from the announcement of this Agreement or the pendency of the Contemplated Transactions, or (h) resulting from the taking of any action, or the failure to take any action, by the Company that is required to be taken or not taken by this Agreement; except in each case with respect to clauses (a) through (c), to the extent disproportionately affecting the Company and its Subsidiaries, taken as a whole, relative to other similarly situated companies in the industries in which the Company and its Subsidiaries operate.

"***Company Options***" means options or other rights to purchase shares of Company Common Stock issued by the Company.

"***Company Plans***" means the 2017 Equity Incentive Plan of the Company, as amended.

"***Company Transaction Expenses***" means all fees and expenses incurred at or prior to the Effective Time in connection with the Contemplated Transactions and this Agreement for which the Company is liable, including (a) any fees and expenses of legal counsel and accountants, the maximum amount of fees and expenses payable to financial advisors, investment bankers, brokers, consultants, and other advisors for which the Company is liable, including, without limitation, for preparation of the Registration Statement, Proxy Statement/Prospectus, Information Statement, and any amendments and supplements to any of the foregoing, preparing responses to any SEC comments, and drafting any charter amendments (and in each case, the related disclosure required in the Registration Statement, Proxy Statement/Prospectus and Information Statement); (b) fifty percent (50%) of (i) the fees paid to the SEC in connection with filing the Registration Statement, the Proxy Statement/Prospectus, and any amendments and supplements thereto with the SEC; (ii) all fees and expenses incurred in relation to the printing and mailing of the Registration Statement, the Proxy Statement/Prospectus (including any financial statements and exhibits) and any amendments or supplements thereto and paid to a financial printer; (iii) the fees and expenses paid or payable to the Exchange Agent pursuant to the engagement agreement with the Exchange Agent; and (iv) any fees and expenses incurred by Computershare Trust Company, N.A., Parent's transfer agent, and a proxy solicitor reasonably acceptable to the Company, in connection with the filing and distribution of the Registration Statement, the Proxy Statement/Prospectus and any amendments and supplements thereto with the SEC (without duplication of the fees and expenses addressed in clause (b)(i) above); (c) one hundred percent (100%) of the Nasdaq Fees; (d) one hundred percent (100%) of the fees and expenses (including reasonable fees and disbursements of counsel) in connection with the registration, qualification or exemption from registration or qualification (as well as any filings and filing fees in connection therewith) under the securities law of any State of the United States in connection with the offer, sale or issuance of shares of Parent Common Stock to any holder of Company Capital Stock pursuant to the Merger; and (e) one hundred percent (100%) of all fees and expenses in relation to the printing and mailing of the Information Statement. Company Transaction Expenses shall also include all fees and expenses incurred by Parent or the Company at or prior to the Effective Time in connection with the Private Placement and the Subscription Agreement, including, without limitation, (1) any fees and expenses of legal counsel and accountants, the maximum amount of fees and expenses payable to financial advisors, investment bankers, brokers, consultants, and other advisors of Parent or the Company, including, without limitation, for preparation, negotiation, execution and delivery of the Subscription Agreement and each other definitive agreement in connection with the Private Placement and the consummation of the Private Placement and any other transaction contemplated under the Subscription Agreement and each such other definitive agreement, and any amendments and supplements to any of the foregoing, (2) any fees and expenses incurred by Computershare Trust Company, N.A., Parent's transfer agent, in connection with the Private Placement; (3) one hundred percent (100%) of the Nasdaq Fees in connection with the Private Placement; and (4) one hundred percent (100%) of the fees and expenses (including reasonable fees and disbursements of counsel) in connection with the registration, qualification or exemption from registration or qualification (as well as any filings and filing fees in connection therewith) under the securities law of any State of the United States in connection with the offer, sale or issuance of shares of Parent Capital Stock pursuant to the Private Placement.

"***Company Triggering Event***" shall be deemed to have occurred if: (a) the Company shall have made a Company Board Adverse Recommendation Change; (b) the Company Board or any committee thereof shall have publicly approved, endorsed or recommended any Acquisition Proposal; (c) the Company shall have entered into any letter of intent or similar document relating to any Acquisition Proposal; or (d) the Company, or any director or officer of the Company, shall have willfully and intentionally breached the provisions set forth in *Section 4.5*.

"***Company Unaudited Interim Balance Sheet***" means the unaudited consolidated balance sheet of the Company and its consolidated Subsidiaries as of September 14, 2019 provided to Parent prior to the date of this Agreement.

"***Confidentiality Agreement***" means the non-disclosure and confidentiality agreement, dated as of April 23, 2019 between the Company and Parent.

"***Consent***" means any approval, consent, ratification, permission, waiver or authorization (including any Governmental Authorization).

"***Contemplated Transactions***" means the Merger, the Parent Series A Preferred Automatic Conversion, the Nasdaq Reverse Split, and the other transactions and actions contemplated by this Agreement.

"***Contract***" means, with respect to any Person, any written or oral agreement, contract, subcontract, lease (whether for real or personal property), mortgage, license, sublicense or other legally binding commitment or undertaking of any nature to which such Person is a party or by which such Person or any of its assets are bound or affected under applicable Law.

"***DGCL***" means the General Corporation Law of the State of Delaware.

"***Divestiture Assets***" means Parent IP, quantities of vonapanitase owned or held by or on behalf of Parent and other assets of Parent, in each case only if and to the extent necessary or useful to the development, manufacture, use or commercialization of pharmaceutical products for the treatment of peripheral arterial disease. "***Divestiture Assets***" shall not include (i) any of Parent's assets (including, without limitation, Parent IP and Parent's know-how and confidential information) used by Parent in its research and development programs (other than Parent's vonapanitase research and development program for the treatment of peripheral arterial disease (the "***PAD Program***")), (ii) Parent Contracts that pertain to Parent's research and development programs other than the PAD Program, (iii) pre-clinical data and clinical data generated pursuant to Parent's research and development programs other than the PAD Program, in the case of each of items referred to in the foregoing clauses (i) through (iii), such items shall be excluded from the Divestiture Assets only if and to the extent that such items are not necessary or useful to the development, manufacture, use or commercialization of pharmaceutical products for the treatment of peripheral arterial disease.

"***Divestiture Transactions***" means transactions pursuant to which Parent shall sell, assign, convey, license or otherwise transfer the Divestiture Assets on or prior to the Closing Date pursuant to bona fide arms' length transaction documents.

"***Effect***" means any effect, change, event, circumstance, or development.

"***Encumbrance***" means any lien, pledge, hypothecation, charge, mortgage, security interest, lease, license, option, easement, reservation, servitude, adverse title, claim, infringement, interference, option, right of first refusal, preemptive right, community property interest or restriction or encumbrance of any nature (including any restriction on the voting of any security, any restriction on the transfer of any security or other asset, any restriction on the receipt of any income derived from any asset, any restriction on the use of any asset and any restriction on the possession, exercise or transfer of any other attribute of ownership of any asset).

"***Enforceability Exceptions***" means the (a) Laws of general application relating to bankruptcy, insolvency and the relief of debtors; and (b) rules of law governing specific performance, injunctive relief and other equitable remedies.

"***Entity***" means any corporation (including any non-profit corporation), partnership (including any general partnership, limited partnership or limited liability partnership), joint venture, estate, trust, company (including any company limited by shares, limited liability company or joint stock company), firm, society or other enterprise, association, organization or entity, and each of its successors.

"***Environmental Law***" means any federal, state, local or foreign Law relating to pollution or protection of human health or the environment (including ambient air, surface water, ground water,

land surface or subsurface strata), including any Law or regulation relating to emissions, discharges, releases or threatened releases of Hazardous Materials, or otherwise relating to the manufacture, processing, distribution, use, treatment, storage, disposal, transport or handling of Hazardous Materials.

"***ERISA***" means the Employee Retirement Income Security Act of 1974, as amended.

"***Exchange Act***" means the Securities Exchange Act of 1934, as amended.

"***Exchange Ratio***" means, subject to *Section 1.5(g)*, the following ratio (rounded to six decimal places): the quotient obtained by dividing (a) the Company Merger Shares by (b) the Company Outstanding Shares, in which:

- "***Adjusted Parent Valuation***" means the Parent Base Valuation Amount, *plus* the amount (if any) by which the Parent Net Cash as finally determined pursuant to *Section 1.12* (*Calculation of Parent Net Cash*) (the "***Final Parent Net Cash***") exceeds the upper limit of the Target Parent Net Cash Range or *minus* the amount (if any) by which the Final Parent Net Cash is less than the lower limit of the Target Parent Net Cash Range; provided, for the avoidance of doubt, that if the Final Parent Net Cash is within the Target Parent Net Cash Range (including in the event the Final Parent Net Cash equals either the upper limit or lower limit of the Target Parent Net Cash Range), then no adjustment shall be made and the Adjusted Parent Valuation shall equal the Parent Base Valuation Amount.

- "***Aggregate Valuation***" means the sum of (a) the Company Valuation, plus (b) the Adjusted Parent Valuation.

- "***Company Allocation Percentage***" means an amount, expressed as a percentage, equal to 1.00 minus the Parent Allocation Percentage (expressed as a decimal rounded to six decimal places).

- "***Company Merger Shares***" means the product (rounded down to the nearest whole number) of (i) the Post-Closing Parent Shares multiplied by (ii) the Company Allocation Percentage (expressed as a decimal rounded to six decimal places).

- "***Company Outstanding Shares***" means the total number of shares of Company Capital Stock outstanding immediately prior to the Effective Time expressed on a fully-diluted and as-converted to, and as-exercised or as-issued for, Company Common Stock basis, assuming, without limitation or duplication, (i) the exercise of all Company Options outstanding immediately prior to the Effective Time (whether then vested or unvested, exercisable or not exercisable) and (ii) the issuance immediately prior to the Effective Time of all shares of Company Capital Stock issuable in respect of either (1) any and all other options, warrants or rights outstanding immediately prior to the Effective Time (whether then vested or unvested, exercisable or not exercisable), or (2) any and all options, warrants or rights triggered by or associated with the consummation of the Merger (whether then vested or unvested, exercisable or not exercisable).

- "***Company Valuation***" means $20,000,000.

- "***Parent Allocation Percentage***" means the quotient determined by dividing (i) the Adjusted Parent Valuation by (ii) the Aggregate Valuation.

- "***Parent Base Valuation Amount***" is $7,250,000.

- "***Parent Outstanding Shares***" means, subject to *Section 1.5(g)* and the Nasdaq Reverse Split, the total number of shares of Parent Common Stock outstanding immediately prior to the Effective Time determined on a fully-diluted, as-converted to, and as-exercised for, Parent Common Stock basis after giving effect to the Parent Series A Preferred Automatic Conversion (assuming, solely for purposes of this definition of "***Parent Outstanding Shares***", that the Parent Series A Preferred Automatic Conversion is effected immediately prior to the Effective Time and after giving effect

to the Nasdaq Reverse Split) and assuming, without limitation or duplication, (i) the exercise of all Parent Options outstanding immediately prior to the Effective Time (whether then vested or unvested and/or exercisable or not exercisable), but only to the extent that such Parent Options are not cancelled or terminated at the Effective Time or otherwise and are not exercised prior to the Effective Time, and (ii) the issuance immediately prior to the Effective Time of all shares of Parent Common Stock issuable in respect of either (1) any and all other options, warrants or rights outstanding immediately prior to the Effective Time (whether then vested or unvested, exercisable or not exercisable), but only to the extent that such other options, warrants or rights are not cancelled or terminated at or prior to the Effective Time pursuant to the terms thereof or otherwise and are not exercised prior to the Effective Time, or (2) any and all options, warrants or rights triggered by or associated with the consummation of the Merger (whether vested or unvested, exercisable or not exercisable), but only to the extent that such options, warrants or rights are not cancelled or terminated at or prior to the Effective Time pursuant to the terms thereof or otherwise and are not exercised prior to the Effective Time.

- "***Post-Closing Parent Shares***" means the quotient (rounded down to the nearest whole number) determined by dividing (i) the Parent Outstanding Shares by (ii) the Parent Allocation Percentage (expressed as a decimal rounded to six decimal places).

- ***"Target Parent Net Cash Range"*** means an amount of Parent Net Cash that is not less than $2,950,000 and not greater than $3,550,000; *provided* that (a) if the initial filing of the Registration Statement is delayed and made by Parent after October 15, 2019 but on or before October 30, 2019, then the lower limit of the Target Parent Net Cash Range shall be decreased by $200,000 to $2,750,000, (b) if the filing of the Registration Statement is further delayed and made by Parent after October 30, 2019, then the lower limit of the Target Parent Net Cash Range (after giving effect to the prior reduction in the lower limit of the Target Parent Net Cash Range pursuant to the foregoing clause (a)) shall be further decreased by increments of $250,000 effective on the 16th day and 1st day of each month, commencing on November 1, 2019, (c) if the Company does not provide the Company No Divestiture Notice to Parent on or at any time prior to the Closing Date and Parent does not provide a Parent Divestiture Notice to the Company on or at any time prior to the Closing Date, then the lower limit of the Target Parent Net Cash Range (after giving effect to any and all prior reductions of such lower limit that may become applicable pursuant to the foregoing clauses (a) and (b)) shall be further decreased by 100% of the Ordinary Course of Business out-of-pocket documented costs and expenses incurred by Parent to maintain the Parent IP, the inventory of vonapanitase and any related assets from the date of this Agreement through the Closing Date, and (d) if the Company provides the Company No Divestiture Notice to Parent on or at any time prior to the Closing Date and, prior to receipt of the Company No Divestiture Notice, Parent has not provided a Parent Divestiture Notice to the Company, then the lower limit of the Target Parent Net Cash Range (after giving effect to any and all prior reductions of such lower limit that may become applicable pursuant to the foregoing clauses (a) and (b)) shall be further decreased by $400,000. Notwithstanding anything to the contrary contained in this Agreement, in no event shall the lower limit of the Target Parent Net Cash Range be an amount less than zero.

"***GAAP***" means generally accepted accounting principles and practices in effect from time to time within the United States applied consistently throughout the period involved.

"***Governmental Authorization***" means any: (a) permit, license, certificate, certification, franchise, permission, approval, exemption, variance, exception, order, clearance, registration, qualification or authorization issued, granted, given or otherwise made available by or under the authority of any Governmental Body or pursuant to any Law; or (b) right under any Contract with any Governmental Body.

"***Governmental Body***" means any: (a) nation, state, commonwealth, province, territory, county, municipality, district or other jurisdiction of any nature; (b) federal, state, local, municipal, foreign or other government; (c) governmental or quasi-governmental authority of any nature (including any governmental division, department, agency, commission, bureau, instrumentality, official, ministry, fund, foundation, center, organization, unit, body or Entity and any court or other tribunal, and for the avoidance of doubt, any taxing authority); or (d) self-regulatory organization (including Nasdaq).

"***Hazardous Materials***" means any pollutant, chemical, substance and any toxic, infectious, carcinogenic, reactive, corrosive, ignitable or flammable chemical, or chemical compound, or hazardous substance, material or waste, whether solid, liquid or gas, that is subject to regulation, control or remediation under any Environmental Law, including without limitation, crude oil or any fraction thereof, and petroleum products or by-products.

"***Intellectual Property Rights***" means and includes all past, present, and future rights of the following types, which may exist or be created under the laws of any jurisdiction in the world: (a) rights associated with works of authorship, including exclusive exploitation rights, copyrights, moral rights, software, databases, and mask works; (b) trademarks, service marks, trade dress, logos, trade names and other source identifiers, domain names and URLs and similar rights and any goodwill associated therewith; (c) rights associated with trade secrets, know how, inventions, invention disclosures, methods, processes, protocols, specifications, techniques and other forms of technology; (d) patents and industrial property rights; and (e) other similar proprietary rights in intellectual property of every kind and nature; (f) rights of privacy and publicity; and (g) all registrations, renewals, extensions, statutory invention registrations, provisionals, continuations, continuations-in-part, provisionals, divisions, or reissues of, and applications for, any of the rights referred to in clauses "(a)" through "(f)" above (whether or not in tangible form and including all tangible embodiments of any of the foregoing, such as samples, studies and summaries), along with all rights to prosecute and perfect the same through administrative prosecution, registration, recordation or other administrative proceeding, and all causes of action and rights to sue or seek other remedies arising from or relating to the foregoing.

"***IRS***" means the United States Internal Revenue Service.

"***Knowledge***" means, with respect to an individual, that such individual is actually aware of the relevant fact or such individual would reasonably be expected to know such fact in the ordinary course of the performance of such individual's employment responsibilities. Any Person that is an Entity shall have Knowledge if any officer or director of such Person as of the date such knowledge is imputed has Knowledge of such fact or other matter.

"***Law***" means any federal, state, national, foreign, material local or municipal or other law, statute, constitution, principle of common law, resolution, ordinance, code, edict, decree, rule, regulation, ruling or requirement issued, enacted, adopted, promulgated, implemented or otherwise put into effect by or under the authority of any Governmental Body (including under the authority of Nasdaq or the Financial Industry Regulatory Authority).

"***Legal Proceeding***" means any action, suit, litigation, arbitration, proceeding (including any civil, criminal, administrative, investigative or appellate proceeding), hearing, inquiry, audit, examination or investigation commenced, brought, conducted or heard by or before, or otherwise involving, any court or other Governmental Body or any arbitrator or arbitration panel.

"***Nasdaq***" means The Nasdaq Stock Market, LLC, including The Nasdaq Global Market or such other Nasdaq market on which shares of Parent Common Stock are then listed.

"***Nasdaq Reverse Split***" means a reverse stock split of all outstanding shares of Parent Common Stock at a reverse stock split ratio anywhere in the range between 1-for-30 and 1-for-50 (with the actual reverse stock split ratio to be mutually agreed upon by Parent and the Company that is effected by Parent for the purpose of maintaining compliance with Nasdaq listing standards and authorization of shares of Parent Common Stock for issuance in connection with the Contemplated Transactions and the Private Placement.

"***Ordinary Course of Business***" means, in the case of each of the Company and Parent, such actions taken in the ordinary course of its normal operations and consistent with its past practices.

"***Organizational Documents***" means, with respect to any Person (other than an individual), (a) the certificate or articles of association or incorporation or organization or limited partnership or limited liability company, and any joint venture, limited liability company, operating or partnership agreement and other similar documents adopted or filed in connection with the creation, formation or organization of such Person and (b) all bylaws, regulations and similar documents or agreements relating to the organization or governance of such Person, in each case, as amended or supplemented.

"***Parent Associate***" means any current or former employee, independent contractor, officer or director of Parent.

"***Parent Audited Financial Statements***" means the audited consolidated financial statements set forth in Parent's Report on Form 10-K filed with the SEC for the period ended December 31, 2018, as amended.

"***Parent Balance Sheet***" means the audited balance sheet of Parent as of December 31, 2018 (the "***Parent Balance Sheet Date***"), included in Parent's Report on Form 10-K for the twelve month period ended December 31, 2018, as filed with the SEC.

"***Parent Board***" means the board of directors of Parent.

"***Parent Capital Stock***" means the Parent Common Stock and the Parent Preferred Stock (including, without limitation, the Parent Series A Preferred Stock).

"***Parent Change in Circumstance***" means a change in circumstances (other than an Acquisition Proposal, any events, changes or circumstances relating to Company or any of its Subsidiaries or the mere fact that the Company meets, exceeds, or falls short of any internal or analysts' published projections, estimates or predictions of revenue, earnings or other financial or operating metrics for an period on or after the date hereof) that affects the business, assets or operations of Parent that occurs or arises after the date of this Agreement that was neither known nor reasonably foreseeable by the Parent Board as of, or prior to, the date of this Agreement, nor known nor reasonably foreseeable by the officers of Parent as of, or prior to, the date of this Agreement.

"***Parent Common Stock***" means the Common Stock, $0.001 par value per share, of Parent.

"***Parent Consultant Options***" means those 4,410 Parent Options issued to certain consultants of Parent on February 5, 2010, with an exercise price of $3.174 and which expire on February 5, 2020.

"***Parent Contract***" means any Contract: (a) to which Parent or its Subsidiaries is a party; (b) by which Parent, its Subsidiaries, or any Parent IP or any other asset of Parent or its Subsidiaries is bound or under which Parent or its Subsidiaries has, or may become subject to, any obligation; or (c) under which Parent or its Subsidiaries has or may acquire any right or interest.

"***Parent EIP Amendment***" means an amendment to the Parent Stock Plans to increase the shares available for issuance thereunder by such additional number of shares of Parent Common Stock such that the total number of shares of Parent Common Stock subject to the Parent Stock Plans, after giving effect to such additional number of shares of Parent Common Stock, would not exceed 15.2% of the shares of Parent Common Stock outstanding immediately after the Effective Time, after giving effect to the Nasdaq Reverse Split, the Private Placement and the Parent Series A Preferred Automatic Conversion, as determined by or on behalf of the Company prior to the effectiveness of the Registration Statement.

"***Parent ERISA Affiliate***" means any corporation or trade or business (whether or not incorporated) that is (or at any relevant time was) treated with Parent or any of its Subsidiaries as a single employer within the meaning of Section 414 of the Code or Section 4001(b) of ERISA.

"***Parent IP***" means all Intellectual Property Rights that are owned or purported to be owned by, assigned to, or licensed by, Parent or its Subsidiaries.

"***Parent Material Adverse Effect***" means any Effect that, considered together with all other Effects that have occurred prior to the date of determination of the occurrence of a Parent Material Adverse Effect, has or would reasonably be expected to have a material adverse effect on the business, financial condition, assets, liabilities or results of operations of Parent and its Subsidiaries, taken as a whole; *provided*, *however*, that Effects arising or resulting from the following shall not be taken into account in determining whether there has been a Parent Material Adverse Effect: (a) general business, economic or political conditions affecting the industry in which Parent operates, (b) any natural disaster or any acts of war, armed hostilities or terrorism, (c) changes in financial, banking or securities markets, (d) the taking of any action required to be taken by this Agreement, (e) any change in the stock price or trading volume of Parent Common Stock (it being understood, however, that any Effect causing or contributing to any change in stock price or trading volume of Parent Common Stock may be taken into account in determining whether a Parent Material Adverse Effect has occurred, unless such Effects are otherwise excepted from this definition), (f) the failure of Parent to meet internal or analysts' expectations or projections or the results of operations of Parent; (g) any clinical trial programs or studies, including any adverse data, event or outcome arising out of or related to any such programs or studies; (h) any change in, or any compliance with or action taken for the purpose of complying with, any Law or GAAP (or interpretations of any Law or GAAP); (i) resulting from the announcement of this Agreement or the pendency of the Contemplated Transactions (including, without limitation, any action, suit or proceeding against Parent or any of its officers or directors that is seeking to challenge or restrain any of the Contemplated Transactions); or (j) resulting from the taking of any action or the failure to take any action, by Parent that is required to be taken or not to be taken by this Agreement, except in each case with respect to clauses (a) through (c), to the extent disproportionately affecting Parent relative to other similarly situated companies in the industries in which Parent operates.

"***Parent Net Cash***" means, without duplication, (i) the sum of all Cash and Cash Equivalents, short-term investments, accrued investment interest receivable, any remaining prepaid amount applicable to the period commencing on the Closing Date for the existing directors' and officers' insurance policies and annual Nasdaq listing payments, and any prepaid refundable deposits, in each case, of Parent as of the Determination Date, calculated in a manner consistent with the manner in which such items were historically determined and in accordance with the Parent Audited Financial Statements, *plus* (ii) the aggregate cash proceeds of all Divestiture Transactions actually received by Parent on or prior to the Closing Date without any contingency and excluding, for the avoidance of doubt, any earn-out, royalties, escrow, holdback or other contingent payment amounts, *less* (iii) the sum of Parent's short and long term Liabilities, including accounts payable and accrued expenses (without duplication of any expenses accounted for herein) and in connection with any Divestiture Transactions, in each case as of such date and determined in a manner consistent with the manner in which such items were historically determined in accordance with the Parent Audited Financial Statements and Parent Interim Balance Sheet, *less* (iv) all liabilities of Parent to any current or former officer, director, employee, consultant or independent contractor of Parent or any other third party, including change of control payments, retention payments, severance and other employee-, consultant- or independent contractor-related termination costs, in each case payment of which is triggered by the Contemplated Transactions, including pursuant to any Parent Benefit Plan, including but not limited to payments of deferred compensation, accrued but unpaid bonuses, accelerated vesting and accrued but unpaid vacation or paid time-off (including related employer taxes on all of the foregoing), regardless of whether or not such amounts are accrued or due as of the Anticipated Closing Date and regardless of when paid or payable and regardless of whether such amounts will be paid or are payable as a result of actions taken at, or immediately prior to or immediately after the Effective Time, *less* (v) all payroll, employment or other withholding Taxes incurred by Parent and any Parent Associate (to the extent paid or to be paid by Parent on behalf of such Parent Associate) in connection with any payment

amounts set forth in (iv) or in connection with the exercise of any Parent Option on or prior to the Effective Time, *less* (vi) any cost and expense for which Parent is liable (up to the unpaid retention or deductible payment amounts due under any insurance policy) with respect to any Legal Proceedings against Parent or Proteon Merger Sub or Legal Proceedings under *Section 5.18*, including, without limitation, any such Legal Proceedings that are resolved or settled prior to the Closing (or if not resolved or settled prior to the Closing, a reasonable estimate agreed by the parties hereto for any such cost and expenses in connection with a resolution or settlement), subject to *Section 5.18*, *less* (vii) notice payments, fines or other payments to be made by Parent in order to terminate any existing agreement to which Parent is a party, *less* (viii) the Parent Transaction Expenses and any other cost and expenses to be borne by Parent under this Agreement, *plus* (ix) any transaction expenses and any other costs and expenses borne or to be borne by Parent, on or before the Closing, for which the Company is required to reimburse Parent pursuant to this Agreement (including, without limitation, the costs and expenses described in clause (b) of the definition of "Company Transaction Expenses"), regardless of whether such reimbursement is required to have been made or to be made by Company prior to, on or after the date of calculation of the Parent Net Cash, but which, as of the date of calculation of the Parent Net Cash, Parent has not invoiced or otherwise requested reimbursement and/or Parent has not received reimbursement; *provided* that, if the Effective Time occurs on or after January 1, 2020 and (A) the SEC has not reviewed or commented on the Registration Statement, 100% of any documented out-of-pocket cost and expenses arising out of preparing the audited financial statements in compliance with applicable Laws to be included in Parent's Annual Report on Form 10-K for the year ended December 31, 2019 shall not be deducted from the Parent Net Cash or (B) the SEC has reviewed or commented on the Registration Statement, 50% of any documented out-of-pocket cost and expenses arising out of preparing the audited financial statements in compliance with applicable Laws to be included in Parent's Annual Report on Form 10-K for the year ended December 31, 2019 shall be deducted from the Parent Net Cash; *provided, further*, that notwithstanding anything to the contrary herein, in the event that the Effective Time occurs on or after January 1, 2020, any costs or expenses that Parent has not incurred, but that Parent is otherwise required to accrue under GAAP, related to preparing the audited financial statements in compliance with applicable Laws to be included in Parent's Annual Report on Form 10-K for the year ended December 31, 2019 will not be treated as Liabilities of Parent for purposes of calculating Parent Net Cash.

"***Parent Options***" means options or other rights to purchase shares of Parent Common Stock issued by Parent.

"***Parent Preferred Stock***" means the Preferred Stock, $0.001 par value per share, of Parent.

"***Parent Series A Preferred Automatic Conversion***" means the automatic conversion of all of issued and outstanding shares of Parent Series A Preferred Stock into shares of Parent Common Stock immediately following the consummation of the Private Placement at the then effective conversion rate (after giving effect to the Nasdaq Reverse Split) applicable to the Parent Series A Preferred Stock under the Parent Series A Preferred Stock Certificate of Designation, such automatic conversion to be pursuant to and in accordance with the terms of the proposed amendment to Parent's certificate of incorporation, as set forth in the Parent Pre-Effective Time Charter Amendment, to effect such automatic conversion.

"***Parent Series A Preferred Stock***" means Series A Convertible Preferred Stock, $0.001 par value per share, of Parent.

"***Parent Series A Preferred Stock Certificate of Designation***" means the Certificate of Designation of Preferences, Rights and Limitations of Parent Series A Preferred Stock, originally filed by Parent with the Secretary of State of the State of Delaware on August 1, 2017 and as thereafter amended and in effect from time to time.

"***Parent Stock Plans***" means the Proteon Therapeutics, Inc. Amended and Restated 2006 Equity Incentive Plan and the Proteon Therapeutics, Inc. Amended and Restated 2014 Equity Incentive Plan.

"***Parent Transaction Expenses***" means all fees and expenses incurred at or prior to the Effective Time in connection with the Contemplated Transactions and this Agreement for which Parent is liable, including (a) any fees and expenses of legal counsel and accountants, the maximum amount of fees and expenses payable to financial advisors, investment bankers, brokers, consultants, finders and other advisors for which Parent is liable, including, without limitation, for preparation of the Registration Statement, Proxy Statement/Prospectus and any amendments and supplements thereto, preparing responses to any SEC comments, drafting any charter amendments (and in each case, the related disclosure required in the Registration Statement and Proxy Statement/Prospectus) and; (b) fifty percent (50%) of (i) the fees paid to the SEC in connection with filing the Registration Statement, the Proxy Statement/Prospectus and any amendments and supplements thereto with the SEC; (ii) all fees and expenses incurred in relation to the printing and mailing of the Registration Statement, the Proxy Statement/Prospectus (including any financial statements and exhibits) and any amendments or supplements thereto and paid to a financial printer; (iii) the fees and expenses paid or payable to the Exchange Agent pursuant to the engagement agreement with the Exchange Agent; and (iv) any fees and expenses incurred by Computershare Trust Company, N.A., Parent's transfer agent, and the proxy solicitor (reasonably acceptable to the Parties), in connection with the filing and distribution of the Registration Statement, the Proxy Statement/Prospectus and any amendments and supplements thereto with the SEC (without duplication of the fees and expenses addressed in clause (b)(i) above); and (c) any unpaid premium payable by Parent in satisfaction of its obligations under *Section 5.5(c)* with respect to the D&O Tail Policy. Parent Transaction Expenses shall in no event include any fees and expenses incurred by Parent or the Company at or prior to the Effective Time in connection with the Private Placement and the Subscription Agreement, including, without limitation, (1) any fees and expenses of legal counsel and accountants, the maximum amount of fees and expenses payable to financial advisors, investment bankers, brokers, consultants, and other advisors of Parent or the Company, including, without limitation, for preparation, negotiation, execution and delivery of the Subscription Agreement and each other definitive agreement in connection with the Private Placement and the consummation of the Private Placement and any other transaction contemplated under the Subscription Agreement and each such other definitive agreement, and any amendments and supplements to any of the foregoing, (2) any fees and expenses incurred by Computershare Trust Company, N.A., Parent's transfer agent, in connection with the Private Placement; (3) any of the Nasdaq Fees in connection with the Private Placement; and (4) any of the fees and expenses (including reasonable fees and disbursements of counsel) in connection with the registration, qualification or exemption from registration or qualification (as well as any filings and filing fees in connection therewith) under the securities law of any State of the United States in connection with the offer, sale or issuance of shares of Parent Capital Stock pursuant to the Private Placement.

"***Parent Triggering Event***" shall be deemed to have occurred if: (a) Parent shall have failed to include in the Proxy Statement/Prospectus the Parent Board Recommendation or shall have made a Parent Board Adverse Recommendation Change or Parent Board shall have failed to publicly reaffirm the Parent Board Recommendation within ten (10) Business Days after the Company so requests in writing; (b) the Parent Board or any committee thereof shall have publicly approved, endorsed or recommended any Acquisition Proposal; or (c) Parent shall have entered into any letter of intent or similar document relating to any Acquisition Proposal (other than a confidentiality agreement permitted pursuant to *Section 4.4*); or (d) Parent, or any director or officer of Parent, shall have willfully and intentionally breached the provisions set forth in *Section 4.4*.

"***Parent Unaudited Interim Balance Sheet***" means the unaudited consolidated balance sheet of Parent set forth in Parent's Report on Form 10-Q for the quarterly period ended June 30, 2019.

"***Party***" or "***Parties***" means the Company, Proteon Merger Sub and Parent.

"***Permitted Alternative Agreement***" means a definitive agreement with respect to an Acquisition Transaction that constitutes a Superior Offer.

"***Permitted Encumbrance***" means: (a) any liens for current Taxes not yet due and payable or for Taxes that are being contested in good faith and for which adequate reserves have been made on the Company Unaudited Interim Balance Sheet or the Parent Balance Sheet, as applicable; (b) minor liens that have arisen in the Ordinary Course of Business and that do not (in any case or in the aggregate) materially detract from the value of the assets or properties subject thereto or materially impair the operations of the Company or any of its Subsidiaries or Parent, as applicable; (c) statutory liens to secure obligations to landlords, lessors or renters under leases or rental agreements; (d) deposits or pledges made in connection with, or to secure payment of, workers' compensation, unemployment insurance or similar programs mandated by Law; (e) non-exclusive licenses of Intellectual Property Rights granted by the Company or any of its Subsidiaries or Parent, as applicable, in the Ordinary Course of Business and that do not (in any case or in the aggregate) materially detract from the value of the Intellectual Property Rights subject thereto; and (f) statutory liens in favor of carriers, warehousemen, mechanics and materialmen, to secure claims for labor, materials or supplies.

"***Person***" means any individual, Entity or Governmental Body.

"***Proteon Merger Sub Board***" means the board of directors of Proteon Merger Sub.

"***Proxy Statement/Prospectus***" means the combined proxy statement/prospectus to be sent to Parent's stockholders in connection with the Parent Stockholders' Meeting and to be sent to the Company's stockholders prior to the solicitation pursuant to *Section 5.2(a)* of the Company Stockholder Written Consent evidencing the Required Company Stockholder Vote.

"***Reference Date***" means September 23, 2019.

"***Registered IP***" means all Intellectual Property Rights that are registered or issued under the authority of any Governmental Body, including all patents, registered copyrights, registered mask works, and registered trademarks, service marks and trade dress, and all applications for any of the foregoing.

"***Registration Statement***" means the registration statement on Form S-4 (or any other applicable form under the Securities Act to register Parent Common Stock) to be filed with the SEC by Parent registering the public offering and sale of Parent Common Stock to be issued in exchange for shares of Company Common Stock in the Merger, as said registration statement may be amended prior to the time it is declared effective by the SEC.

"***Representatives***" means directors, officers, employees, agents, attorneys, accountants, investment bankers, advisors and representatives.

"***Sarbanes-Oxley Act***" means the Sarbanes-Oxley Act of 2002.

"***SEC***" means the United States Securities and Exchange Commission.

"***Securities Act***" means the Securities Act of 1933, as amended.

"***Subscription Agreement***" means the Subscription Agreement attached hereto as **Exhibit E**, among Parent and the Persons named therein, pursuant to which such Persons have agreed to purchase, in a private placement, the number of shares of Parent Capital Stock set forth therein in connection with the Private Placement.

"***Subsequent Transaction***" means any Acquisition Transaction (with all references to twenty percent (20%) in the definition of Acquisition Transaction being treated as references to ninety (90%) for these purposes).

"***Subsidiary***" means, with respect to a Person, another entity of which such Person directly or indirectly owns or purports to own, beneficially or of record, (a) an amount of voting securities or other

interests that is sufficient to enable such Person to elect at least a majority of the members of such entity's board of directors or other governing body, or (b) at least 50% of the outstanding equity, voting, beneficial or financial interests in such Entity.

"***Superior Offer***" means an unsolicited bona fide written Acquisition Proposal (with all references to 20% in the definition of Acquisition Transaction being treated as references to greater than 90% for these purposes) that: (a) was not obtained or made as a direct or indirect result of a breach of (or in violation of) this Agreement; and (b) is on terms and conditions that the Parent Board or the Company Board, as applicable, determines in good faith following consultation with its outside legal counsel and outside financial advisors, if any, would reasonably be expected to be consummated in accordance with its terms and would result in a transaction that is more favorable, from a financial point of view, to Parent's stockholders or the Company's stockholders, as applicable, than the terms of the Contemplated Transactions; provided, that any such offer shall not be deemed to be a "Superior Offer" if any financing required to consummate the transaction contemplated by such offer is not reasonably capable of being obtained by such third party (after taking into account any revisions to the Contemplated Transactions offered by the other Party).

"***Takeover Statute***" means any "fair price," "moratorium," "control share acquisition" or other similar anti-takeover Law.

"***Tax***" means any federal, state, local, foreign or other tax, including any income, capital gain, gross receipts, capital stock, profits, transfer, estimated, registration, stamp, premium, escheat, unclaimed property, customs duty, ad valorem, occupancy, occupation, alternative, add-on, windfall profits, value added, severance, property, business, production, sales, use, license, excise, franchise, employment, payroll, social security, disability, unemployment, workers' compensation, national health insurance, withholding or other taxes, duties, fees, assessments or governmental charges, surtaxes or deficiencies thereof of any kind whatsoever, however denominated, and including any fine, penalty, addition to tax or interest imposed by a Governmental Body with respect thereto.

"***Tax Return***" means any return (including any information return), report, statement, declaration, estimate, schedule, notice, notification, form, election, certificate or other document, and any amendment or supplement to any of the foregoing, filed with or submitted to, or required to be filed with or submitted to, any Governmental Body in connection with the determination, assessment, collection or payment of any Tax or in connection with the administration, implementation or enforcement of or compliance with any Law relating to any Tax.

"***Treasury Regulations***" means the United States Treasury regulations promulgated under the Code.

"***WARN Act***" means the Worker Adjustment Retraining and Notification Act of 1988, as amended, or any similar state or local plant closing mass layoff statute, rule or regulation.

(b) Each of the following terms is defined in the Section set forth opposite such term:

Term	Section
Accounting Firm	1.11(e)
Allocation Certificate	5.15(a)
Anti-Bribery Laws	2.23
Anticipated Closing Date	1.11(a)
Business Associate Agreement	2.14(f)
Certificate of Merger	1.3
Certifications	3.7(a)
Closing	1.3
Closing Date	1.3
Company	Preamble

Term	Section
Company Audited Financial Statements	5.16
Company Benefit Plan	2.17(a)
Company Board Adverse Recommendation Change	5.2(d)
Company Board Recommendation	5.2(d)
Company Disclosure Schedule	Section 2
Company Financials	2.7(a)
Company In-bound Licenses	2.12(d)
Company Interim Financial Statements	5.16
Company Lock-Up Agreement	Recitals
Company Material Contract	2.13(a)
Company Out-bound Licenses	2.12(d)
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Form of Company Stockholder Support Agreement

Exhibit B-2

Form of Parent Stockholder Support Agreement

Exhibit C

Officers

Board Designees—Company

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Form of Lock-Up Agreement

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Exhibit F

Form of Parent Pre-Effective Time Charter Amendment

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Exhibit 10.1

FORM OF SUPPORT AGREEMENT

This SUPPORT AGREEMENT (this "***Agreement***") is entered into as of September 23, 2019, among ArTara Therapeutics, Inc., a Delaware corporation ("***Company***"), Proteon Therapeutics, Inc., a Delaware corporation ("***Parent***"), and the undersigned (the "***Stockholder***").

WHEREAS, as of the date hereof, the Stockholder is the sole record and beneficial owner of and has the sole power to vote (or to direct the voting of) the number of shares of Company Capital Stock set forth opposite the Stockholder's name on Schedule I hereto (such Company Capital Stock together with any other shares of Company Capital Stock ("***Shares***") acquired by the Stockholder during the Voting Period (as hereinafter defined), are collectively referred to herein as the "***Subject Shares***");

WHEREAS, Company, Parent, and REM 1 Acquisition, Inc., a Delaware corporation and a wholly-owned subsidiary of Parent ("***Merger Sub***") are concurrently entering into an Agreement and Plan of Merger and Reorganization, dated on or about the date hereof (as amended from time to time, the "***Merger Agreement***"), pursuant to which Merger Sub shall be merged with and into Company, with Company continuing as the surviving corporation thereafter (the "***Merger***");

WHEREAS, the affirmative vote (or written consent) of the holders of a majority of the shares of Company Common Stock entitled to vote thereon, voting as a separate class, outstanding on the record date for the written consent in lieu of a meeting pursuant to Section 228 of the DGCL approving the Company Stockholder Matters, are the only votes (or written consents) of the holders of Company Capital Stock necessary to adopt and approve the Company Stockholder Matters; and

WHEREAS, as an inducement to Company's and Parent's willingness to enter into the Merger Agreement and consummate the transactions contemplated thereby, transactions from which the Stockholder believes it will derive substantial benefits through its ownership interest in Company, the Stockholder is entering into this Agreement.

NOW, THEREFORE, in consideration of the foregoing and the respective representations, warranties, covenants and agreements set forth herein, the parties agree as follows:

ARTICLE I

DEFINITIONS

SECTION 1.1 Capitalized Terms. For purposes of this Agreement, capitalized terms used and not defined herein shall have the respective meanings ascribed to them in the Merger Agreement.

ARTICLE II

VOTING AGREEMENT AND IRREVOCABLE PROXY

SECTION 2.1 Agreement to Vote.

(a) The Stockholder hereby agrees that, within three (3) business days of the Registration Statement becoming effective, the Stockholder shall execute and deliver, or cause to be executed and delivered, to Company, a written consent in the form of Exhibit A hereto (a "***Written Consent***"). The Written Consent shall be coupled with an interest and shall be irrevocable. As used herein, (i) the term "***Expiration Time***" shall mean the earliest occurrence of (A) the Effective Time and (B) the date and time of the valid termination of the Merger Agreement in accordance with its terms, and (ii) the term "***Voting Period***" shall mean such period of time between the date hereof and the Expiration Time.

(b) The Stockholder hereby agrees that, during the Voting Period, and at any duly called meeting of the stockholders of Company (or any adjournment or postponement thereof), or in any other circumstances (including action by written consent of stockholders in lieu of a meeting) upon which a vote, adoption or other approval or consent with respect to the adoption of the Merger Agreement or the approval of the Merger and any of the transactions contemplated thereby is sought, the Stockholder shall, if a meeting is held, appear at the meeting, in person or by proxy, and shall provide a written consent or vote (or cause to be voted), in person or by proxy, all its Subject Shares, in each case (i) in favor of (A) any proposal to adopt and approve or reapprove the Merger Agreement and the transactions contemplated thereby, including, without limitation, (1) adoption of the Merger Agreement and thereby approval of the Contemplated Transactions, (2) acknowledgment that the approval given thereby is irrevocable and that the Stockholder is aware of the Stockholder's rights to demand appraisal for the Subject Shares pursuant to Section 262 of the DGCL and that the Stockholder has received and read a copy of Section 262 of the DGCL, and (3) acknowledgment that by the Stockholder's approval of the Merger the Stockholder is not entitled to appraisal rights with respect to the Subject Shares in connection with the Merger and thereby waives any rights to receive payment of the fair value of the Subject Shares under the DGCL and (B) waiving any notice that may have been or may be required relating to the Merger or any of the other transactions contemplated by the Merger Agreement, and (ii) against (X) Acquisition Proposal or Acquisition Inquiry and any action in furtherance of any such Acquisition Proposal or Acquisition Inquiry or any agreement, transaction or other matter that is intended to, or would reasonably be expected to, impede, interfere with, delay, postpone, discourage or materially and adversely affect the consummation of the Merger and all other transactions contemplated by the Merger Agreement, and (Y) any action, proposal, transaction or agreement that, to the knowledge of the Stockholder, would reasonably be expected to result in a material breach of any covenant, representation or warranty or any other obligation or agreement of the Stockholder under this Agreement.

SECTION 2.2 Grant of Irrevocable Proxy. The Stockholder hereby appoints Company and any designee of Company, and each of them individually, as the Stockholder's proxy, with full power of substitution and resubstitution, to vote, including by executing written consents, during the Voting Period with respect to any and all of the Subject Shares on the matters and in the manner specified in Section 2.1; provided, however, that the Stockholder's grant of the proxy

contemplated by this Section 2.2 shall be effective with respect to Section 2.1(a) if, and only if, the Stockholder does not deliver the Written Consent immediately following the earlier to occur of (i) confirmation by the SEC that it has no further comments on the Proxy Statement or (ii) expiration of the 10-day waiting period contemplated by Rule 14a-6(a) promulgated under the Exchange Act. The Stockholder shall take all further action or execute such other instruments as may be necessary to effectuate the intent of any such proxy. The Stockholder affirms that the irrevocable proxy given by it hereby with respect to the Merger Agreement and the transactions contemplated thereby is given to Company by the Stockholder to secure the performance of the obligations of the Stockholder under this Agreement. It is agreed that Company (and its officers on behalf of Company) will use the irrevocable proxy that is granted by the Stockholder hereby only in accordance with applicable Laws and that, to the extent Company (and its officers on behalf of Company) uses such irrevocable proxy, it will only vote (or sign written consents in respect of) the Subject Shares subject to such irrevocable proxy with respect to the matters specified in, and in accordance with the provisions of, Section 2.1.

SECTION 2.3 Nature of Irrevocable Proxy. The proxy granted pursuant to Section 2.2 to Company by the Stockholder shall be irrevocable during the term of this Agreement, shall be deemed to be coupled with an interest sufficient in law to support an irrevocable proxy and shall revoke any and all prior proxies or powers of attorney granted by the Stockholder and no subsequent proxy or power of attorney shall be given or written consent executed (and if given or executed, shall not be effective) by the Stockholder with respect thereto. The proxy that may be granted hereunder shall terminate upon the termination of this Agreement, but shall survive the death or incapacity of the Stockholder and any obligation of the Stockholder under this Agreement shall be binding upon the heirs, personal representatives and successors of the Stockholder.

ARTICLE III

COVENANTS

SECTION 3.1 Subject Shares.

(a) The Stockholder agrees that, during the Voting Period, it shall not, and shall not commit or agree to, without the prior written consent of Parent and Company (i) directly or indirectly, whether by merger, consolidation or otherwise, offer for sale, sell (including short sales), transfer, tender, pledge, encumber, assign or otherwise dispose of (including by gift or by operation of law) (collectively, a "***Transfer***"), or enter into any contract, option, derivative, hedging or other agreement or arrangement or understanding (including any profit-sharing arrangement) with respect to, or consent to or permit, a Transfer of, any or all of the Subject Shares or any interest therein; and (ii) (A) grant any proxies or powers of attorney with respect to any or all of the Subject Shares or agree to vote (or sign written consents in respect of) the Subject Shares on any matter or divest itself of any voting rights in the Subject Shares, or (B) take any action that would have the effect of preventing or disabling the Stockholder from performing its obligations under this Agreement. Notwithstanding the foregoing and subject to the last sentence of this Section 3.1(a), the Stockholder may (1) make transfers or dispositions of the Subject Shares to any member of the immediate family of the Stockholders or to any trust for the direct or indirect benefit of the Stockholder or the immediate family of the Stockholder, (2)

make transfers or dispositions of the Subject Shares by will, other testamentary document or intestate succession to the legal representative, heir, beneficiary or a member of the immediate family of the Stockholder, (3) make transfers of the Subject Shares to its stockholders, direct or indirect affiliates (within the meaning set forth in Rule 405 under the Securities Act), current or former partners (general or limited), members or managers of the Stockholder, as applicable, or to the estates of any such stockholders, affiliates, partners, members or managers, or to another corporation, partnership, limited liability company or other business entity that controls, is controlled by or is under common control with the Stockholder, (4) make transfers that occur by operation of law pursuant to a qualified domestic relations order or in connection with a divorce settlement, (5) make transfers or dispositions not involving a change in beneficial ownership (including voting rights) and (6) if the Stockholder is a trust, make transfers or dispositions to any beneficiary of the Stockholder or the estate of any such beneficiary. The Stockholder agrees that any Transfer of Subject Shares not permitted hereby shall be null and void and that any such prohibited Transfer shall be enjoined. If any voluntary or involuntary transfer of any Subject Shares covered hereby shall occur (including, but not limited to, a sale by the Stockholder's trustee in bankruptcy, or a sale to a purchaser at any creditor's or court sale), the transferee (which term, as used herein, shall include any and all transferees and subsequent transferees of the initial transferee) shall take and hold such Subject Shares subject to all of the restrictions, liabilities and rights under this Agreement, which shall continue in full force and effect.

(b) In the event of a stock dividend or distribution, or any change in the Subject Shares by reason of any stock dividend or distribution, split-up, recapitalization, combination, conversion, exchange of shares or the like, the term "Subject Shares" shall be deemed to refer to and include the Subject Shares as well as all such stock dividends and distributions and any securities into which or for which any or all of the Subject Shares may be changed or exchanged or which are received in such transaction. The Stockholder further agrees that, in the event Stockholder purchases or otherwise acquires beneficial or record ownership of or an interest in, or acquires the right to vote or share in the voting of, any additional Shares, in each case after the execution of this Agreement, the Stockholder shall deliver promptly to Company written notice of such event, which notice shall state the number of additional Shares so acquired.

SECTION 3.2 Stockholder's Capacity. All agreements and understandings made herein shall be made solely in the Stockholder's capacity as a holder of the Subject Shares and not in any other capacity.

SECTION 3.3 Other Offers. Except to the extent Company is permitted to take such action pursuant to the Merger Agreement, the Stockholder (in the Stockholder's capacity as such), shall not, nor shall the Stockholder authorize or permit any of its Representatives to, take any of the following actions: (i) solicit, initiate or knowingly encourage, induce or facilitate the communication, making, submission or announcement of any Acquisition Proposal or Acquisition Inquiry or take any action that could reasonably be expected to lead to an Acquisition Proposal or Acquisition Inquiry; (ii) furnish any non-public information regarding the Company or any of its Subsidiaries to any Person in connection with or in response to an Acquisition Proposal or Acquisition Inquiry; (iii) engage in discussions or negotiations with any Person with respect to any Acquisition Proposal or Acquisition Inquiry; (iv) approve, endorse or recommend any Acquisition Proposal; (v) execute or enter into any letter of intent or any Contract contemplating or otherwise relating to any Acquisition Transaction; or (vi) publicly

propose to do any of the foregoing; provided, however, that none of the foregoing restrictions shall apply to the Stockholder's and its Representatives' interactions with Parent, Merger Sub, Company and their respective Subsidiaries and Representatives. Without limiting the foregoing, it is understood that any violation of the foregoing restrictions by any Representatives of the Stockholder shall be deemed to be a breach of this Section 3.3 by the Stockholder. The Stockholder shall, and shall use reasonable best efforts to cause its Representatives to, immediately cease any and all existing discussions or negotiations with any Persons conducted heretofore with respect to any Acquisition Proposal.

SECTION 3.4 Communications. During the Voting Period, the Stockholder shall not, and shall use its reasonable best efforts to cause its Representatives, if any, not to, directly or indirectly, make any press release, public announcement or other public communication that criticizes or disparages this Agreement or the Merger Agreement or any of the transactions contemplated hereby and thereby, without the prior written consent of Parent and Company, provided that the foregoing shall not limit or affect any actions taken by the Stockholder (or any affiliated officer or director of Stockholder) that would be permitted to be taken by Stockholder pursuant to the Merger Agreement. The Stockholder hereby (i) consents to and authorizes the publication and disclosure by Parent, Merger Sub and Company (including in any publicly filed documents relating to the Merger or any transaction contemplated by the Merger Agreement) of: (a) the Stockholder's identity; (b) the Stockholder's beneficial ownership of the Subject Shares; (c) this Agreement; and (d) the nature of the Stockholder's commitments, arrangements and understandings under this Agreement, and any other information that Parent, Merger Sub or Company determines to be necessary in any SEC disclosure document in connection with the Merger or any transactions contemplated by the Merger Agreement and (ii) agrees as promptly as practicable to notify Parent, Merger Sub and Company of any required corrections with respect to any written information supplied by the Stockholder specifically for use in any such disclosure document.

SECTION 3.5 Voting Trusts. The Stockholder agrees that it will not, nor will it permit any entity under its control to, deposit any of its Subject Shares in a voting trust or subject any of its Subject Shares to any arrangement with respect to the voting of such Subject Shares other than as provided herein.

SECTION 3.6 Waiver of Appraisal Rights. The Stockholder hereby irrevocably and unconditionally waives, and agrees not to assert, exercise or perfect (or attempt to exercise, assert or perfect) any rights of appraisal or rights to dissent from the Merger or quasi-appraisal rights that it may at any time have under applicable Laws, including Section 262 of the DGCL. The Stockholder agrees not to commence, join in, facilitate, assist or encourage, and agrees to take all actions necessary to opt out of any class in any class action with respect to, any claim, derivative or otherwise, against Parent, Merger Sub, Company or any of their respective successors, directors or officers, (a) challenging the validity, binding nature or enforceability of, or seeking to enjoin the operation of, this Agreement or the Merger Agreement, or (b) alleging a breach of any fiduciary duty of any Person in connection with the evaluation, negotiation, entry into or consummation of the Merger Agreement.

ARTICLE IV

REPRESENTATIONS AND WARRANTIES OF STOCKHOLDER

The Stockholder hereby represents and warrants to Company as follows:

SECTION 4.1 Due Authorization, etc. The Stockholder is a natural person, corporation, limited partnership or limited liability company. If the Stockholder is a corporation, limited partnership or limited liability company, Stockholder is an entity duly organized, validly existing and in good standing under the laws of the jurisdiction in which it is incorporated, organized or constituted. The Stockholder has all necessary power and authority to execute and deliver this Agreement, perform the Stockholder's obligations hereunder and to consummate the transactions contemplated hereby. The execution and delivery of this Agreement, performance of the Stockholder's obligations hereunder and the consummation of the transactions contemplated hereby by the Stockholder have been duly authorized by all necessary action on the part of the Stockholder and no other proceedings on the part of the Stockholder are necessary to authorize this Agreement or to consummate the transactions contemplated hereby. This Agreement has been duly executed and delivered by the Stockholder and (assuming the due authorization, execution and delivery by Parent and Company) constitutes a valid and binding obligation of the Stockholder, enforceable against the Stockholder in accordance with its terms, except to the extent enforcement is limited by bankruptcy, insolvency, fraudulent transfer, reorganization, moratorium and similar Laws of general applicability relating to or affecting creditors' rights and by general equitable principles.

SECTION 4.2 Ownership of Shares. Schedule I hereto sets forth opposite the Stockholder's name the Shares over which the Stockholder has sole record and beneficial ownership as of the date hereof. As of the date hereof, the Stockholder is the lawful owner of the Shares denoted as being owned by the Stockholder on Schedule I hereto, has the sole power to vote or cause to be voted such Shares and has the sole power to dispose of or cause to be disposed such Shares (other than, if Stockholder is a partnership or a limited liability company, the rights and interest of persons and entities that own partnership interests or units in Stockholder under the partnership agreement or operating agreement governing Stockholder and applicable partnership or limited liability company law, or if Stockholder is a married individual and resides in a state with community property laws, the community property interest of his or her spouse to the extent applicable under such community property laws, which spouse hereby consents to this Agreement by executing the spousal consent attached hereto). The Stockholder has, and will at all times up until the Expiration Time have, good and valid title to the Shares denoted as being owned by the Stockholder on Schedule I hereto, free and clear of any and all pledges, mortgages, liens, charges, proxies, voting agreements, encumbrances, adverse claims, options, security interests and demands of any nature or kind whatsoever, other than (i) those created by this Agreement, or (ii) those existing under applicable securities laws.

SECTION 4.3 No Conflicts. (a) No filing with any Governmental Body, and no authorization, consent or approval of any other person is necessary for the execution of this Agreement by the Stockholder and (b) none of the execution and delivery of this Agreement by the Stockholder, the performance of the Stockholder's obligations hereunder, the consummation by the Stockholder of the transactions contemplated hereby or compliance by the Stockholder

with any of the provisions hereof shall (i) conflict with or result in any breach of the organizational documents of the Stockholder, (ii) result in, or give rise to, a violation or breach of or a default under any of the terms of any material contract, understanding, agreement or other instrument or obligation to which the Stockholder is a party or by which the Stockholder or any of the Subject Shares or its assets may be bound or (iii) violate any applicable order, writ, injunction, decree, judgment, statute, rule or regulation, except for any of the foregoing as would not reasonably be expected to impair the Stockholder's ability to perform its obligations under this Agreement.

SECTION 4.4 Finder's Fees. No investment banker, broker, finder or other intermediary is entitled to a fee or commission from Parent, Merger Sub or Company in respect of this Agreement based upon any Contract made by or on behalf of the Stockholder, solely in the Stockholder's capacity as a stockholder of Company.

SECTION 4.5 No Litigation. As of the date of this Agreement, there is no Legal Proceeding pending or, to the knowledge of the Stockholder, threatened against the Stockholder that would reasonably be expected to impair the ability of the Stockholder to perform its obligations hereunder or consummate the transactions contemplated hereby.

ARTICLE V

TERMINATION

SECTION 5.1 Termination. This Agreement shall automatically terminate, and none of Parent, Company or the Stockholder shall have any rights or obligations hereunder and this Agreement shall become null and void and have no effect upon the Expiration Time. The parties acknowledge that upon termination of this Agreement as permitted under and in accordance with the terms of this Article V, no party to this Agreement shall have the right to recover any claim with respect to any losses suffered by such party in connection with such termination, except that the termination of this Agreement shall not relieve any party to this Agreement from liability for such party's breach of any terms of this Agreement prior to the termination hereof. Notwithstanding anything to the contrary herein, the provisions of this Article V and Article VI shall survive the termination of this Agreement.

ARTICLE VI

MISCELLANEOUS

SECTION 6.1 Further Actions. Subject to the terms and conditions set forth in this Agreement, the Stockholder agrees to take any all actions and to do all things reasonably necessary to effectuate this Agreement. If the Stockholder is a married individual, his or her spouse shall deliver the spousal consent attached hereto unless the Stockholder can demonstrate to Parent's and Company's reasonable satisfaction that his or her spouse does not have any community property interests in the Subject Shares.

SECTION 6.2 Fees and Expenses. Except as otherwise specifically provided herein, each party shall bear its own expenses in connection with this Agreement and the transactions contemplated hereby.

SECTION 6.3 Amendments, Waivers, etc. This Agreement may not be amended except by an instrument in writing signed by the parties hereto and specifically referencing this Agreement. The failure of any party to assert any rights or remedies shall not constitute a waiver of such rights or remedies.

SECTION 6.4 Notices. Any notice, request, instruction or other document required to be given hereunder shall be sufficient if in writing, and sent by confirmed electronic mail transmission of a "portable document format" (".pdf") attachment (provided that any notice received by electronic mail transmission or otherwise at the addressee's location on any business day after 5:00 p.m. (addressee's local time) shall be deemed to have been received at 9:00 a.m. (addressee's local time) on the next business day), by reliable overnight delivery service (with proof of service), or hand delivery, addressed as follows:

If to Company, to

ArTara Therapeutics, Inc.
1 Little W 12th Street
New York, New York 10014
Attention: Jesse Shefferman
Email: jesse.shefferman@artaratx.com

with a copy (which shall not constitute notice) to:

Cooley LLP
500 Boylston Street, 14th Floor
Boston, MA 02116-3736
Attention: Ryan Sansom
Email: rsansom@cooley.com

If to Parent, to

Proteon Therapeutics, Inc.
200 West Street
Waltham, Massachusetts 02451
Attention: Chief Executive Officer
Email: ceo@proteontx.com

with a copy (which shall not constitute notice) to:

Morgan, Lewis & Bockius LLP
One Federal Street
Boston, Massachusetts 02210
Attention: Julio E. Vega
Email: julio.vega@morganlewis.com

If to the Stockholder, to the address or electronic mail address set forth on the signature pages hereto or to such other person or address as any party shall specify by written notice so given.

SECTION 6.5 Headings. Headings of the Articles and Sections of this Agreement are for convenience of the parties only, and shall be given no substantive or interpretive effect whatsoever.

SECTION 6.6 Severability. The provisions of this Agreement shall be deemed severable and the invalidity or unenforceability of any provision shall not affect the validity or enforceability of the other provisions hereof. If any provision of this Agreement, or the application of such provision to any person or any circumstance, is invalid or unenforceable (a) a suitable and equitable provision shall be substituted therefor in order to carry out, so far as may be valid and enforceable, the intent and purpose of such invalid or unenforceable provision and (b) the remainder of this Agreement and the application of such provision to other persons or circumstances shall not be affected by such invalidity or unenforceability, nor shall such invalidity or unenforceability affect the validity or enforceability of such provision, or the application of such provision, in any other jurisdiction.

SECTION 6.7 Entire Agreement; Assignment. This Agreement constitutes the entire agreement, and supersedes all other prior agreements and understandings, both written and oral, between the parties, or any of them, with respect to the subject matter hereof. Neither this Agreement nor any of the rights, interests or obligations hereunder shall be assigned by any of the parties hereto (whether by operation of law or otherwise) without the prior written consent of the other parties, except that without consent Parent and Company may assign all or any of its rights and obligations hereunder to any of their respective Affiliates that assume the rights and obligations of Parent or Company, respectively, under the Merger Agreement. Subject to the preceding two sentences, this Agreement will be binding upon, inure to the benefit of and be enforceable by the parties hereto and their respective successors and permitted assigns. Notwithstanding anything to the contrary set forth herein, the Stockholder agrees that this Agreement and the obligations hereunder shall be binding upon any Person to which record or beneficial ownership of the Stockholder's Subject Shares shall pass, whether by operation or law or otherwise, including the Stockholder's heirs, guardians, administrators or successors and assigns, and the Stockholder agrees to take all actions necessary to effect the foregoing.

SECTION 6.8 Governing Law. THIS AGREEMENT AND ALL QUESTIONS RELATING TO THE INTERPRETATION OR ENFORCEMENT OF THIS AGREEMENT SHALL BE DEEMED TO BE MADE IN AND IN ALL RESPECTS SHALL BE INTERPRETED, CONSTRUED AND GOVERNED BY AND IN ACCORDANCE WITH THE LAW OF THE STATE OF DELAWARE WITHOUT REGARD TO THE CONFLICTS OF LAW PRINCIPLES THEREOF TO THE EXTENT THAT SUCH PRINCIPLES WOULD DIRECT A MATTER TO ANOTHER JURISDICTION.

SECTION 6.9 Specific Performance. The Stockholder acknowledges that any breach of this Agreement would give rise to irreparable harm for which monetary damages would not be an adequate remedy and each of Company and Parent shall be entitled to a decree of specific performance and to temporary, preliminary and permanent injunctive relief to prevent breaches or threatened breaches of any of the provisions of this Agreement, without the necessity of proving the inadequacy of monetary damages as a remedy, which shall be the sole and exclusive remedy for any such breach.

SECTION 6.10 Submission to Jurisdiction. The parties hereby irrevocably submit to the exclusive personal jurisdiction of the Court of Chancery of the State of Delaware, or, if the Chancery Court declines jurisdiction, the United States District Court for the District of Delaware or the courts of the State of Delaware solely in respect of the interpretation and enforcement of the provisions of this Agreement and hereby waive, and agree not to assert, as a defense in any action, suit or proceeding for the interpretation or enforcement hereof, that it is not subject thereto or that such action, suit or proceeding may not be brought or is not maintainable in said courts or that the venue thereof may not be appropriate or that this Agreement may not be enforced in or by such courts, and the parties hereto irrevocably agree that all claims relating to such action, suit or proceeding shall be heard and determined in such courts. The parties hereby consent to and grant any such court jurisdiction over the person of such parties and, to the extent permitted by law, over the subject matter of such dispute and agree that mailing of process or other papers in connection with any such action or proceeding in the manner provided in Section 6.4 or in such other manner as may be permitted by applicable Laws shall be valid and sufficient service thereof.

SECTION 6.11 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 HEREBY IRREVOCABLY AND UNCONDITIONALLY WAIVES ANY RIGHT SUCH PARTY MAY HAVE TO A TRIAL BY JURY IN RESPECT OF ANY LITIGATION DIRECTLY OR INDIRECTLY ARISING OUT OF OR RELATING TO THIS AGREEMENT OR THE TRANSACTIONS CONTEMPLATED BY THIS AGREEMENT. EACH PARTY CERTIFIES AND ACKNOWLEDGES THAT (i) NO REPRESENTATIVE, AGENT OR ATTORNEY OF ANY OTHER PARTY HAS REPRESENTED, EXPRESSLY OR OTHERWISE, THAT SUCH OTHER PARTY WOULD NOT, IN THE EVENT OF LITIGATION, SEEK TO ENFORCE THE FOREGOING WAIVER, (ii) EACH PARTY UNDERSTANDS AND HAS CONSIDERED THE IMPLICATIONS OF THIS WAIVER, (iii) EACH PARTY MAKES THIS WAIVER VOLUNTARILY, AND (iv) EACH PARTY HAS BEEN INDUCED TO ENTER INTO THIS AGREEMENT BY, AMONG OTHER THINGS, THE MUTUAL WAIVERS AND CERTIFICATIONS IN THIS SECTION 6.11.

SECTION 6.12 Counterparts. This Agreement may be executed in two or more counterparts (including by facsimile transmission or other means of electronic transmission, such as by electronic mail in “pdf” form), each of which shall be an original, with the same effect as if the signatures thereto and hereto were upon the same instrument, and shall become effective when one or more counterparts have been signed by each of the parties and delivered (by facsimile or otherwise) to the other parties.

[*Remainder of the page intentionally left blank; signatures follow on next page*]

IN WITNESS WHEREOF, Company, Parent and the Stockholder have caused this Agreement to be duly executed as of the day and year first above written.

ARTARA THERAPEUTICS, INC.

By: _____
Name:
Title:

PROTEON THERAPEUTICS, INC.

By: _____
Name:
Title:

By: _____
Name:
Address:
Electronic Mail Address:

[*Signature Page to Support Agreement*]

SPOUSAL CONSENT

I , spouse of , having the legal capacity, power and authority to do so, hereby confirm that I have read and approve the foregoing the Support Agreement, dated as of September 23, 2019, by and among ArTara Therapeutics, Inc., Proteon Therapeutics, Inc., and (the "***Agreement***"). In consideration of the terms and conditions as set forth in the Agreement, I hereby appoint my spouse as my attorney in fact with respect to the exercise of any rights and obligations under the Agreement, and agree to be bound by the provisions of the Agreement insofar as I may have any rights or obligations in the Agreement under the community property laws of the State of California or similar laws relating to marital or community property in effect in the state of our residence as of the date of the Agreement.

Name:
Date:

[*Signature Page to Support Agreement*]

Exhibit A
Written Consent

See attached.

Schedule I

Ownership of Shares

Name and Address of Stockholder	Number of Shares

Exhibit 10.2

FORM OF SUPPORT AGREEMENT

This SUPPORT AGREEMENT (this "***Agreement***") is entered into as of September 23, 2019, among, Proteon Therapeutics, Inc., a Delaware corporation ("***Parent***"), ArTara Therapeutics, Inc., a Delaware corporation ("***Company***") and the undersigned (the "***Stockholder***").

WHEREAS, as of the date hereof, the Stockholder is the sole record and beneficial owner of and has the sole power to vote (or to direct the voting of) the number of shares of Parent Capital Stock set forth opposite the Stockholder's name on Schedule I hereto (such shares of Parent Capital Stock together with any other shares of Parent Capital Stock ("***Shares***") the voting power of which is acquired by such Stockholder during the Voting Period (as hereinafter defined), are collectively referred to herein as the "***Subject Shares***");

WHEREAS, Company, Parent, REM 1 Acquisition, Inc., a Delaware corporation and a wholly-owned subsidiary of Parent ("***Merger Sub***") are concurrently entering into an Agreement and Plan of Merger and Reorganization, dated on or about the date hereof (as amended from time to time, the "***Merger Agreement***"), pursuant to which Merger Sub shall be merged with and into Company, with Company continuing as the surviving corporation thereafter (the "***Merger***");

WHEREAS, the adoption of the Merger Agreement and the transactions contemplated thereby requires the affirmative vote (or written consent) of (a) with respect to the approval of an amendment to Parent's certificate of incorporation, if necessary, to effect the Parent Series A Preferred Stock Automatic Conversion, the holders of at least seventy seven percent (77%) of the shares of Parent Series A Preferred Stock outstanding on the applicable record date and the holders of a majority of the shares of Parent Common Stock outstanding on the applicable record date; (b) with respect to the approval of the amendment of Parent's certificate of incorporation to effect the Nasdaq Reverse Split, the holders of a majority of the shares of Parent Common Stock outstanding on the applicable record date; and (c) with respect to the approval of the issuance pursuant to the Merger and the Private Placement of shares of Parent Capital Stock that represent (or are convertible into) more than twenty percent (20%) of the shares of Parent Common Stock outstanding immediately prior to the Merger and the change of control of Parent resulting from the Merger and the Private Placement, in each case pursuant to the Nasdaq rules, the affirmative vote of a majority of the votes cast at the Parent Stockholders' Meeting (or any adjournment or postponement thereof); and

WHEREAS, as an inducement to Company's and Parent's willingness to enter into the Merger Agreement and consummate the transactions contemplated thereby, transactions from which the Stockholder believes it will derive substantial benefits through its ownership interest in the combined company, the Stockholder is entering into this Agreement.

NOW, THEREFORE, in consideration of the foregoing and the respective representations, warranties, covenants and agreements set forth herein, the parties agree as follows:

ARTICLE I

DEFINITIONS

SECTION 1.1 Capitalized Terms. For purposes of this Agreement, capitalized terms used and not defined herein shall have the respective meanings ascribed to them in the Merger Agreement.

ARTICLE II

VOTING AGREEMENT AND IRREVOCABLE PROXY

SECTION 2.1 Agreement to Vote. The Stockholder hereby agrees that, during the Voting Period, and at any duly called meeting of the stockholders of Parent (or any adjournment or postponement thereof), or in any other circumstances (including action by written consent of stockholders in lieu of a meeting) upon which a vote, adoption or other approval or consent with respect to the adoption of the Merger Agreement or the approval of the Merger and any of the transactions contemplated thereby is sought, the Stockholder shall, if a meeting is held, appear at the meeting, in person or by proxy, and shall provide a written consent or vote (or cause to be voted), in person or by proxy, all its Subject Shares, in each case (i) in favor of (A) any proposal to adopt and approve or reapprove the Merger Agreement and the transactions contemplated thereby, including, without limitation, (1) the amendment of Parent's certificate of incorporation to effect the Nasdaq Reverse Split; (2) the issuance pursuant to the Merger and the Private Placement of shares of Parent Capital Stock that represent (or are convertible into) more than twenty percent (20%) of the shares of Parent Common Stock outstanding immediately prior to the Merger and the change of control of Parent resulting from the Merger and the Private Placement, in each case pursuant to the Nasdaq rules; and (3) if necessary, the amendment of Parent's certificate of incorporation to effect the Parent Series A Preferred Stock Automatic Conversion; and (B) waiving any notice that may have been or may be required relating to the Merger or any of the other transactions contemplated by the Merger Agreement, and (ii) against (A) any Acquisition Proposal or Acquisition Inquiry and any action in furtherance of any such Acquisition Proposal or Acquisition Inquiry or any agreement, transaction or other matter that is intended to, or would reasonably be expected to, impede, interfere with, delay, postpone, discourage or materially and adversely affect the consummation of the Merger and all other transactions contemplated by the Merger Agreement, and (B) any action, proposal, transaction or agreement that, to the knowledge of the Stockholder, would reasonably be expected to result in a material breach of any covenant, representation or warranty or any other obligation or agreement of the Stockholder under this Agreement. As used herein, the term "***Expiration Time***" shall mean the earliest occurrence of (X) the Effective Time and (Y) the date and time of the valid termination of the Merger Agreement in accordance with its terms, and the term "***Voting Period***" shall mean such period of time between the date hereof and the Expiration Time.

SECTION 2.2 Grant of Irrevocable Proxy. The Stockholder hereby appoints Company and any designee of Company, and each of them individually, as the Stockholder's proxy, with full power of substitution and resubstitution, to vote, including by executing written consents, during the Voting Period with respect to any and all of the Subject Shares on the matters and in the manner specified in Section 2.1. The Stockholder shall take all further action or execute such

other instruments as may be necessary to effectuate the intent of any such proxy. The Stockholder affirms that the irrevocable proxy given by it hereby with respect to the Merger Agreement and the transactions contemplated thereby is given to Company by the Stockholder to secure the performance of the obligations of the Stockholder under this Agreement. It is agreed that Company (and its officers on behalf of Company) will use the irrevocable proxy that is granted by the Stockholder hereby only in accordance with applicable Laws and that, to the extent Company (and its officers on behalf of Company) uses such irrevocable proxy, it will only vote (or sign written consents in respect of) the Subject Shares subject to such irrevocable proxy with respect to the matters specified in, and in accordance with the provisions of, Section 2.1.

SECTION 2.3 Nature of Irrevocable Proxy. The proxy granted pursuant to Section 2.2 to Company by the Stockholder shall be irrevocable during the term of this Agreement, shall be deemed to be coupled with an interest sufficient in law to support an irrevocable proxy and shall revoke any and all prior proxies or powers of attorney granted by the Stockholder and no subsequent proxy or power of attorney shall be given or written consent executed (and if given or executed, shall not be effective) by the Stockholder with respect thereto. The proxy that may be granted hereunder shall terminate upon the termination of this Agreement, but shall survive the death or incapacity of the Stockholder and any obligation of the Stockholder under this Agreement shall be binding upon the heirs, personal representatives and successors of the Stockholder.

ARTICLE III

COVENANTS

SECTION 3.1 Subject Shares.

(a) The Stockholder agrees that during the Voting Period, it shall not, and shall not commit or agree to, without the prior written consent of Parent and Company (i) directly or indirectly, whether by merger, consolidation or otherwise, offer for sale, sell (including short sales), transfer, tender, pledge, encumber, assign or otherwise dispose of (including by gift or by operation of law) (collectively, a "***Transfer***"), or enter into any contract, option, derivative, hedging or other agreement or arrangement or understanding (including any profit-sharing arrangement) with respect to, or consent to or permit, a Transfer of, any or all of the Subject Shares or any interest therein; or (ii) (A) grant any proxies or powers of attorney with respect to any or all of the Subject Shares or agree to vote (or sign written consents in respect of) the Subject Shares on any matter or divest itself of any voting rights in the Subject Shares, or (B) take any action that would have the effect of preventing or disabling the Stockholder from performing its obligations under this Agreement. Notwithstanding the foregoing and subject to the last sentence of this Section 3.1(a), the Stockholder may (1) make transfers or dispositions of the Subject Shares to any member of the immediate family of the Stockholders or to any trust for the direct or indirect benefit of the Stockholder or the immediate family of the Stockholder, (2) make transfers or dispositions of the Subject Shares by will, other testamentary document or intestate succession to the legal representative, heir, beneficiary or a member of the immediate family of the Stockholder, (3) make transfers of the Subject Shares to its stockholders, direct or indirect affiliates (within the meaning set forth in Rule 405 under the Securities Act), current or former partners (general or limited), members or managers of the Stockholder, as applicable, or to the estates of any such stockholders, affiliates, partners, members or managers, or to another corporation, partnership, limited liability

company or other business entity that controls, is controlled by or is under common control with the Stockholder, (4) make transfers that occur by operation of law pursuant to a qualified domestic relations order or in connection with a divorce settlement, (5) make transfers or dispositions not involving a change in beneficial ownership (including voting rights) and (6) if the Stockholder is a trust, make transfers or dispositions to any beneficiary of the Stockholder or the estate of any such beneficiary. The Stockholder agrees that any Transfer of Subject Shares not permitted hereby shall be null and void and that any such prohibited Transfer shall be enjoined. If any voluntary or involuntary transfer of any Subject Shares covered hereby shall occur (including, but not limited to, a sale by the Stockholder's trustee in bankruptcy, or a sale to a purchaser at any creditor's or court sale), the transferee (which term, as used herein, shall include any and all transferees and subsequent transferees of the initial transferee) shall take and hold such Subject Shares subject to all of the restrictions, liabilities and rights under this Agreement, which shall continue in full force and effect.

(b) In the event of a stock dividend or distribution, or any change in the Subject Shares by reason of any stock dividend or distribution, split-up, recapitalization, combination, conversion, exchange of shares or the like, the term "Subject Shares" shall be deemed to refer to and include the Subject Shares as well as all such stock dividends and distributions and any securities into which or for which any or all of the Subject Shares may be changed or exchanged or which are received in such transaction. The Stockholder further agrees that, in the event Stockholder purchases or otherwise acquires beneficial or record ownership of or an interest in, or acquires the right to vote or share in the voting of, any additional Shares, in each case after the execution of this Agreement, the Stockholder shall deliver promptly to the Company and Parent written notice of such event, which notice shall state the number of additional Shares so acquired.

SECTION 3.2 Stockholder's Capacity. All agreements and understandings made herein shall be made solely in the Stockholder's capacity as a holder of the Subject Shares and not in any other capacity.

SECTION 3.3 Other Offers. Except to the extent Parent is permitted to take such action pursuant to the Merger Agreement, the Stockholder (in the Stockholder's capacity as such) shall not, nor shall the Stockholder authorize or permit any of its Representatives to, take any of the following actions: (i) solicit, initiate or knowingly encourage, induce or facilitate the communication, making, submission or announcement of any Acquisition Proposal or Acquisition Inquiry or take any action that could reasonably be expected to lead to an Acquisition Proposal or Acquisition Inquiry, (ii) furnish any nonpublic information regarding Parent to any Person in connection with or in response to an Acquisition Proposal or Acquisition Inquiry, (iii) engage in discussions or negotiations with any Person with respect to any Acquisition Proposal or Acquisition Inquiry, (iv) approve, endorse or recommend any Acquisition Proposal, (v) execute or enter into any letter of intent or any Contract contemplating or otherwise relating to any Acquisition Transaction or (vi) publicly propose to do any of the foregoing; provided, however, that none of the foregoing restrictions shall apply to the Stockholder's and its Representatives' interactions with Parent, Merger Sub, the Company and their respective Subsidiaries and Representatives. Without limiting the foregoing, it is understood that any violation of the foregoing restrictions by any Representatives of the Stockholder shall be deemed to be a breach of this Section 3.3 by the Stockholder. The Stockholder shall, and shall use reasonable best efforts to cause its Representatives to, immediately cease and cause to be terminated any existing

discussions, negotiations and communications with any Person that relate to any Acquisition Proposal or Acquisition Inquiry as of the date of this Agreement.

SECTION 3.4 Communications. During the Voting Period, the Stockholder shall not, and shall use its reasonable best efforts to cause its Representatives, if any, not to, directly or indirectly, make any press release, public announcement or other public communication that criticizes or disparages this Agreement or the Merger Agreement or any of the transactions contemplated hereby and thereby, without the prior written consent of Parent and Company, provided that the foregoing shall not limit or affect any actions taken by the Stockholder (or any affiliated officer or director of Stockholder) that would be permitted to be taken by Stockholder pursuant to the Merger Agreement. The Stockholder hereby (i) consents to and authorizes the publication and disclosure by Parent, Merger Sub and Company (including in any publicly filed documents relating to the Merger or any transaction contemplated by the Merger Agreement) of: (a) the Stockholder's identity; (b) the Stockholder's beneficial ownership of the Subject Shares; (c) this Agreement; and (d) the nature of the Stockholder's commitments, arrangements and understandings under this Agreement, and any other information that Parent, Merger Sub or Company determines to be necessary in any SEC disclosure document in connection with the Merger or any transactions contemplated by the Merger Agreement and (ii) agrees as promptly as practicable to notify Parent, Merger Sub and Company of any required corrections with respect to any written information supplied by the Stockholder specifically for use in any such disclosure document.

SECTION 3.5 Voting Trusts. The Stockholder agrees that it will not, nor will it permit any entity under its control to, deposit any of its Subject Shares in a voting trust or subject any of its Subject Shares to any arrangement with respect to the voting of such Subject Shares other than as provided herein.

SECTION 3.6 Waiver of Appraisal Rights. The Stockholder hereby irrevocably and unconditionally waives, and agrees not to assert, exercise or perfect (or attempt to exercise, assert or perfect) any rights of appraisal or rights to dissent from the Merger or quasi-appraisal rights that it may at any time have under applicable Laws, including Section 262 of the DGCL. The Stockholder agrees not to commence, join in, facilitate, assist or encourage, and agrees to take all actions necessary to opt out of any class in any class action with respect to, any claim, derivative or otherwise, against Parent, Merger Sub, Company or any of their respective successors, directors or officers, (a) challenging the validity, binding nature or enforceability of, or seeking to enjoin the operation of, this Agreement or the Merger Agreement, or (b) alleging a breach of any fiduciary duty of any Person in connection with the evaluation, negotiation, entry into or consummation of the Merger Agreement.

ARTICLE IV

REPRESENTATIONS AND WARRANTIES OF STOCKHOLDER

The Stockholder hereby represents and warrants to Parent as follows:

SECTION 4.1 Due Authorization, etc. The Stockholder is a natural person, corporation, limited partnership or limited liability company. If the Stockholder is a corporation, limited

partnership or limited liability company, Stockholder is an entity duly organized, validly existing and in good standing under the laws of the jurisdiction in which it is incorporated, organized or constituted. The Stockholder has all necessary power and authority to execute and deliver this Agreement, perform the Stockholder's obligations hereunder and to consummate the transactions contemplated hereby. The execution and delivery of this Agreement, the performance of the Stockholder's obligations hereunder and the consummation of the transactions contemplated hereby by the Stockholder have been duly authorized by all necessary action on the part of the Stockholder and no other proceedings on the part of the Stockholder are necessary to authorize this Agreement, or to consummate the transactions contemplated hereby. This Agreement has been duly executed and delivered by the Stockholder and (assuming the due authorization, execution and delivery by Parent and Company) constitutes a valid and binding obligation of the Stockholder, enforceable against the Stockholder in accordance with its terms, except to the extent enforcement is limited by bankruptcy, insolvency, fraudulent transfer, reorganization, moratorium and similar Laws of general applicability relating to or affecting creditors' rights and by general equitable principles.

SECTION 4.2 Ownership of Shares. Schedule I hereto sets forth opposite the Stockholder's name the Shares over which the Stockholder has sole record and beneficial ownership as of the date hereof. As of the date hereof, the Stockholder is the lawful owner of the Shares denoted as being owned by the Stockholder on Schedule I hereto, has the sole power to vote or cause to be voted such Shares and has the sole power to dispose of or cause to be disposed such Shares (other than, if Stockholder is a partnership or a limited liability company, the rights and interest of persons and entities that own partnership interests or units in Stockholder under the partnership agreement or operating agreement governing Stockholder and applicable partnership or limited liability company law, or if Stockholder is a married individual and resides in a state with community property laws, the community property interest of his or her spouse to the extent applicable under such community property laws, which spouse hereby consents to this Agreement by executing the spousal consent attached hereto). The Stockholder has, and will at all times up until the Expiration Time have, good and valid title to the Shares denoted as being owned by the Stockholder on Schedule I hereto, free and clear of any and all pledges, mortgages, liens, charges, proxies, voting agreements, encumbrances, adverse claims, options, security interests and demands of any nature or kind whatsoever, other than (i) those created by this Agreement, or (ii) those existing under applicable securities laws.

SECTION 4.3 No Conflicts. (a) No filing with any Governmental Body, and no authorization, consent or approval of any other person is necessary for the execution of this Agreement by the Stockholder and (b) none of the execution and delivery of this Agreement by the Stockholder, the performance of the Stockholder's obligations hereunder, the consummation by the Stockholder of the transactions contemplated hereby or compliance by the Stockholder with any of the provisions hereof shall (i) conflict with or result in any breach of the organizational documents of the Stockholder, (ii) result in, or give rise to, a violation or breach of or a default under any of the terms of any material contract, understanding, agreement or other instrument or obligation to which the Stockholder is a party or by which the Stockholder or any of the Subject Shares or its assets may be bound or (iii) violate any applicable order, writ, injunction, decree, judgment, statute, rule or regulation, except for any of the foregoing as would not reasonably be expected to impair the Stockholder's ability to perform its obligations under this Agreement.

SECTION 4.4 Finder's Fees. No investment banker, broker, finder or other intermediary is entitled to a fee or commission from Parent, Merger Sub or Company in respect of this Agreement based upon any Contract made by or on behalf of the Stockholder, solely in the Stockholder's capacity as a stockholder of Parent.

SECTION 4.5 No Litigation. As of the date of this Agreement, there is no Legal Proceeding pending or, to the knowledge of the Stockholder, threatened against the Stockholder that would reasonably be expected to impair the ability of the Stockholder to perform its obligations hereunder or consummate the transactions contemplated hereby.

ARTICLE V

TERMINATION

SECTION 5.1 Termination. This Agreement shall automatically terminate, and none of Parent, Company or the Stockholder shall have any rights or obligations hereunder and this Agreement shall become null and void and have no effect upon the Expiration Time. The parties acknowledge that upon termination of this Agreement as permitted under and in accordance with the terms of this Article VI, no party to this Agreement shall have the right to recover any claim with respect to any losses suffered by such party in connection with such termination, except that the termination of this Agreement shall not relieve any party to this Agreement from liability for such party's breach of any terms of this Agreement prior to the termination hereof. Notwithstanding anything to the contrary herein, the provisions of this Article V and Article VI shall survive the termination of this Agreement.

ARTICLE VI

MISCELLANEOUS

SECTION 6.1 Further Actions. Subject to the terms and conditions set forth in this Agreement, the Stockholder agrees to take any all actions and to do all things reasonably necessary to effectuate this Agreement. If the Stockholder is a married individual, his or her spouse shall deliver the spousal consent attached hereto unless the Stockholder can demonstrate to Parent's and Company's reasonable satisfaction that his or her spouse does not have any community property interests in the Subject Shares.

SECTION 6.2 Fees and Expenses. Except as otherwise specifically provided herein, each party shall bear its own expenses in connection with this Agreement and the transactions contemplated hereby.

SECTION 6.3 Amendments, Waivers, etc. This Agreement may not be amended except by an instrument in writing signed by the parties hereto and specifically referencing this Agreement. The failure of any party to assert any rights or remedies shall not constitute a waiver of such rights or remedies.

SECTION 6.4 Notices. Any notice, request, instruction or other document required to be given hereunder shall be sufficient if in writing, and sent by confirmed electronic mail transmission of a "portable document format" (".pdf") attachment (provided that any notice

received by electronic mail transmission or otherwise at the addressee's location on any business day after 5:00 p.m. (addressee's local time) shall be deemed to have been received at 9:00 a.m. (addressee's local time) on the next business day), by reliable overnight delivery service (with proof of service), or hand delivery, addressed as follows:

If to Parent, to

Proteon Therapeutics, Inc.
200 West Street
Waltham, Massachusetts 02451
Attention: Chief Executive Officer
Email: ceo@proteontx.com

with a copy to (which shall not constitute notice):

Morgan, Lewis & Bockius LLP
One Federal Street
Boston, Massachusetts 02210
Attention: Julio E. Vega
Email: julio.vega@morganlewis.com

If to Company, to

ArTara Therapeutics, Inc.
1 Little W 12th Street
New York, New York 10014
Attention: Jesse Shefferman
Email : jesse.shefferman@artaratx.com

with a copy to (which shall not constitute notice):

Cooley LLP
500 Boylston Street, 14th Floor
Boston, MA 02116-3736
Attention: Ryan Sansom
Email: rsansom@cooley.com

If to the Stockholder, to the address or electronic mail address set forth on the signature pages hereto, or to such other person or address as any party shall specify by written notice so given.

SECTION 6.5 Headings. Headings of the Articles and Sections of this Agreement are for convenience of the parties only, and shall be given no substantive or interpretive effect whatsoever.

SECTION 6.6 Severability. The provisions of this Agreement shall be deemed severable and the invalidity or unenforceability of any provision shall not affect the validity or enforceability of the other provisions hereof. If any provision of this Agreement, or the application of such provision to any person or any circumstance, is invalid or unenforceable (a) a suitable and

equitable provision shall be substituted therefor in order to carry out, so far as may be valid and enforceable, the intent and purpose of such invalid or unenforceable provision and (b) the remainder of this Agreement and the application of such provision to other persons or circumstances shall not be affected by such invalidity or unenforceability, nor shall such invalidity or unenforceability affect the validity or enforceability of such provision, or the application of such provision, in any other jurisdiction.

SECTION 6.7 Entire Agreement; Assignment. This Agreement constitutes the entire agreement, and supersedes all other prior agreements and understandings, both written and oral, between the parties, or any of them, with respect to the subject matter hereof. Neither this Agreement nor any of the rights, interests or obligations hereunder shall be assigned by any of the parties hereto (whether by operation of law or otherwise) without the prior written consent of the other parties, except that without consent Parent and Company may assign all or any of its rights and obligations hereunder to any of their respective Affiliates that assume the rights and obligations of Parent or Company, respectively, under the Merger Agreement. Subject to the preceding two sentences, this Agreement will be binding upon, inure to the benefit of and be enforceable by the parties hereto and their respective successors and permitted assigns. Notwithstanding anything to the contrary set forth herein, the Stockholder agrees that this Agreement and the obligations hereunder shall be binding upon any Person to which record or beneficial ownership of the Stockholder's Subject Shares shall pass, whether by operation or law or otherwise, including the Stockholder's heirs, guardians, administrators or successors and assigns, and the Stockholder agrees to take all actions necessary to effect the foregoing.

SECTION 6.8 Governing Law. THIS AGREEMENT AND ALL QUESTIONS RELATING TO THE INTERPRETATION OR ENFORCEMENT OF THIS AGREEMENT SHALL BE DEEMED TO BE MADE IN AND IN ALL RESPECTS SHALL BE INTERPRETED, CONSTRUED AND GOVERNED BY AND IN ACCORDANCE WITH THE LAW OF THE STATE OF DELAWARE WITHOUT REGARD TO THE CONFLICTS OF LAW PRINCIPLES THEREOF TO THE EXTENT THAT SUCH PRINCIPLES WOULD DIRECT A MATTER TO ANOTHER JURISDICTION.

SECTION 6.9 Specific Performance. The Stockholder acknowledges that any breach of this Agreement would give rise to irreparable harm for which monetary damages would not be an adequate remedy and each of Company and Parent shall be entitled to a decree of specific performance and to temporary, preliminary and permanent injunctive relief to prevent breaches or threatened breaches of any of the provisions of this Agreement, without the necessity of proving the inadequacy of monetary damages as a remedy, which shall be the sole and exclusive remedy for any such breach.

SECTION 6.10 Submission to Jurisdiction. The parties hereby irrevocably submit to the exclusive personal jurisdiction of the Court of Chancery of the State of Delaware, or, if the Chancery Court declines jurisdiction, the United States District Court for the District of Delaware or the courts of the State of Delaware solely in respect of the interpretation and enforcement of the provisions of this Agreement and hereby waive, and agree not to assert, as a defense in any action, suit or proceeding for the interpretation or enforcement hereof, that it is not subject thereto or that such action, suit or proceeding may not be brought or is not maintainable in said courts or that the venue thereof may not be appropriate or that this Agreement may not be enforced in or by such

courts, and the parties hereto irrevocably agree that all claims relating to such action, suit or proceeding shall be heard and determined in such courts. The parties hereby consent to and grant any such court jurisdiction over the person of such parties and, to the extent permitted by law, over the subject matter of such dispute and agree that mailing of process or other papers in connection with any such action or proceeding in the manner provided in Section 6.4 or in such other manner as may be permitted by applicable Laws shall be valid and sufficient service thereof.

SECTION 6.11 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 HEREBY IRREVOCABLY AND UNCONDITIONALLY WAIVES ANY RIGHT SUCH PARTY MAY HAVE TO A TRIAL BY JURY IN RESPECT OF ANY LITIGATION DIRECTLY OR INDIRECTLY ARISING OUT OF OR RELATING TO THIS AGREEMENT OR THE TRANSACTIONS CONTEMPLATED BY THIS AGREEMENT. EACH PARTY CERTIFIES AND ACKNOWLEDGES THAT (i) NO REPRESENTATIVE, AGENT OR ATTORNEY OF ANY OTHER PARTY HAS REPRESENTED, EXPRESSLY OR OTHERWISE, THAT SUCH OTHER PARTY WOULD NOT, IN THE EVENT OF LITIGATION, SEEK TO ENFORCE THE FOREGOING WAIVER, (ii) EACH PARTY UNDERSTANDS AND HAS CONSIDERED THE IMPLICATIONS OF THIS WAIVER, (iii) EACH PARTY MAKES THIS WAIVER VOLUNTARILY, AND (iv) EACH PARTY HAS BEEN INDUCED TO ENTER INTO THIS AGREEMENT BY, AMONG OTHER THINGS, THE MUTUAL WAIVERS AND CERTIFICATIONS IN THIS SECTION 6.11.

SECTION 6.12 Counterparts. This Agreement may be executed in two or more counterparts (including by facsimile transmission or other means of electronic transmission, such as by electronic mail in “pdf” form), each of which shall be an original, with the same effect as if the signatures thereto and hereto were upon the same instrument, and shall become effective when one or more counterparts have been signed by each of the parties and delivered (by facsimile or otherwise) to the other parties.

[*Remainder of the page left intentionally blank; signatures follow on next page*]

IN WITNESS WHEREOF, Parent, the Company and the Stockholder have caused this Agreement to be duly executed as of the day and year first above written.

PROTEON THERAPEUTICS, INC.

By: _____
Name:
Title:

ARTARA THERAPEUTICS, INC.

By: _____
Name:
Title:

STOCKHOLDER

By: _____
Name:
Title:

Address:

Electronic Mail Address:

[Signature Page to Support Agreement]

SPOUSAL CONSENT

I , spouse of , having the legal capacity, power and authority to do so, hereby confirm that I have read and approve the foregoing the Support Agreement, dated as of September 23, 2019, by and among Proteon Therapeutics, Inc., ArTara Therapeutics, Inc. and (the "***Agreement***"). In consideration of the terms and conditions as set forth in the Agreement, I hereby appoint my spouse as my attorney in fact with respect to the exercise of any rights and obligations under the Agreement, and agree to be bound by the provisions of the Agreement insofar as I may have any rights or obligations in the Agreement under the community property laws of the State of California or similar laws relating to marital or community property in effect in the state of our residence as of the date of the Agreement.

Name:
Date:

[Signature Page to Support Agreement]

Schedule I

Ownership of Shares

Name and Address of Stockholder	Number of Shares

Proteon Therapeutics, Inc.
200 West Street
Waltham, MA 02451

Form of
Lock-Up Agreement
September 23, 2019

This Lock-Up Agreement (this "***Agreement***") is executed in connection with the Agreement and Plan of Merger and Reorganization (the "***Merger Agreement***") by and among Proteon Therapeutics, Inc. ("***Parent***"), REM 1 Acquisition, Inc. ("***Merger Sub***"), and ArTara Therapeutics, Inc. ("***Company***"), dated as of September 23, 2019. Capitalized terms used herein but not defined shall have the meanings ascribed to such terms in the Merger Agreement.

In connection with, and as an inducement to, the parties entering into the Merger Agreement and for other good and valuable consideration the receipt and sufficiency of which is hereby acknowledged, the undersigned, by executing this Agreement, agrees that, without the prior written consent of Parent, during the period commencing at the Effective Time and continuing until the end of the Lock-Up Period (as hereinafter defined), the undersigned will not: (1) offer, pledge, sell, contract to sell, sell any option or contract to purchase, purchase any option or contract to sell, grant any option, right or warrant to purchase, make any short sale or otherwise transfer or dispose of or lend, directly or indirectly, any shares of Common Stock of Parent (the "***Parent Common Stock***") or any securities convertible into, exercisable or exchangeable for or that represent the right to receive Parent Common Stock (including without limitation, Parent Common Stock or such other securities which may be deemed to be beneficially owned by the undersigned in accordance with the rules and regulations of the Securities and Exchange Commission and securities of Parent which may be issued upon exercise of a stock option or warrant) whether now owned or hereafter acquired (collectively, the "***Securities***"); (2) enter into any swap or other agreement that transfers, in whole or in part, any of the economic consequences of ownership of the Securities, whether any such transaction described in clause (1) or (2) above is to be settled by delivery of Parent Common Stock or such other securities, in cash or otherwise; (3) make any demand for or exercise any right with respect to, the registration of any Parent Common Stock or any security convertible into or exercisable or exchangeable for Parent Common Stock; (4) grant any proxies or powers of attorney with respect to any Securities, deposit any Securities into a voting trust or enter into a voting agreement or similar arrangement or commitment with respect to any Securities; or (5) publicly disclose the intention to do any of the foregoing (each of the foregoing restrictions, the "***Lock-Up Restrictions***").

Notwithstanding the terms of the foregoing paragraph, the Lock-Up Restrictions shall automatically terminate and cease to be effective on the date that is one-hundred and eighty (180) days after the Effective Time. The period during which the Lock-Up Restrictions apply to the Securities shall be deemed the "***Lock-Up Period***" with respect thereto.

The undersigned agrees that the Lock-Up Restrictions preclude the undersigned from engaging in any hedging or other transaction with respect to any then-subject Securities which is designed to or which reasonably could be expected to lead to or result in a sale or disposition of such Securities even if such Securities would be disposed of by someone other than the undersigned. Such prohibited hedging or other transactions would include without limitation any short sale or any purchase, sale or grant of any right (including without limitation any put or call option) with respect to such Securities or with respect to any security that includes, relates to, or derives any significant part of its value from such Securities.

Notwithstanding the foregoing, the undersigned may transfer any of the Securities (i) as a *bona fide* gift or charitable contribution, (ii) to any trust for the direct or indirect benefit of the undersigned or the immediate family of the undersigned, (iii) if the undersigned is a corporation, partnership, limited liability company, trust or other business entity (1) to another corporation, partnership, limited liability company, trust or other business entity that is a direct or indirect affiliate (as defined in Rule 405 promulgated under the Securities Act of 1933, as amended) of the undersigned or (2) as distributions or dividends of shares of Parent Common Stock or any security convertible into or exercisable for Parent Common Stock to limited partners, limited liability company members or stockholders of the undersigned or holders of similar equity interests in the undersigned, (iv) if the undersigned is a trust, to the beneficiary of such trust, (v) by testate succession or intestate succession, (vi) to any immediate family member, any investment fund, family partnership, family limited liability company or other entity controlled or managed by the undersigned, (vii) to a nominee or custodian of a person or entity to whom a disposition or transfer would be permissible under clauses (i) through (vi), (viii) to Parent in a transaction exempt from Section 16(b) of the Securities Exchange Act of 1934, as amended (the "***Exchange Act***") upon a vesting event of the Securities or upon the exercise of options to purchase Parent Common Stock on a "cashless" or "net exercise" basis or to cover tax withholding obligations of the undersigned in connection with such vesting or exercise (but for the avoidance of doubt, excluding all manners of exercise that would involve a sale in the open market of any securities relating to such options or warrants, whether to cover the applicable aggregate exercise price, withholding tax obligations or otherwise), (ix)

to Parent in connection with the termination of employment or other termination of a service provider and pursuant to agreements in effect as of the Effective Time whereby Parent has the option to repurchase such shares or securities, (x) acquired by the undersigned in open market transactions after the Effective Time, (xi) pursuant to a bona fide third party tender offer, merger, consolidation or other similar transaction involving a change of control of Parent, provided that in the event that such tender offer, merger, consolidation or other such transaction is not completed, the Securities shall remain subject to the restrictions contained in this Agreement, or (xii) pursuant to an order of a court or regulatory agency; *provided*, in the case of clauses (i)-(vii), that (A) such transfer shall not involve a disposition for value and (B) the transferee agrees in writing with Parent to be bound by the terms and conditions of this Agreement and either the undersigned or the transferee provides Parent with a copy of such agreement promptly upon consummation of such transaction; and *provided, further*, in the case of clauses (i)-(x), no filing by any party under Section 16(a) of the Exchange Act or other public announcement shall be required or shall be made voluntarily in connection with such transfer and any such transfer or disposition shall not involve a disposition for value. For purposes of this Agreement, "immediate family" shall mean any relationship by blood, marriage or adoption, not more remote than first cousin.

In addition, the foregoing restrictions shall not apply to (i) the exercise of stock options granted pursuant to equity incentive plans existing immediately following the Effective Time, including the "net" exercise of such options in accordance with their terms and the surrender of Parent Common Stock in lieu of payment in cash of the exercise price and any tax withholding obligations due as a result of such exercise (but for the avoidance of doubt, excluding all manners of exercise that would involve a sale in the open market of any securities relating to such options, whether to cover the applicable aggregate exercise price, withholding tax obligations or otherwise); *provided* that it shall apply to any of the Securities issued upon such exercise or (ii) the establishment of any contract, instruction or plan (a ***"Plan"***) that satisfies all of the requirements of Rule 10b5-1(c)(1)(i)(B) under the Exchange Act; *provided* that no sales of the Securities shall be made pursuant to such a Plan prior to the expiration of the Lock-Up Period, and such a Plan may only be established if no public announcement of the establishment or existence thereof and no filing with the Securities and Exchange Commission or other regulatory authority in respect thereof or transactions thereunder or contemplated thereby, by the undersigned, Parent or any other person, shall be required, and no such announcement or filing is made voluntarily, by the undersigned, Parent or any other person, prior to the expiration of the applicable Lock-Up Period. Any attempted transfer in violation of this Agreement will be of no effect and null and void, regardless of whether the purported transferee has any actual or constructive knowledge of the transfer restrictions set forth in this Agreement, and will not be recorded on the share register of Parent. In furtherance of the foregoing, Parent and its transfer agent and registrar are hereby authorized to decline to make any transfer of shares of Parent Common Stock if such transfer would constitute a violation or breach of this Agreement. Parent may cause the legend set forth below, or a legend substantially equivalent thereto, to be placed upon any certificate(s) or other documents, ledgers or instruments evidencing the undersigned's ownership of Parent Common Stock:

> THE SHARES REPRESENTED BY THIS CERTIFICATE ARE SUBJECT TO AND MAY ONLY BE TRANSFERRED IN COMPLIANCE WITH A LOCK-UP AGREEMENT, A COPY OF WHICH IS ON FILE AT THE PRINCIPAL OFFICE OF THE COMPANY.

The undersigned hereby represents and warrants that the undersigned has full power and authority to enter into this Agreement and that upon request, the undersigned will execute any additional documents reasonably necessary to ensure the validity or enforcement of this Agreement. All authority herein conferred or agreed to be conferred and any obligations of the undersigned shall be binding upon the successors, assigns, heirs or personal representatives of the undersigned.

In the event that any holder of Parent's securities that is subject to a substantially similar agreement entered into by such holder, other than the undersigned, is permitted by Parent to sell or otherwise transfer or dispose of shares of Parent Common Stock for value other than as permitted by this or a substantially similar agreement entered into by such holder, the same percentage of shares of Parent Common Stock held by the undersigned shall be immediately and fully released on the same terms from any remaining restrictions set forth herein (the "***Pro-Rata Release***"); provided, however, that such Pro-Rata Release shall not be applied unless and until permission has been granted by Parent to an equity holder or equity holders to sell or otherwise transfer or dispose of all or a portion of such equity holders' shares of Parent Common Stock in an aggregate amount in excess of 1% of the number of shares of Parent Common Stock originally subject to a substantially similar agreement.

Upon the release of any of the Securities from this Agreement, Parent will cooperate with the undersigned to facilitate the timely preparation and delivery of certificates representing the Securities without the restrictive legend above or the withdrawal of any stop transfer instructions.

The undersigned understands that the undersigned shall be released from all obligations under this Agreement if the Merger Agreement is terminated prior to the Effective Time pursuant to its terms, upon the date of such termination.

The undersigned understands that Parent, Merger Sub and Company are entering into the Merger Agreement in reliance upon this Agreement.

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 Delaware, without regard to the conflict of laws principles thereof.

(Signature Page Follows)

This Agreement, and any certificates, documents, instruments and writings that are delivered pursuant hereto, constitutes the entire agreement and understanding of Parent, Company and the undersigned in respect of the subject matter hereof and supersedes all prior understandings, agreements or representations by or among Parent, Company and the undersigned, written or oral, to the extent they relate in any way to the subject matter hereof. This Agreement may be executed in several counterparts, each of which shall be deemed an original and all of which shall constitute one and the same instrument. The exchange of a fully executed Agreement (in counterparts or otherwise) by Parent and the undersigned by facsimile or electronic transmission in .pdf format shall be sufficient to bind such parties to the terms and conditions of this Agreement.

Very truly yours,

_____
Printed Name of Holder

By: _____
Signature

_____
Printed Name of Person Signing
(and indicate capacity of person signing if signing as custodian, trustee, or on behalf of an entity)

[Signature Page to Lock-Up Agreement]

Exhibit 10.4

SUBSCRIPTION AGREEMENT

This Subscription Agreement (this "***Agreement***") is made and entered into as of September 23, 2019 (the "***Effective Date***") by and among Proteon Therapeutics, Inc., a Delaware corporation (the "***Company***"), and the purchasers listed on the signature pages hereto (each a "***Purchaser***" and together the "***Purchasers***"). Certain terms used and not otherwise defined in the text of this Agreement are defined in Section 11 hereof.

RECITALS

WHEREAS, the Company and the Purchasers are executing and delivering this Agreement in reliance upon the exemption from securities registration afforded by Section 4(a)(2) of the Securities Act of 1933, as amended (the "***1933 Act***"), and Rule 506 of Regulation D promulgated by the United States Securities and Exchange Commission (the "***Commission***") under the 1933 Act;

WHEREAS, the Company desires to sell to the Purchasers, and the Purchasers desire to purchase from the Company, (i) up to $27,200,000.00 of shares of Series 1 Convertible Non-Voting Preferred Stock, par value $0.001 per share (the "***Series 1 Preferred Stock***"), having the relative rights, preferences, limitations and powers set forth in the Certificate of Designation of Preferences, Rights and Limitations of Series 1 Convertible Non-Voting Preferred Stock, in the form attached hereto as Exhibit A (the "***Certificate of Designation***") at a purchase price equal to the Series 1 Preferred Stock Purchase Price (defined below), and (ii) up to $15,300,000.00 (the "***Common Maximum Amount***") of shares of Common Stock, par value $0.001 (the "***Common Stock***") at a purchase price equal to the Common Stock Purchase Price (defined below), each in accordance with the terms and provisions of this Agreement.

NOW, THEREFORE, in consideration of the foregoing and the mutual representations, warranties and covenants herein contained, the parties hereto hereby agree as follows:

SECTION 1. Authorization of Securities.

1.01 The Company has authorized the sale and issuance of shares of Series 1 Preferred Stock and Common Stock on the terms and subject to the conditions set forth in this Agreement. The shares of Series 1 Preferred Stock and Common Stock sold hereunder at the Closing (as defined below) shall be referred to as the "***Securities***."

SECTION 2. Sale and Purchase of the Securities.

2.01 Closing Securities. Upon the terms and subject to the conditions herein contained, the Company agrees to sell to each Purchaser, and each Purchaser agrees to purchase from the Company, at a closing (the "***Closing***" and the date of the Closing, the "***Closing Date***") to occur immediately following the Effective Time (as such term is defined in that certain Agreement and Plan of Merger and Reorganization by and among the Company, REM 1 Acquisition, Inc. and ArTara Therapeutics, Inc., dated as of the date hereof (the "***Merger Agreement***")), that number of Securities set forth opposite such Purchaser's name on the

Schedule of Purchasers under the heading "Closing Shares" (the "***Closing Shares***") for the purchase price to be paid by each Purchaser set forth opposite such Purchaser's name on the Schedule of Purchasers.

2.02 At or prior to the Closing, each Purchaser will pay the applicable purchase price set forth opposite such Purchaser's name on the Schedule of Purchasers by wire transfer of immediately available funds in accordance with wire instructions provided by the Company to the Purchasers prior to the Closing.

SECTION 3. Additional Purchasers. During the period between the date hereof and the Closing Date, additional purchasers who are existing stockholders of the Company may agree to purchase up to an aggregate of $2,500,000 in shares of Common Stock of the Company pursuant to this Agreement, by executing a joinder agreement with the Company, pursuant to which such additional purchaser(s) shall become party(ies) hereto and to the Registration Rights Agreement (defined below). From and after execution of such joinder agreement, such additional purchaser(s) shall be deemed to be "Purchaser(s)" hereunder and the Company shall be entitled to unilaterally amend the Schedule of Purchasers for such additional purchasers. For the avoidance of doubt, in no event will the Company issue more than the Common Maximum Amount of shares of Common Stock (excluding the Series 1 Preferred Conversion Shares) pursuant to this Agreement.

SECTION 4. Representations and Warranties of the Purchasers. Each Purchaser, severally and not jointly, represents and warrants to the Company that the statements contained in this Section 4 are true and correct as of the Effective Date, and will be true and correct as of the Closing Date:

4.01 Validity. The execution, delivery and performance of this Agreement and the consummation by the Purchaser of the transactions contemplated hereby have been duly authorized by all necessary corporate, partnership, limited liability or similar actions, as applicable, on the part of such Purchaser. This Agreement has been duly executed and delivered by the Purchaser and constitutes a valid and binding obligation of the Purchaser, enforceable against it in accordance with its terms, except as limited by applicable bankruptcy, insolvency, reorganization, moratorium, fraudulent conveyance, and any other laws of general application affecting enforcement of creditors' rights generally, and as limited by laws relating to the availability of specific performance, injunctive relief, or other equitable remedies.

4.02 Brokers. There is no broker, investment banker, financial advisor, finder or other person which has been retained by or is authorized to act on behalf of the Purchaser who might be entitled to any fee or commission for which the Company will be liable in connection with the execution of this Agreement and the consummation of the transactions contemplated hereby.

4.03 Investment Representations and Warranties. The Purchaser understands and agrees that the offering and sale of the Securities has not been registered under the 1933 Act or any applicable state securities laws and is being made in reliance upon federal and state exemptions for transactions not involving a public offering which depend upon, among other

things, the bona fide nature of the investment intent and the accuracy of the Purchaser's representations as expressed herein.

4.04 Acquisition for Own Account; No Control Intent. The Purchaser is acquiring the Securities for its own account for investment and not with a view towards distribution in a manner which would violate the 1933 Act or any applicable state or other securities laws. The Purchaser is not party to any agreement providing for or contemplating the distribution of any of the Securities. The Purchaser has no present intent to effect a "change of control" of the Company as such term is understood under the rules promulgated pursuant to Section 13(d) of the 1934 Act.

4.05 No General Solicitation. The Purchaser is not purchasing the Securities as a result of any advertisement, article, notice or other communication regarding the Securities published in any newspaper, magazine or similar media or broadcast over television, radio or the internet or presented at any seminar or any other general solicitation or general advertisement. The purchase of the Securities has not been solicited by or through anyone other than the Company.

4.06 Ability to Protect Its Own Interests and Bear Economic Risks. The Purchaser has the capacity to protect its own interests in connection with the transactions contemplated by this Agreement and is capable of evaluating the merits and risks of the investment in the Securities. The Purchaser is able to bear the economic risk of an investment in the Securities and is able to sustain a loss of all of its investment in the Securities without economic hardship, if such a loss should occur.

4.07 Accredited Investor; No Bad Actor. The Purchaser is an "accredited investor" as that term is defined in Rule 501(a) under the 1933 Act. Such Purchaser has not taken any of the actions set forth in, and is not subject to, the disqualification provisions of Rule 506(d)(1) of the 1933 Act.

4.08 Access to Information. The Purchaser has been given access to Company documents, records, and other information, and has had adequate opportunity to ask questions of, and receive answers from, the Company's officers, employees, agents, accountants and representatives concerning the Company's business, operations, financial condition, assets, liabilities and all other matters relevant to its investment in the Securities. Purchaser understands that an investment in the Securities bears significant risk and represents that it has reviewed the SEC Reports, which serve to qualify certain of the Company representations set forth below.

4.09 Restricted Securities. The Purchaser understands that the Securities will be characterized as "restricted securities" under the federal securities laws inasmuch as they are being acquired from the Company in a private placement under Section 4(a)(2) of the 1933 Act and that under such laws and applicable regulations such Securities may be resold without registration under the 1933 Act only in certain limited circumstances.

4.11 Short Sales. Between the time the Purchaser learned about the offering contemplated by this Agreement and the public announcement of the offering, the Purchaser has

not engaged in any short sales (as defined in Rule 200 of Regulation SHO under the 1934 Act ("***Short Sales***")) or similar transactions with respect to the Common Stock or any securities exchangeable or convertible for Common Stock, nor has the Purchaser, directly or indirectly, caused any person to engage in any Short Sales or similar transactions with respect to the Common Stock.

4.12 Tax Advisors. The Purchaser has had the opportunity to review with the Purchaser's own tax advisors the federal, state and local tax consequences of its purchase of the Securities set forth opposite such Purchaser's name on the Schedule of Purchasers, where applicable, and the transactions contemplated by this Agreement. The Purchaser is relying solely on the Purchaser's own determination as to tax consequences or the advice of such tax advisors and not on any statements or representations of the Company or any of its agents and understands that the Purchaser (and not the Company) shall be responsible for the Purchaser's own tax liability that may arise as a result of the transactions contemplated by this Agreement.

SECTION 5. Representations and Warranties by the Company. Assuming the accuracy of the representations and warranties of the Purchasers set forth in Section 4 and except as set forth in the reports, schedules, forms, statements and other documents filed by the Company with the United States Securities and Exchange Commission (the "***Commission***") pursuant to the 1934 Act (collectively, the "***SEC Reports***"), which disclosures serve to qualify these representations and warranties in their entirety, the Company represents and warrants to the Purchasers that the statements contained in this Section 5 are true and correct as of the Effective Date, and will be true and correct as the Closing Date:

5.01 SEC Reports. The Company has timely filed all of the reports, schedules, forms, statements and other documents required to be filed by the Company with the Commission pursuant to the reporting requirements of the 1934 Act. The SEC Reports, at the time they were filed with the Commission, (i) complied as to form in all material respects with the requirements of the 1934 Act and the 1934 Act Regulations and (ii) did not include an untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein, in the light of the circumstances under which they were made, not misleading.

5.02 Independent Accountants. The accountants who certified the audited consolidated financial statements of the Company included in the SEC Reports are independent public accountants as required by the 1933 Act, the 1933 Act Regulations, the 1934 Act and the 1934 Act Regulations, and the Public Company Accounting Oversight Board.

5.03 Financial Statements; Non-GAAP Financial Measures. The consolidated financial statements included or incorporated by reference in the SEC Reports, together with the related notes, present fairly, in all material respects, the financial position of the Company and its consolidated subsidiaries at the dates indicated and the statement of operations, stockholders' equity and cash flows of the Company and its consolidated subsidiaries for the periods specified; said financial statements have been prepared in conformity with U.S. generally accepted accounting principles ("***GAAP***") applied on a consistent basis throughout the periods involved, except in the case of unaudited, interim financial statements, subject to normal year-end audit adjustments and the exclusion of certain footnotes.

5.04 No Material Adverse Change in Business. Except as otherwise stated or disclosed in the SEC Reports, since March 31, 2019, (i) there has been no material adverse change in the condition, financial or otherwise, or in the earnings, business affairs or business prospects of the Company and its subsidiaries considered as one enterprise, whether or not arising in the ordinary course of business (a "***Material Adverse Effect***"), other than any such change arising from steps taken by the Company after March 31, 2019 to terminate personnel, to amend or terminate contracts, and to discontinue or wind-down certain business activities, (ii) there have been no transactions entered into by the Company or any of its subsidiaries, other than those in the ordinary course of business and except as contemplated in this Agreement and the Merger Agreement, which are material with respect to the Company and its subsidiaries considered as one enterprise, and (iii) there has been no dividend or distribution of any kind declared, paid or made by the Company on any class of its capital stock.

5.05 Good Standing of the Company. The Company has been duly incorporated and is validly existing as a corporation in good standing under the laws of the State of Delaware and has corporate power and authority to own, lease and operate its properties and to conduct its business as disclosed in the SEC Reports and to enter into and perform its obligations under this Agreement; and the Company is duly qualified as a foreign corporation to transact business and is in good standing in each other jurisdiction in which such qualification is required, whether by reason of the ownership or leasing of property or the conduct of business, except where the failure so to qualify or to be in good standing would not result in a Material Adverse Effect.

5.06 Good Standing of Subsidiaries. Each subsidiary of the Company has been duly incorporated or organized and is validly existing in good standing under the laws of the jurisdiction of its incorporation or organization, has corporate or similar power and authority to own, lease and operate its properties and to conduct its business as described in the SEC Reports and is duly qualified to transact business and is in good standing in each jurisdiction in which such qualification is required, whether by reason of the ownership or leasing of property or the conduct of business, except where the failure to so qualify or to be in good standing would not result in a Material Adverse Effect. All of the issued and outstanding capital stock of each subsidiary has been duly authorized and validly issued, is fully paid and non-assessable and is owned by the Company, directly or through subsidiaries, free and clear of any security interest, mortgage, pledge, lien, encumbrance, claim or equity. None of the outstanding shares of capital stock of any subsidiary were issued in violation of the preemptive or similar rights of any securityholder of such subsidiary. For the avoidance of doubt, the term "subsidiary" and "subsidiaries" shall include the ArTara Therapeutics, Inc. from and after the effective time of the Merger (as defined in the Merger Agreement).

5.07 Capitalization. As of the date hereof, the Company has an authorized capitalization as set forth in the SEC Reports and, as of immediately prior to the Closing, the Company will have an authorized capitalization as disclosed in the registration statement on Form S-4 to be filed with the Commission registering the shares of the Company's capital stock to be issued pursuant to the Merger Agreement (the "***S-4 Registration Statement***"). The outstanding shares of capital stock of the Company have been duly authorized and validly issued

and are fully paid and non-assessable. None of the outstanding shares of capital stock of the Company were issued in violation of the preemptive or other similar rights of any securityholder of the Company which have not been waived.

5.08 Validity. This Agreement has been duly authorized, executed and delivered by the Company and constitutes a valid and binding obligation of the Company, enforceable against it in accordance with its terms, except as limited by applicable bankruptcy, insolvency, reorganization, moratorium, fraudulent conveyance, and any other laws of general application affecting enforcement of creditors' rights generally, and as limited by laws relating to the availability of specific performance, injunctive relief, or other equitable remedies.

5.09 Authorization and Description of Securities. Upon the filing of the Certificate of Designation with the Secretary of State of the State of Delaware, the Series 1 Preferred Stock will have been duly and validly authorized and, when issued and paid for pursuant to this Agreement, will be validly issued, fully paid and nonassessable, and shall be free and clear of all encumbrances and restrictions, except for restrictions on transfer set forth in this Agreement or imposed by applicable securities laws, and shall not be subject to preemptive or similar rights of stockholders. Upon the due conversion of the Series 1 Preferred Stock the Series 1 Preferred Conversion Shares will be validly issued, fully paid and non-assessable free and clear of all encumbrances and restrictions, except for restrictions on transfer set forth in this Agreement or imposed by applicable securities laws, and shall not be subject to preemptive or similar rights of stockholders.

5.10 Absence of Violations, Defaults and Conflicts. Subject to obtaining the Required Parent Stockholder Vote (as defined in the Merger Agreement), neither the Company nor any of its subsidiaries is (A) in violation of its charter, bylaws or similar organizational document, except, for such violations that would not, singly or in the aggregate, result in a Material Adverse Effect, (B) in default in the performance or observance of any obligation, agreement, covenant or condition contained in any contract, indenture, mortgage, deed of trust, loan or credit agreement, note, lease or other agreement or instrument to which the Company or any of its subsidiaries is a party or by which it or any of them may be bound or to which any of the properties or assets of the Company or any subsidiary is subject (collectively, "***Agreements and Instruments***"), except for such defaults that would not, singly or in the aggregate, result in a Material Adverse Effect, or (C) in violation of any law, statute, rule, regulation, judgment, order, writ or decree of any arbitrator, court, governmental body, regulatory body, administrative agency or other authority, body or agency having jurisdiction over the Company or any of its subsidiaries or any of their respective properties, assets or operations (each, a "***Governmental Entity***"), except for such violations that would not, singly or in the aggregate, result in a Material Adverse Effect. The execution, delivery and, subject to obtaining the Required Parent Stockholder Vote (as defined in the Merger Agreement), the performance of this Agreement and the consummation of the transactions contemplated herein (including the issuance and sale of the Securities and the Series 1 Preferred Conversion Shares) and compliance by the Company with its obligations hereunder do not and will not, whether with or without the giving of notice or passage of time or both, conflict with or constitute a breach of, or default or Repayment Event (as defined below) under, or result in the creation or imposition of any lien, charge or encumbrance upon any properties or assets of the Company or any subsidiary pursuant to, the

Agreements and Instruments (except for such conflicts, breaches, defaults or Repayment Events or liens, charges or encumbrances that would not, singly or in the aggregate, result in a Material Adverse Effect), nor will such action result in any violation of (i) the provisions of the certificate of incorporation, by-laws or similar organizational document of the Company or any of its subsidiaries or (ii) any applicable law, statute, rule, regulation, judgment, order, writ or decree of any Governmental Entity, except in the case of clause (ii) for such violations as would not, singly or in the aggregate, result in a Material Adverse Effect. As used herein, a "***Repayment Event***" means any event or condition which gives the holder of any note, debenture or other evidence of indebtedness (or any person acting on such holder's behalf) the right to require the repurchase, redemption or repayment of all or a portion of such indebtedness by the Company or any of its subsidiaries.

5.11 Absence of Proceedings. Except as disclosed in the SEC Reports, there is no action, suit, proceeding, inquiry or investigation before or brought by any Governmental Entity now pending or, to the knowledge of the Company, threatened, against or affecting the Company or any of its subsidiaries, which would reasonably be expected to result in a Material Adverse Effect, or which would reasonably be expected to materially and adversely affect the consummation of the transactions contemplated in this Agreement or the Merger Agreement or the performance by the Company of its obligations hereunder and thereunder.

5.12 Absence of Further Requirements. No filing with, or authorization, approval, consent, license, order, registration, qualification or decree of, any Governmental Entity is necessary or required for the performance by the Company of its obligations hereunder, in connection with the offering, issuance, or sale of the Securities hereunder or the consummation of the transactions contemplated by this Agreement, except such as have been already obtained or as may be required to list the Company's common stock on any National Exchange (as defined in the Certificate of Designation), as may be required under state securities laws or the filings required pursuant to Section 6.03 of this Agreement.

5.13 Possession of Licenses and Permits. The Company and its subsidiaries possess such permits, licenses, approvals, consents and other authorizations (collectively, "***Governmental Licenses***") issued by the appropriate Governmental Entities necessary to conduct the business now operated by them, except where the failure so to possess would not, singly or in the aggregate, result in a Material Adverse Effect. The Company and its subsidiaries are in compliance with the terms and conditions of all Governmental Licenses, except where the failure so to comply would not, singly or in the aggregate, result in a Material Adverse Effect. All of the Governmental Licenses are valid and in full force and effect, except when the invalidity of such Governmental Licenses or the failure of such Governmental Licenses to be in full force and effect would not, singly or in the aggregate, result in a Material Adverse Effect. Neither the Company nor any of its subsidiaries has received any notice of proceedings relating to the revocation or modification of any Governmental Licenses which, singly or in the aggregate, if the subject of an unfavorable decision, ruling or finding, would result in a Material Adverse Effect.

5.14 Title to Property. Except as disclosed in the SEC Reports, the Company and its subsidiaries do not own any real property. The Company and its subsidiaries have title to

all tangible personal property owned by them, in each case, free and clear of all mortgages, pledges, liens, security interests, claims, restrictions or encumbrances of any kind except such as (A) are described in the SEC Reports or (B) do not, singly or in the aggregate, materially affect the value of such property and do not materially interfere with the use made and proposed to be made of such property by the Company or any of its subsidiaries; and all of the leases and subleases material to the business of the Company and its subsidiaries, considered as one enterprise, and under which the Company or any of its subsidiaries holds properties described in the SEC Reports, are in full force and effect, and neither the Company nor any such subsidiary has any notice of any material claim of any sort that has been asserted by anyone adverse to the rights of the Company or any subsidiary under any of the leases or subleases mentioned above, or affecting or questioning the rights of the Company or such subsidiary to the continued possession of the leased or subleased premises under any such lease or sublease.

5.15 Intellectual Property. The Company and its subsidiaries own or possess the right to use all patents, patent applications, inventions, licenses, know-how (including trade secrets and other unpatented and/or unpatentable proprietary or confidential information or procedures), trademarks, service marks, trade names, domain names, copyrights, and other intellectual property, and registrations and applications for registration of any of the foregoing (collectively, "***Intellectual Property***") necessary to conduct their business as presently conducted and currently contemplated to be conducted in the future as described in the SEC Reports and S-4 Registration Statement and, to the knowledge of the Company, neither the Company nor any of its subsidiaries, whether through their respective products and services or the conduct of their respective businesses, has infringed, misappropriated, conflicted with or otherwise violated, or is currently infringing, misappropriating, conflicting with or otherwise violating, and none of the Company or its subsidiaries have received any heretofore unresolved communication or notice of infringement of, misappropriation of, conflict with or violation of, any Intellectual Property of any other person or entity, other than as described in the SEC Reports or S-4 Registration Statement. Neither the Company nor any of its subsidiaries has received any communication or notice (in each case that has not been resolved) alleging that by conducting their business as described in the SEC Reports or S-4 Registration Statement, such parties would infringe, misappropriate, conflict with, or violate, any of the Intellectual Property of any other person or entity. The Company knows of no infringement, misappropriation or violation by others of Intellectual Property owned by or licensed to the Company or its subsidiaries which would reasonably be expected to result in a Material Adverse Effect. The Company and its subsidiaries have taken all reasonable steps necessary to secure their interests in such Intellectual Property from their employees and contractors and to protect the confidentiality of all of their confidential information and trade secrets. None of the Intellectual Property employed by the Company or its subsidiaries has been obtained or is being used by the Company or its subsidiaries in violation of any contractual obligation binding on the Company or any of its subsidiaries or, to the knowledge of the Company, any of their respective officers, directors or employees, except as would not reasonably be expected, individually or in the aggregate, to have a Material Adverse Effect. All Intellectual Property owned or exclusively licensed by the Company or its subsidiaries is free and clear of all liens, encumbrances, defects or other restrictions (other than non-exclusive licenses granted in the ordinary course of business), except those that would not reasonably be expected, individually or in the aggregate, to have a Material Adverse Effect. The Company and its subsidiaries are not subject to any judgment, order, writ, injunction or decree of

any court or any Governmental Entity, nor has the Company or any of its subsidiaries entered into or become a party to any agreement made in settlement of any pending or threatened litigation, which materially restricts or impairs their use of any Intellectual Property.

5.16 Company IT Systems. The Company and its subsidiaries own or have a valid right to access and use all computer systems, networks, hardware, software, databases, websites, and equipment used to process, store, maintain and operate data, information, and functions used in connection with the business of the Company and its subsidiaries (the "***Company IT Systems***"), except as would not, individually or in the aggregate, have a Material Adverse Effect. The Company IT Systems are adequate for, and operate and perform in all material respects as required in connection with, the operation of the business of the Company and its subsidiaries as currently conducted, except as would not, individually or in the aggregate, have a Material Adverse Effect. The Company and its subsidiaries have implemented commercially reasonable backup, security and disaster recovery technology consistent in all material respects with applicable regulatory standards and customary industry practices.

5.17 Cybersecurity. Except as would not reasonably be expected to have a Material Adverse Effect, (A) there has been no security breach or other compromise of or relating to the Company IT Systems; (B) the Company has not been notified of, and has no knowledge of any event or condition that would reasonably be expected to result in, any such security breach or other compromise of the Company IT Systems; (C) the Company and its subsidiaries have implemented policies and procedures with respect to the Company IT Systems that are reasonably consistent with industry standards and practices, or as required by applicable regulatory standards; and (D) the Company and its subsidiaries are presently in material compliance with all applicable laws or statutes, judgments, orders, rules and regulations of any court or arbitrator or governmental or regulatory authority and contractual obligations relating to the privacy and security of the Company IT Systems and to the protection of the Company IT Systems from unauthorized use, access, misappropriation or modification.

5.18 Environmental Laws. The Company and each of its subsidiaries are in compliance with and since January 1, 2017 have complied with all applicable Environmental Laws, which compliance includes the possession by the Company of all permits and other Governmental Authorizations required under applicable Environmental Laws and compliance with the terms and conditions thereof, except for any failure to be in such compliance that, either individually or in the aggregate, would not reasonably be expected to have a Company Material Adverse Effect. Neither the Company nor any of its subsidiaries has received since January 1, 2017 (or prior to that time, which is pending and unresolved), any written notice or other communication (in writing or otherwise), whether from a Governmental Entity or other Person, that alleges that the Company or any of its subsidiaries is not in compliance with or has liability pursuant to any Environmental Law and, to the knowledge of the Company, there are no circumstances that would reasonably be expected to prevent or interfere with the Company's or any of its subsidiaries' compliance in any material respects with any Environmental Law, except where such failure to comply or such liability would not reasonably be expected to have a Material Adverse Effect. No current or (during the time a prior property was leased or controlled by the Company or any of its subsidiaries) prior property leased or controlled by the Company or any of its subsidiaries has had a release of or exposure to Hazardous Materials in violation of

Environmental Law, except as would not reasonably be expected to have a Material Adverse Effect.

5.19 Accounting Controls and Disclosure Controls. The Company and its subsidiaries maintain effective internal control over financial reporting (as defined under Rule 13a-15 and 15d-15 under the 1934 Act Regulations) and a system of internal accounting controls sufficient to provide reasonable assurances that (A) transactions are executed in accordance with management's general or specific authorization; (B) transactions are recorded as necessary to permit preparation of financial statements in conformity with GAAP and to maintain accountability for assets; (C) access to assets is permitted only in accordance with management's general or specific authorization; and (D) the recorded accountability for assets is compared with the existing assets at reasonable intervals and appropriate action is taken with respect to any differences. Since the end of the Company's most recent audited fiscal year, there has been (1) no material weakness in the Company's internal control over financial reporting (whether or not remediated) and (2) no change in the Company's internal control over financial reporting that has materially adversely affected, or is reasonably likely to materially adversely affect, the Company's internal control over financial reporting.

5.20 Compliance with the Sarbanes-Oxley Act. The Company is in compliance in all material respects with all provisions of the Sarbanes-Oxley Act of 2002 and all rules and regulations promulgated thereunder or implementing the provisions thereof that are in effect and with which the Company is required to comply.

5.21 Payment of Taxes. All United States federal income tax returns of the Company and its subsidiaries required by law to be filed have been filed and all taxes shown by such returns or otherwise assessed, which are due and payable, have been paid, except assessments against which appeals have been or will be promptly taken and as to which adequate reserves have been provided. No assessment in connection with United States federal tax returns has been made against the Company. The Company and its subsidiaries have filed all other tax returns that are required to have been filed by them through the date hereof or have timely requested extensions thereof pursuant to applicable foreign state, local or other law except insofar as the failure to file such returns would not result in a Material Adverse Effect and has paid all taxes due pursuant to such returns or all taxes due and payable pursuant to any assessment received by the Company and its subsidiaries, except for such taxes, if any, as are being contested in good faith and as to which adequate reserves have been established by the Company or its subsidiaries and except where the failure to pay such taxes would not result in a Material Adverse Effect. The charges, accruals and reserves on the books of the Company in respect of any income and corporation tax liability for any years not finally determined are adequate to meet any assessments or reassessments for additional income tax for any years not finally determined, except to the extent of any inadequacy that would not result in a Material Adverse Effect.

5.22 ERISA. Except as would not reasonably be expected to have a Material Adverse Effect: (i) at no time in the past six years has the Company or any ERISA Affiliate maintained, sponsored, participated in, contributed to or had any liability or obligation in respect of any Employee Benefit Plan subject to Title IV of ERISA or Section 412 of the Code, any

"multiemployer plan" as defined in Section 3(37) of ERISA or any multiple employer plan for which the Company or any ERISA Affiliate has incurred or could incur material liability under Section 4063 or 4064 of ERISA, (ii) no "welfare benefit plan" as defined in Section 3(1) of ERISA provides or promises, or at any time provided or promised, retiree health, or other post-termination benefits except to the extent such benefit is fully insured or as may be required by the Consolidated Omnibus Budget Reconciliation Act of 1985, as amended, or similar state law and (iii) each Employee Benefit Plan is and has been operated in compliance with its terms and all applicable laws, including but not limited to ERISA and the Code. Each Employee Benefit Plan intended to be qualified under Code Section 401(a) has a favorable determination or opinion letter from the Internal Revenue Service (the "***IRS***") upon which it can rely, and any such determination or opinion letter remains in effect and has not been revoked and no event has occurred and no facts or circumstances exist that could reasonably be expected to result in the loss of qualification or tax exemption of any such Employee Benefit Plan. With respect to each Foreign Benefit Plan, such Foreign Benefit Plan (1) if intended to qualify for special tax treatment, meets, in all material respects, the requirements for such treatment, and (2) if required to be funded, is funded to the extent required by applicable law. The Company does not have any obligations under any collective bargaining agreement with any union. As used in this Section 5.23, "***Code***" means the Internal Revenue Code of 1986, as amended; "***Employee Benefit Plan***" means any "employee benefit plan" within the meaning of Section 3(3) of ERISA, including, without limitation, all equity and equity-based, severance, employment, change-in-control, medical, disability, fringe benefit, bonus, incentive, deferred compensation, employee loan and all other employee benefit plans, agreements, programs, policies or other arrangements, whether or not subject to ERISA, under which (x) any current or former employee, director, independent contractor or other service provider of the Company or its subsidiaries has any present or future right to benefits and which are contributed to, sponsored by or maintained by the Company or any of the subsidiaries or (y) the Company or any of the subsidiaries has had or has any present or future direct or contingent obligation or liability; "***ERISA***" means the Employee Retirement Income Security Act of 1974, as amended; "***ERISA Affiliate***" means any member of the company's controlled group as determined pursuant to Code Section 414(b), (c), (m) or (o), with respect to any Person, each business or entity under "common control" with such Person within the meaning of Section 4001(a)(14) of ERISA; and "***Foreign Benefit Plan***" means any Employee Benefit Plan established, maintained or contributed to outside of the United States of America and which is not subject to United States law.

5.23 Insurance. The Company and the subsidiaries carry or are entitled to the benefits of insurance, with what the Company reasonably believes to be financially sound and reputable insurers, in such amounts and covering such risks as is adequate for the conduct of their respective businesses and the value of their respective properties and assets, and all such insurance is in full force and effect. The Company has no reason to believe that it or any of the subsidiaries will not be able (A) to renew its existing insurance coverage as and when such policies expire or (B) to obtain comparable coverage from similar institutions as may be necessary or appropriate to conduct its business as now conducted and at a cost that would not result in a Material Adverse Effect.

5.24 Investment Company Act. The Company is not required, and upon the issuance and sale of the Securities will not be required, to register as an "investment company" under the Investment Company Act of 1940, as amended (the "***1940 Act***").

5.25 No Unlawful Payments. None of the Company, any of its subsidiaries or, to the knowledge of the Company, any director, officer, agent, employee, Affiliate or other person acting on behalf of the Company or any of its subsidiaries has taken any action, directly or indirectly, that would result in a violation by such persons of any applicable anti-corruption laws, including, without limitation, making use of the mails or any means or instrumentality of interstate commerce corruptly in furtherance of an offer, payment, promise to pay or authorization of the payment of any money, or other property, gift, promise to give, or authorization of the giving of anything of value to any "government official" (including any officer or employee of a government or government-owned or controlled entity or of a public international organization, or any person acting in an official capacity for or on behalf of any of the foregoing, or any political party or party official or candidate for political office) in violation of any applicable anti-corruption laws, and the Company and its subsidiaries have conducted their businesses in compliance with applicable anti-corruption laws and have instituted and maintain policies and procedures designed to ensure continued compliance therewith.

5.26 Compliance with Anti-Money Laundering Laws. The operations of the Company and its subsidiaries are and have been conducted at all times in compliance in all material respects with applicable financial recordkeeping and reporting requirements of the Currency and Foreign Transactions Reporting Act of 1970, as amended, the money laundering statutes of all applicable jurisdictions, the rules and regulations thereunder and any related or similar rules, regulations or guidelines, issued, administered or enforced by any Governmental Entity (collectively, the "***Anti-Money Laundering Laws***"); and no action, suit or proceeding by or before any Governmental Entity involving the Company or any of its subsidiaries with respect to the Anti-Money Laundering Laws is pending or, to the knowledge of the Company, threatened.

5.27 No Conflicts with Sanctions Laws. None of the Company, any of its subsidiaries or, to the knowledge of the Company, any director, officer, agent, employee, Affiliate or other person acting on behalf of the Company or any of its subsidiaries is an individual or entity ("***Person***") currently the subject or target of any sanctions administered or enforced by the United States Government, including, without limitation, the U.S. Department of the Treasury's Office of Foreign Assets Control ("***OFAC***"), the United Nations Security Council ("***UNSC***"), the European Union, Her Majesty's Treasury ("***HMT***"), or other relevant sanctions authority (collectively, "***Sanctions***"), nor is the Company or any of its subsidiaries located, organized or resident in a country or territory that is the subject of Sanctions; and the Company will not knowingly directly or indirectly use the proceeds of the sale of the Securities, or lend, contribute or otherwise make available such proceeds to any subsidiaries, joint venture partners or other Person, to fund any activities of or the business with any Person, or in any country or territory, that, at the time of such funding, is the subject of Sanctions or in any other manner that will result in violation by any Person of Sanctions.

5.28 Regulatory Matters. Except as would not, singly or in the aggregate, result in a Material Adverse Effect: (i) neither the Company nor any of its subsidiaries has received any FDA Form 483, notice of adverse finding, warning letter or other correspondence or notice from the U.S. Food and Drug Administration ("***FDA***") or any other Governmental Entity alleging or asserting noncompliance with any Applicable Laws (as defined in clause (ii) below) or Authorizations (as defined in clause (iii) below); (ii) the Company and each of its subsidiaries is and has been in compliance with statutes, laws, ordinances, rules and regulations applicable to the Company and its subsidiaries for the ownership, testing, development, manufacture, packaging, processing, use, distribution, marketing, labeling, promotion, sale, offer for sale, storage, import, export or disposal of any product manufactured or distributed by the Company, including without limitation, the Federal Food, Drug, and Cosmetic Act, 21 U.S.C. § 301, et seq., similar laws of other Governmental Entities and the regulations promulgated pursuant to such laws (collectively, "***Applicable Laws***"); (iii) the Company and each of its subsidiaries possesses all licenses, certificates, approvals, clearances, authorizations, permits and supplements or amendments thereto required by any such Applicable Laws and/or to carry on its businesses as now conducted ("***Authorizations***") and such Authorizations are valid and in full force and effect and the Company is not in violation of any term of any such Authorizations; (iv) neither the Company nor any of its subsidiaries has received notice of any ongoing claim, action, suit, proceeding, hearing, enforcement, investigation, arbitration or other action from any Governmental Entity or third party alleging that any product, operation or activity is in violation of any Applicable Laws or Authorizations or has any knowledge that any such Governmental Entity or third party is considering any such claim, litigation, arbitration, action, suit, investigation or proceeding, nor, to the Company's knowledge, has there been any noncompliance with or violation of any Applicable Laws by the Company or any of its subsidiaries that could reasonably be expected to require the issuance of any such communication or result in an investigation, corrective action, or enforcement action by FDA or similar Governmental Entity; (v) neither the Company nor any of its subsidiaries has received notice that any Governmental Entity has taken, is taking or intends to take action to limit, suspend, modify or revoke any Authorizations or has any knowledge that any such Governmental Entity is threatening or is considering such action; and (vi) the Company and each of its subsidiaries has filed, obtained, maintained or submitted all reports, documents, forms, notices, applications, records, claims, submissions and supplements or amendments as required by any Applicable Laws or Authorizations and that all such reports, documents, forms, notices, applications, records, claims, submissions and supplements or amendments were complete, correct and not misleading on the date filed (or were corrected or supplemented by a subsequent submission). Neither the Company, any subsidiary nor, to the Company's knowledge, any of their respective directors, officers, employees or agents has been convicted of any crime under any Applicable Laws or has been the subject of an FDA debarment proceeding. Neither the Company nor any subsidiary has been nor is now subject to FDA's Application Integrity Policy. To the Company's knowledge, neither the Company, any subsidiary nor any of its directors, officers, employees or agents, has made, or caused the making of, any false statements on, or material omissions from, any other records or documentation prepared or maintained to comply with the requirements of the FDA or any other Governmental Entity. Neither the Company, any subsidiary nor, to the Company's knowledge, any of their respective directors, officers, employees or agents, have with respect to each of the following statutes, or regulations promulgated thereto, as applicable: (i) engaged in activities under 42 U.S.C. §§ 1320a-7b or

1395nn; (ii) knowingly engaged in any activities under 42 U.S.C. § 1320a-7b or the Federal False Claims Act, 31 U.S.C. § 3729; or (iii) knowingly and willfully engaged in any activities under 42 U. S.C.§ 1320a-7b, which are prohibited, cause for civil penalties, or constitute a mandatory or permissive exclusion from Medicare, Medicaid, or any other State Health Care Program or Federal Health Care Program.

5.29 Research, Studies and Tests. The research, nonclinical and clinical studies and tests conducted by, or to the knowledge of the Company, or on behalf of the Company and its subsidiaries have been and, if still pending, are being conducted with reasonable care and in all material respects in accordance with experimental protocols, procedures and controls pursuant to all Applicable Laws and Authorizations; the descriptions of the results of such research, nonclinical and clinical studies and tests contained in the SEC Reports are accurate and complete in all material respects and fairly present in all material respects the data derived from such research, nonclinical and clinical studies, and tests; the Company is not aware of any research, nonclinical or clinical studies or tests, the results of which the Company believes reasonably call into question the research, nonclinical or clinical study or test results described or referred to in the SEC Reports when viewed in the context in which such results are described; and neither the Company nor, to the knowledge of the Company, any of its subsidiaries has received any notices or correspondence from any Governmental Entity that will require the termination, suspension or material modification of any research, nonclinical or clinical study or test conducted by or on behalf of the Company or its subsidiaries, as applicable.

5.30 Private Placement. Neither the Company nor its subsidiaries, nor any person acting on its or their behalf, has, directly or indirectly, made any offers or sales of any security or solicited any offers to buy any security under any circumstances that would require registration under the 1933 Act of the Securities being sold pursuant to this Agreement. Assuming the accuracy of the representations and warranties of the Purchasers contained in Section 4 hereof, the issuance of the Securities, including the issuance of the Series 1 Preferred Conversion Shares, is exempt from registration under the 1933 Act.

5.31 Registration Rights. Except as required pursuant to Section 8 of this Agreement, pursuant to the Registration Rights Agreement or as disclosed in the SEC Reports or S-4 Registration Statement, the Company is presently not under any obligation, and has not granted any rights, to register under the 1933 Act any of the Company's presently outstanding securities or any of its securities that may hereafter be issued that have not expired or been satisfied.

SECTION 6. Covenants.

6.01 Reasonable Best Efforts. Each party shall use its reasonable best efforts to timely satisfy each of the conditions to be satisfied by it as provided in Section 7 of this Agreement.

6.02 Disclosure of Transactions and Other Material Information. Within the applicable period of time required by the 1934 Act, the Company shall file a Current Report on Form 8-K describing the terms and conditions of the transactions contemplated by this

Agreement in the form required by the 1934 Act and attaching the Agreement as an exhibit to such filing (including all attachments, the "***8-K Filing***"). The Company shall provide the Purchasers with a reasonable opportunity to review and provide comments on the draft of such 8-K Filing. Subject to the foregoing, and other than the S-4 Registration Statement, the SEC Reports, any other filings required under the 1934 Act and any press releases issued in connection with the transactions contemplated hereby or by the Merger Agreement, neither the Company nor any Purchaser shall issue any press releases or any other public statements with respect to the transactions contemplated hereby. Notwithstanding the foregoing, and unless otherwise agreed to in writing by the Company and the Purchasers, the Company shall not publicly disclose the name of any Purchaser or an Affiliate of any Purchaser, or include the name of any Purchaser or an Affiliate of any Purchaser in any press release or, unless otherwise required by applicable law, any filing with the Commission or any regulatory agency or the National Exchange, without the prior written consent of such Purchaser.

6.03 Pledge of Securities. The Company acknowledges and agrees that the Securities may be pledged by a Purchaser in connection with a bona fide margin agreement or other loan or financing arrangement that is secured by the Securities. The pledge of Securities shall not be deemed to be a transfer, sale or assignment of the Securities hereunder, and no Purchaser effecting a pledge of Securities shall be required to provide the Company with any notice thereof or otherwise make any delivery to the Company pursuant to this Agreement, including, without limitation, Section 9.01 of this Agreement; *provided that* a Purchaser and its pledgee shall be required to comply with the provisions of Section 9.01 of this Agreement in order to effect a sale, transfer or assignment of Securities to such pledgee. The Company hereby agrees to execute and deliver such documentation as a pledgee of the Securities may reasonably request in connection with a pledge of the Securities to such pledgee by a Purchaser; *provided that* any and all costs to effect the pledge of the Securities are borne by the pledgor and/or pledgee and not the Company.

6.04 Expenses. The Company and each Purchaser is liable for, and will pay, its own expenses incurred in connection with the negotiation, preparation, execution and delivery of this Agreement, including, without limitation, attorneys' and consultants' fees and expenses, except that the Company has agreed to reimburse the BBA Purchasers in an amount of up to $150,000 for BBA Purchasers' reasonable legal fees at the time of the Closing to the extent that ArTara Therapeutics, Inc. has not reimbursed the BBA Purchasers for such amount at the time of the execution of this Agreement.

6.05 Listing. The Company shall use its best efforts to take all steps necessary to maintain the listing of its Common Stock on a National Exchange.

6.06 Reservation of Common Stock. Following the Company's receipt of the Required Parent Stockholder Vote, the Company shall take all action necessary to at all times have authorized, and reserved for the purpose of issuance from and after the Closing Date, the number of Series 1 Preferred Conversion Shares (without taking into account any limitations on conversion of the Series 1 Preferred Stock set forth in the Certificate of Designation).

6.07 Participation in Future Financings.

(a) From the Effective Date and until the consummation of the Company's second Qualified Subsequent Financing (as defined below), each Purchaser that purchases Series 1 Preferred Stock hereunder (the "***Preferred Stock Purchasers***") shall have the right to participate in any Subsequent Financing up to its pro rata amount, calculated as its percentage equity ownership of the Company's outstanding equity (without taking into account any beneficial ownership limitations on conversion or exercise of any Common Stock Equivalents held by such Preferred Stock Purchaser), on the same terms, conditions and price provided for in the Subsequent Financing, unless the Subsequent Financing is an underwritten public offering (an "***Underwritten Subsequent Financing***"), in which case the Company shall offer the Preferred Stock Purchasers the right to participate in such public offering when it is lawful for the Company to do so, including with respect to any limitations necessary to preserve the validity of the private placement exemption under the 1933 Act for the offer and sale of the Securities hereunder, but the Preferred Stock Purchasers shall not be entitled to purchase any particular amount of such public offering. For purposes of this Agreement, the term "***Subsequent Financing***" shall mean a financing in which the Company or any of the subsidiaries proposes to issue Common Stock, or Common Stock Equivalents, for cash consideration, indebtedness or a combination thereof, other than (i) a rights offering to all holders of Common Stock and Preferred Stock (which may include extending such rights to holders of Common Stock Equivalents) or (ii) an Exempt Issuance, and the term "***Qualified Subsequent Financing***" shall mean a Subsequent Financing (other than an Underwritten Subsequent Financing) in which the Company receives at least $10,000,000 in gross proceeds.

(b) At least 10 Business Days prior to the closing of the Subsequent Financing, the Company shall deliver to the Preferred Stock Purchasers a written notice of its intention to effect a Subsequent Financing ("***Pre-Notice***"), which Pre-Notice shall ask each Preferred Stock Purchaser if it wants to review the details of such financing in order to confirm whether such Preferred Stock Purchaser wishes to participate in such financing (such additional notice, a "***Subsequent Financing Notice***"). Upon the request of a Preferred Stock Purchaser, and only upon a request by such Preferred Stock Purchaser, for a Subsequent Financing Notice, the Company shall promptly, but no later than one Business Day after such request, deliver a Subsequent Financing Notice to the Preferred Stock Purchaser. The requesting Preferred Stock Purchaser hereby acknowledges and agrees that the Subsequent Financing Notice may constitute and may contain material non-public information. The Subsequent Financing Notice shall describe in reasonable detail the proposed terms of such Subsequent Financing, the amount of proceeds intended to be raised thereunder and the person or persons through or with whom such Subsequent Financing is proposed to be effected and shall include a term sheet or similar document relating thereto as an attachment.

(c) If the Preferred Stock Purchaser wishes to participate in such Subsequent Financing it must provide written notice to the Company by not later than 5:30 p.m. (New York City time) on the fifth Business Day after the Preferred Stock Purchaser has received the Subsequent Financing Notice that the Preferred Stock Purchaser is willing to participate in the Subsequent Financing, the amount of the Preferred Stock Purchaser's participation, and representing and warranting that the Preferred Stock Purchaser has such funds ready, willing, and available for investment on the terms set forth in the Subsequent Financing Notice. If the

Company receives no such notice from the Preferred Stock Purchaser as of such fifth Business Day, the Preferred Stock Purchaser shall be deemed to have notified the Company that it does not elect to participate and the Company may effect the Subsequent Financing on the terms and with the persons set forth in the Subsequent Financing Notice.

(d) If by 5:30 p.m. (New York City time) on the fifth Business Day after the Preferred Stock Purchaser has received the Subsequent Financing Notice, the Company has received written notification by the Preferred Stock Purchaser of its willingness to participate in the Subsequent Financing (or to cause its designees to participate), then the Company shall effect the Subsequent Financing with the Preferred Stock Purchaser (in the amount indicated in its notification) and, with respect to the remaining portion of such Subsequent Financing on the terms and with the Persons set forth in the Subsequent Financing Notice.

(e) The Company must provide the Preferred Stock Purchaser with a second Subsequent Financing Notice, and the Preferred Stock Purchaser will again have the right of participation set forth above in this Section 6.07, if the Subsequent Financing subject to the initial Subsequent Financing Notice is amended in any material respect or is not consummated for any reason on the terms set forth in such Subsequent Financing Notice within 30 Business Days after the date of the initial Subsequent Financing Notice.

(f) Notwithstanding anything to the contrary in this Section 6.07 and unless otherwise agreed to by the Preferred Stock Purchaser, the Company shall either confirm in writing to the Preferred Stock Purchaser that the transaction with respect to the Subsequent Financing has been abandoned or shall publicly disclose its intention to issue the securities in the Subsequent Financing, in either case in such a manner such that the Preferred Stock Purchaser will not be in possession of any material, non-public information, by the 30th Business Day following delivery of the Subsequent Financing Notice. If by such 30th Business Day, no public disclosure regarding a transaction with respect to the Subsequent Financing has been made, and no notice regarding the abandonment of such transaction has been received by the Preferred Stock Purchaser, such transaction shall be deemed to have been abandoned and the Preferred Stock Purchaser shall not be deemed to be in possession of any material, non-public information with respect to the Company or any of its subsidiaries.

6.08 Board Rights.

(a) Effective upon the Closing Date, the BBA Purchasers, acting together, shall have the right (but not the obligation) to designate (i) one member of the board of directors of the Company (the "***Board***") for so long as the BBA Purchasers collectively hold at least 2.50% of the Company's outstanding Common Stock and at least 50% of the securities purchased (including shares of Common Stock issued upon conversion or exchange of such securities purchased) by them pursuant to this Agreement or (ii) two (2) members of the Board (each such designated Board member being referred to herein as a "***BBA Purchaser Board Designee***") for so long as the BBA Purchasers collectively hold at least that percentage of the Company's outstanding Common Stock as is equal to two (2) divided by the total number of members of the Board (including the BBA Purchaser Board Designee(s)) (such percentage may be rounded up to two (2) whole members of the Board in accordance with the Nasdaq Listing

Rules) and at least 50% of the securities purchased (including shares of Common Stock issued upon conversion or exchange of such securities purchased) by them pursuant to this Agreement (the "***BBA Purchaser Board Designation Right***"); provided, that each such designee must qualify as an "independent" director as defined under Nasdaq Listing Rule 5605(a)(2), and each such designee shall have provided the Nominating and Governance Committee of the Board (the "***Nominating Committee***") such information as the Nominating Committee customarily requests pursuant to its charter then in effect or pursuant to the Company's bylaws, to determine that such BBA Purchaser Board Designee meets the independence requirements under Nasdaq Listing Rule 5605(a)(2), and is not otherwise disqualified by applicable Nasdaq Stock Market or Commission rules or regulations from service on the Board. The Company agrees to take all necessary corporate and other actions, including increasing the size of the Board, if necessary, and filling the resulting vacancy by vote of the Board and/or to request a vote of the stockholders of the Company, to permit each BBA Purchaser Board Designee to be appointed or elected by the members of the Board and/or shareholders, as applicable, pursuant to the Company's Certificate of Incorporation and Bylaws.

(b) Effective upon the Closing Date, Boxer shall have the right (but not the obligation) to designate one member of the Board (the "***Boxer Board Designee***") for so long as Boxer holds at least 2.50% of the Company's outstanding Common Stock and at least 50% of the securities purchased (including shares of Common Stock issued upon conversion or exchange of such securities purchased) by it pursuant to this Agreement (the "***Boxer Board Designation Right***"); provided, that such designee must qualify as an "independent" director as defined under Nasdaq Listing Rule 5605(a)(2), and such designee shall have provided the Nominating Committee such information as the Nominating Committee customarily requests pursuant to its charter then in effect or pursuant to the Company's bylaws, to determine that such Boxer Board Designee meets the independence requirements under Nasdaq Listing Rule 5605(a)(2), and is not otherwise disqualified by applicable Nasdaq Stock Market or Commission rules or regulations from service on the Board. The Company agrees to take all necessary corporate and other actions, including increasing the size of the Board, if necessary, and filling the resulting vacancy by vote of the Board and/or to request a vote of the stockholders of the Company, to permit the Boxer Board Designee to be appointed or elected by the members of the Board and/or shareholders, as applicable, pursuant to the Company's Certificate of Incorporation and Bylaws.

(c) In addition, (i) at any time after the Closing Date when (x) the BBA Purchasers own at least 2.5% of the Company's outstanding Common Stock and at least 33% of the securities purchased (including shares of Common Stock issued upon conversion or exchange of such securities purchased) by them pursuant to this Agreement, and (y) the BBA Purchasers do not then have two BBA Purchaser Board Designees serving on the Board, the BBA Purchasers shall have the right to designate one individual to be present and participate in a non-voting capacity at all meetings of the Board or any committee thereof, including any telephonic meetings (such individual, the "***BBA Purchaser Board Observer***") and (ii) at any time after the Closing Date when (x) Boxer owns at least 2.5% of the Company's outstanding Common Stock and at least 33% of the securities purchased (including shares of Common Stock issued upon conversion or exchange of such securities purchased) by it pursuant to this Agreement, and (y) Boxer does not then have a Boxer Board Designee serving on the Board, Boxer shall have the right to designate one individual to be present and participate in a non-voting capacity at all

meetings of the Board or any committee thereof, including any telephonic meetings (such individual, the "***Boxer Board Observer***"). Any materials that are sent by the Company to the members of the Board in their capacity as such shall be sent to the BBA Purchaser Board Observer and Boxer Board Observer simultaneously by means reasonably designed to ensure timely receipt by the BBA Purchaser Board Observer and Boxer Board Observer, and the Company will give the BBA Purchaser Board Observer and Boxer Board Observer notice of such meetings, by the same means as such notices are delivered to the members of the Board and at the same time as notice is provided or delivered to the Board; provided, that each of the BBA Purchaser Board Observer and Boxer Board Observer agrees to hold in confidence and trust, to act in a fiduciary manner with respect to and not to disclose any information provided to or learned by the BBA Purchaser Board Observer and/or Boxer Board Observer acting in such capacity, whether in connection with such individual's attendance at meetings of the Board, in connection with the receipt of materials delivered to the Board or otherwise. Notwithstanding the provisions of this Section 6.08(c), the Company reserves the right to exclude the BBA Purchaser Board Observer and/or the Boxer Board Observer from any meeting of a committee of the Board for any reason whatsoever, to exclude the BBA Purchaser Board Observer and/or Boxer Board Observer from any meeting of the Board, or a portion thereof, and to redact portions of any materials delivered to the BBA Purchaser Board Observer and/or Boxer Board Observer where and to the extent that the Company reasonably believes that withholding such information or excluding such individual from attending such meeting of the Board, or a portion thereof, is reasonably necessary: (i) to preserve attorney-client, work product or similar privilege between the Company and its counsel with respect to any matter; (ii) to comply with the terms and conditions of confidentiality agreements between the Company and any third parties; or (iii) because the Board has determined that there exists, with respect to the subject of such deliberation or such information, an actual or potential conflict of interest between the BBA Purchasers or Boxer, as the case may be, and the Company. Further, the members of the Board shall be entitled to hold executive sessions which the BBA Purchaser Board Observer and Boxer Board Observer may not be invited to attend. The BBA Purchaser Board Observer and the Boxer Board Observer shall use the same degree of care to protect the Company's confidential and proprietary information as the BBA Purchasers or Boxer, as applicable, use to protect their confidential and proprietary information of like nature, but in no circumstances with less than reasonable care.

(d) For purposes of this Section 6.08, ownership shall be calculated in accordance with applicable guidance published by the Nasdaq Stock Market and shall exclude any shares underlying Common Stock Equivalents requiring additional payments to receive the underlying Common Stock upon such exercise or conversion.

6.09 Negative Covenants. For so long as at least 50% of the Series 1 Preferred Stock issued under this Agreement remains outstanding, in addition to any other vote or approval required under the Bylaws or Certificate of Incorporation of the Company, the Company shall not, directly or indirectly, do any of the following without the prior written approval of the BBA Purchasers:

(a) liquidate, dissolve or wind-up the affairs of the Company, or effect any merger or consolidation or other Fundamental Transaction (as defined in the Certificate of Designation);

(b) alter or amend the Company's Certificate of Incorporation, the Bylaws, or the Certificate of Designation in a manner that adversely effects the powers, preferences or rights given to the Series 1 Preferred Stock in the Certificate of Designation and that is disproportionate to the effect of such alteration or amendment on any other class or series of the Company's capital stock;

(c) materially change the principal business of the Company, enter into new lines of business, or exit the Company's current line of business;

(d) purchase or redeem or pay any dividend on any capital stock of the Company other than the repurchase of shares from former employees or consultants in connection with the cessation of their employment or services with the Company, at a repurchase price no greater than cost or a repurchase price approved by the Board;

(e) sell, assign, license or pledge TAR-002, (a/k/a OK-432 or picibanil), other than licenses granted in the ordinary course of business; or

(f) enter into any in-license, asset transfer, merger or acquisition (or similar corporate strategic relationship) involving assets of the Company with an aggregate value of more than $2,500,000.

provided that if the Company seeks approval from the BBA Purchasers for any of the foregoing and the BBA Purchasers do not respond to such request within seven Business Days or the BBA Purchasers elect not to receive the information required to consider such requested approvals, the requirement for the BBA Purchasers' approval shall be deemed waived by the parties solely with respect to the applicable approval being sought.

SECTION 7. Conditions of Purchasers' Obligations.

7.01 Conditions of the Purchasers' Obligations at the Closing. The obligations of the Purchasers under Section 2 hereof are subject to the fulfillment, at or prior to the applicable Closing, of all of the following conditions, any of which may be waived in whole or in part by the Purchasers in their absolute discretion.

(a) Representations and Warranties. The representations and warranties of the Company contained in this Agreement shall be true and correct on and as of the Closing Date with the same effect as though such representations and warranties had been made on and as of the Closing Date (except to the extent expressly made as of an earlier date in which case as of such earlier date).

(b) Performance. The Company shall have performed and complied with all covenants, agreements, obligations and conditions contained in this Agreement that are required to be performed or complied with by it on or prior to the Closing Date.

(c) Opinion of Company Counsel. The Company shall have delivered to the Purchasers the opinion of Morgan, Lewis & Bockius LLP, dated as of the Closing Date in form and substance reasonably satisfactory to the Purchasers.

(d) Compliance Certificate. The Chief Executive Officer of the Company shall have delivered to the Purchasers at the Closing Date a certificate certifying that the conditions specified in Sections 7.01(a) and 7.01(b) of this Agreement have been fulfilled.

(e) Secretary's Certificate. The Secretary of the Company shall have delivered to the Purchasers at the Closing Date a certificate certifying (i) the Certificate of Incorporation, as amended, including the Certificate of Designation, of the Company; (ii) the Bylaws of the Company; and (iii) resolutions of the Board of Directors (or an authorized committee thereof) approving this Agreement and the transactions contemplated by this Agreement.

(f) Listing Requirements. The Company's Common Stock (i) shall be listed on a National Exchange and (ii) shall not have been suspended, as of the Closing Date, by the Commission or the National Exchange from trading thereon nor shall suspension by the Commission or the National Exchange have been threatened, as of the Closing Date, either (A) in writing by the Commission or the National Exchange or (B) by falling below the minimum listing maintenance requirements of the National Exchange, unless, in the case of any such threatened suspension by the Commission or the National Exchange, the consummation of the Merger and the transactions contemplated under the Merger Agreement and this Agreement would reasonably be expected to cause the Company to comply with the minimum listing maintenance requirements of the National Exchange and thereby address any such written suspension threat by the Commission or the National Exchange.

(g) Qualification under State Securities Laws. All registrations, qualifications, permits and approvals, if any, required under applicable state securities laws shall have been obtained for the lawful execution, delivery and performance of this Agreement.

(h) Closing of Merger. The Merger (as defined in the Merger Agreement) shall have become effective.

(i) Minimum Investment. The Purchasers shall purchase at least $40,000,000.00 in Securities at the Closing; provided, however, that if any Purchaser's failure, inability or unwillingness to purchase at the Closing the Securities that such Purchaser has agreed pursuant to this Agreement to purchase at the Closing is the reason that this condition is not satisfied at the Closing, such Purchaser may not rely on this condition to excuse such failure, inability or unwillingness.

(j) Registration Rights Agreement. The Company shall have delivered the Registration Rights Agreement in the form attached hereto as **Exhibit C** (the "***Registration Rights Agreement***"), executed by the parties thereto, to the Purchasers.

(k) Lock-Up Agreements. The officers and directors of the Company who are continuing in such roles following the Closing Date shall have executed a Parent Lock-Up Agreement (defined in the Merger Agreement).

(l) Board Composition; CEO Appointment. As of the Closing, (i) the Board shall be comprised of no less than five (5) members and no more than seven (7) members, (ii) a majority of the members of the Board shall be "independent" within the meaning of the Nasdaq Stock Market rules, and (iii) Jesse Shefferman shall be appointed as the Chief Executive Officer of the Company.

7.02 Conditions of the Company's Obligations. The obligations of the Company under Section 2 hereof are subject to the fulfillment, at or prior to the applicable Closing, of all of the following conditions, any of which may be waived in whole or in part by the Company in its absolute discretion.

(a) Representations and Warranties. The representations and warranties of the Purchasers contained in this Agreement shall be true and correct on and as of the Closing Date with the same effect as though such representations and warranties had been made on and as of the Closing Date (except to the extent expressly made as of an earlier date in which case as of such earlier date).

(b) Performance. Each Purchaser shall have performed and complied with all covenants, agreements, obligations and conditions contained in this Agreement that are required to be performed or complied with by it on or prior to the Closing Date.

(c) Qualification under State Securities Laws. All registrations, qualifications, permits and approvals, if any, required under applicable state securities laws shall have been obtained for the lawful execution, delivery and performance of this Agreement.

(d) Closing of Merger. The Merger shall have become effective.

(e) Minimum Investment. The Purchasers shall purchase at least $40,000,000.00 in Securities at the Closing

SECTION 8. Registration Rights. If at any time after 180 days following the Closing Date, the BBA Purchasers or Boxer determine, based on the totality of the circumstances, that they may be deemed to be "affiliates" of the Company within the meaning of Rule 144 of the 1933 Act, whether through the exercise of their respective board designation rights as provided in Section 6.08 or otherwise, the Company shall enter into the registration rights agreement with the BBA Purchasers or Boxer (as applicable) in the form attached hereto as **Exhibit B** (the "***BBA Registration Rights Agreement***").

SECTION 9. Transfer Restrictions; Restrictive Legend.

9.01 Transfer Restrictions. The Purchasers understand that the Company may, as a condition to the transfer of any of the Securities or the Series 1 Preferred Conversion Shares, require that the request for transfer be accompanied by a certificate and/or an opinion of counsel reasonably satisfactory to the Company, to the effect that the proposed transfer does not result in a violation of the 1933 Act, unless such transfer is covered by an effective registration statement or by Rule 144 or Rule 144A under the 1933 Act. It is understood that the certificates evidencing the Securities and Series 1 Preferred Conversion Shares may bear substantially the following legend:

"THESE SECURITIES HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED, OR ANY APPLICABLE STATE SECURITIES LAWS. THEY MAY NOT BE SOLD, OFFERED FOR SALE, PLEDGED OR HYPOTHECATED IN THE ABSENCE OF A REGISTRATION STATEMENT IN EFFECT WITH RESPECT TO THE SECURITIES UNDER SUCH ACT OR APPLICABLE STATE SECURITIES LAWS OR A CERTIFICATE AND/OR AN OPINION OF COUNSEL SATISFACTORY TO THE COMPANY THAT SUCH REGISTRATION IS NOT REQUIRED."

SECTION 10. Registration, Transfer and Substitution of Certificates for Securities.

10.01 Stock Register; Ownership of Securities. The Company will keep at its principal office, or will cause its transfer agent to keep, a register in which the Company will provide for the registration of transfers of the Securities. The Company may treat the person in whose name any of the Securities are registered on such register as the owner thereof and the Company shall not be affected by any notice to the contrary. All references in this Agreement to a "holder" of any Securities shall mean the person in whose name such Securities are at the time registered on such register.

10.02 Replacement of Certificates. Upon receipt of evidence reasonably satisfactory to the Company of the loss, theft, destruction or mutilation of any certificate representing any of the Securities, and, in the case of any such loss, theft or destruction, upon delivery of an indemnity agreement and surety bond reasonably satisfactory to the Company or, in the case of any such mutilation, upon surrender of such certificate for cancellation at the office of the Company maintained pursuant to Section 10.01 hereof, the Company at its expense will execute and deliver, in lieu thereof, a new certificate representing such Securities, of like tenor.

SECTION 11. Definitions. Unless the context otherwise requires, the terms defined in this Section 11 shall have the meanings specified for all purposes of this Agreement. All accounting terms used in this Agreement, whether or not defined in this Section 11, shall be construed in accordance with GAAP and such accounting terms shall be determined on a consolidated basis for the Company and each of its subsidiaries.

"***1933 Act Regulations***" means the rules and regulations promulgated under the 1933 Act.

"***1934 Act***" means the Securities Exchange Act of 1934, as amended.

"***1934 Act Regulations***" means the rules and regulations promulgated under the 1934 Act.

"***Affiliate***" shall have the meaning ascribed to such term in Rule 12b-2 of the General Rules and Regulations under the 1934 Act.

"***BBA Purchasers***" means the investment partnerships advised by Baker Bros. Advisors LP set forth on the Schedule of Purchasers.

"***Boxer***" means Boxer Capital, LLC and MVA Investors, LLC.

"***Business Day***" means any day other than Saturday, Sunday or other day on which commercial banks in the City of New York are authorized or required by law to remain closed.

"***Common Stock Equivalents***" means any securities of the Company or the subsidiaries which would entitle the holder thereof to acquire at any time Common Stock, including, without limitation, any debt, preferred stock, right, option, warrant or other instrument that is at any time convertible into or exercisable or exchangeable for, or otherwise entitles the holder thereof to receive, Common Stock.

"***Common Stock Purchase Price***" means the price per share of Common Stock that is equal to (x) Aggregate Valuation (as defined in the Merger Agreement), divided by (y) the Post-Closing Parent Shares (as defined in the Merger Agreement), rounded to six decimal points.

"***Environmental Law***" means any federal, state, local or foreign Law relating to pollution or protection of human health or the environment (including ambient air, surface water, ground water, land surface or subsurface strata), including any law or regulation relating to emissions, discharges, releases or threatened releases of Hazardous Materials, or otherwise relating to the manufacture, processing, distribution, use, treatment, storage, disposal, transport or handling of Hazardous Materials.

"***Exempt Issuance***" means the issuance of (a) shares of Common Stock and options to officers, directors, employees or service providers of the Company, prior to and after the Closing Date, (b) securities issuable pursuant to this Agreement or upon conversion or exercise of such securities, (c) securities issued pursuant to the Merger Agreement or upon conversion or exercise of such securities, (d) other securities exercisable or exchangeable for or convertible into shares of Common Stock issued and outstanding on the date of this Agreement, provided that such securities and any term thereof have not been amended since the date of this Agreement to increase the number of such securities or to decrease the issue price, exercise price, exchange price or conversion price of such securities, (e) securities issued to banks, equipment lessors or other financial institutions, or to real property lessors, pursuant to a debt financing, equipment leasing or real property leasing transaction, and/or (f) securities issued in connection with sponsored research, collaboration, technology license, development, OEM, marketing or other similar agreements or strategic partnerships.

"***Governmental Authorization***" means any: (a) permit, license, certificate, certification, franchise, permission, approval, exemption, variance, exception, order, clearance, registration, qualification or authorization issued, granted, given or otherwise made available by or under the authority of any Governmental Entity or pursuant to any law; or (b) right under any contract with any Governmental Entity.

"***Hazardous Materials***" means any pollutant, chemical, substance and any toxic, infectious, carcinogenic, reactive, corrosive, ignitable or flammable chemical, or chemical compound, or hazardous substance, material or waste, whether solid, liquid or gas, that is subject to regulation, control or remediation under any Environmental Law, including without limitation, crude oil or any fraction thereof, and petroleum products or by-products.

"***Person***" means any individual, entity or Governmental Entity.

"***Preferred Stock***" means the Company's preferred stock, par value $0.001 per share.

"***Rule 144***" means Rule 144 promulgated by the Commission pursuant to the 1933 Act, as such Rule may be amended from time to time, or any similar rule or regulation hereafter adopted by the Commission having substantially the same effect as such Rule.

"***Series 1 Preferred Conversion Shares***" means the shares of Common Stock issuable upon conversion of the Series 1 Preferred Stock.

"***Series 1 Preferred Stock Purchase Price***" means the price per share of Series 1 Preferred Stock as is equal to one thousand (1,000) times the Common Stock Purchase Price.

SECTION 12. Miscellaneous.

12.01 Waivers and Amendments. Upon the approval of the Company and the written consent of the Purchasers, the obligations of the Company and the rights of the Purchasers under this Agreement may be waived (either generally or in a particular instance, either retroactively or prospectively and either for a specified period of time or indefinitely). Neither this Agreement, nor any provision hereof, may be changed, waived, discharged or terminated orally or by course of dealing, but only by an instrument in writing executed by the Company and the Purchasers holding, or having the right to purchase at the Closing, a majority of the Securities purchased or to be purchased hereunder (calculated on an as-converted to Common Stock basis); *provided that* (i) prior to the Closing Date, the Schedule of Purchasers shall only be amended by the Company in accordance with Section 3 and as necessary to insert share numbers once the Common Stock Purchase Price and Series 1 Preferred Stock Purchaser Price are finally determined pursuant to the Merger Agreement; (ii) any change, waiver, discharge or termination of Section 6.04, Section 6.08(a), Section 6.08(c) (with respect to the BBA Purchasers' rights therein), Section 6.09, Section 8 and this clause (ii) of Section 12.01 shall require the consent of the BBA Purchasers; and (iii) any change, waiver, discharge or termination of 6.08(b), Section 6.08(c) (with respect to Boxer's rights therein), Section 8 (with respect to Boxer's rights therein) and this clause (iii) of Section 12.01 shall require the consent of Boxer. Notwithstanding the foregoing, Section 6.09 may be amended or waived with the consent

of the Company and the BBA Purchasers any time after the date on which the Company has completed one or more Subsequent Financings resulting in aggregate gross proceeds to the Company of at least $50,000,000.

12.02 Notices. All notices, requests, consents, and other communications under this Agreement shall be in writing and shall be deemed delivered: (a) when delivered, if delivered personally, (b) four Business Days after being sent by registered or certified mail, return receipt requested, postage prepaid, (c) one Business Day after being sent via a reputable nationwide overnight courier service guaranteeing next Business Day delivery, or (d) when receipt is acknowledged, in the case of email, in each case to the intended recipient as set forth below, with respect to the Company, and to the addresses set forth on the Schedule of Purchasers with respect to the Purchasers.

If to the Company (on or prior to the Closing Date):

Proteon Therapeutics, Inc.
200 West Street
Waltham, Massachusetts 02451
Attention: Chief Executive Officer
Email: ceo@proteontx.com

with a copy (which shall not constitute notice) to:

Morgan, Lewis & Bockius LLP
One Federal Street
Boston, Massachusetts 02210
Attention: Julio E. Vega
Email: julio.vega@morganlewis.com

If to the Company (following the Closing Date):
ArTara Therapeutics
1 Little W 12th Street
New York, NY 10014
Attention: Jesse Shefferman
Email: jesse.shefferman@artaratx.com

with a copy (which shall not constitute notice) to:

Cooley LLP
4401 Eastgate Mall
San Diego, CA 92121
Attn: Karen E. Deschaine, Esq.
Email: KDeschaine@cooley.com

or at such other address as the Company or each Purchaser may specify by written notice to the other parties hereto in accordance with this Section 12.02.

12.03 Cumulative Remedies. None of the rights, powers or remedies conferred upon the Purchasers on the one hand or the Company on the other hand shall be mutually exclusive, and each such right, power or remedy shall be cumulative and in addition to every other right, power or remedy, whether conferred by this Agreement or now or hereafter available at law, in equity, by statute or otherwise.

12.04 Successors and Assigns. All the terms and provisions of this Agreement shall be binding upon and inure to the benefit of and be enforceable by the respective parties hereto, the successors and permitted assigns of each Purchaser and the successors of the Company, whether so expressed or not. None of the parties hereto may assign its rights or obligations hereof without the prior written consent of the Company, except that a Purchaser may, without the prior consent of the Company, assign its rights to purchase the Securities hereunder to any of its Affiliates (provided each such Affiliate agrees to be bound by the terms of this Agreement and makes the same representations and warranties set forth in Section 4 hereof). This Agreement shall not inure to the benefit of or be enforceable by any other person.

12.05 Headings. The headings of the Sections and paragraphs of this Agreement have been inserted for convenience of reference only and do not constitute a part of this Agreement.

12.06 Governing Law; Jurisdiction. This Agreement shall be governed by and construed in accordance with the laws of the State of New York without regard to its conflict of law principles. Any suit, action or proceeding seeking to enforce any provision of, or based on any matter arising out of or in connection with, this Agreement or the transactions contemplated hereby may be brought in any federal or state court located in the City of New York and State of New York, and each of the parties hereby consents to the jurisdiction of such courts (and of the appropriate appellate courts therefrom) in any such suit, action or proceeding and irrevocably waives, to the fullest extent permitted by law, any objection which it may now or hereafter have to the laying of the venue of any such suit, action or proceeding in any such court or that any such suit, action or proceeding which is brought in any such court has been brought in an inconvenient forum. Process in any such suit, action or proceeding may be served on any party anywhere in the world, whether within or without the jurisdiction of any such court.

12.07 Survival. The representations and warranties of the Company and the Purchasers contained in Sections 4 and 5, and the agreements and covenants set forth in Sections 6, 8 and 12 shall survive the Closing in accordance with their respective terms. Each Purchaser shall be responsible only for its own representations, warranties, agreements and covenants hereunder.

12.08 Counterparts; Effectiveness. This Agreement may be executed in any number of counterparts and by different parties hereto in separate counterparts, with the same effect as if all parties had signed the same document. All such counterparts (including counterparts delivered by facsimile or other electronic format) shall be deemed an original, shall be construed together and shall constitute one and the same instrument. This Agreement shall

become effective when each party hereto shall have received counterparts hereof signed by all of the other parties hereto.

12.09 Entire Agreement. This Agreement contains the entire agreement among the parties hereto with respect to the subject matter hereof and, except as set forth below, this agreement supersedes and replaces all other prior agreements, written or oral, among the parties hereto with respect to the subject matter hereof. Notwithstanding the foregoing or anything to the contrary in this Agreement, this Agreement shall not supersede any confidentiality or other non-disclosure agreements that may be in place between the Company and any Purchaser.

12.10 Severability. If any provision of this Agreement shall be found by any court of competent jurisdiction to be invalid or unenforceable, the parties hereby waive such provision to the extent that it is found to be invalid or unenforceable. Such provision shall, to the maximum extent allowable by law, be modified by such court so that it becomes enforceable, and, as modified, shall be enforced as any other provision hereof, all the other provisions hereof continuing in full force and effect.

12.11 Independent Nature of Purchasers' Obligations and Rights. The obligations of each Purchaser under this Agreement are several and not joint with the obligations of any other Purchaser, and no Purchaser shall be responsible in any way for the performance of the obligations of any other Purchaser under this Agreement. Nothing contained herein, and no action taken by any Purchaser pursuant hereto or thereto, shall be deemed to constitute the Purchasers as, and the Company acknowledges that the Purchasers do not so constitute, a partnership, an association, a joint venture or any other kind of entity, or create a presumption that the Purchasers are in any way acting in concert or as a group, and the Company will not assert any such claim with respect to such obligations or the transactions contemplated by this Agreement and the Company acknowledges that the Purchasers are not acting in concert or as a group with respect to such obligations or the transactions contemplated by this Agreement. The Company acknowledges and each Purchaser confirms that it has independently participated in the negotiation of the transaction contemplated hereby with the advice of its own counsel and advisors. Each Purchaser shall be entitled to independently protect and enforce its rights, including, without limitation, the rights arising out of this Agreement, and it shall not be necessary for any other Purchaser to be joined as an additional party in any proceeding for such purpose.

12.12 Termination. In the event that the Merger Agreement is terminated in accordance with its terms at any time prior to the consummation of the Closing, the Company shall have the right to terminate this Agreement by giving written notice of termination to the Purchasers, and the Purchasers shall have the right to terminate this Agreement by giving written notice of termination to the Company. In the event of the termination of this Agreement as provided in the foregoing provisions of this Section 12.12, this Agreement shall be of no further force or effect; *provided*, *however*, that (a) this Section 12.12 and the other provisions of Section 12 of this Agreement shall survive the termination of this Agreement and shall remain in full force and effect, and (b) the termination of this Agreement shall not relieve any party to this Agreement of any liability for common law fraud or for any Willful Breach of any representation, warranty, covenant, obligation or other provision contained in this Agreement.

"***Willful Breach"*** means a deliberate act or deliberate failure to act, taken with the actual knowledge that such act or failure to act would result in or constitute a material breach of this Agreement.

[*Signature page follows*]

IN WITNESS WHEREOF, the parties hereto have caused this Subscription Agreement to be duly executed as of the Effective Date.

PROTEON THERAPEUTICS, INC.

By: /s/ Timothy P. Noyes
Name: Timothy P. Noyes
Title: President and CEO

[*Signature page to Subscription Agreement*]

IN WITNESS WHEREOF, the parties hereto have caused this Subscription Agreement to be duly executed as of the Effective Date.

667, L.P.

By: BAKER BROS. ADVISORS LP,
management company and investment adviser to 667, L.P., pursuant to authority granted to it by Baker Biotech Capital, L.P., general partner to 667, L.P., and not as the general partner

By: /s/ Scott L. Lessing
Name: Scott L. Lessing
Title: President

BAKER BROTHERS LIFE SCIENCES, L.P.

By: BAKER BROS. ADVISORS LP,
management company and investment adviser to BAKER BROTHERS LIFE SCIENCES, L.P., pursuant to authority granted to it by Baker Brothers Life Sciences Capital, L.P., general partner to BAKER BROTHERS LIFE SCIENCES, L.P., and not as the general partner

By: /s/ Scott L. Lessing
Name: Scott L. Lessing
Title: President

[Signature page to Subscription Agreement]

IN WITNESS WHEREOF, the parties hereto have caused this Subscription Agreement to be duly executed as of the Effective Date.

BOXER CAPITAL, LLC

By: /s/ Aaron Davis
Name: Aaron Davis
Title: Chief Executive Officer

MVA INVESTORS, LLC

By: /s/ Aaron Davis
Name: Aaron Davis
Title: Chief Executive Officer

[*Signature page to Subscription Agreement]*

IN WITNESS WHEREOF, the parties hereto have caused this Subscription Agreement to be duly executed as of the Effective Date.

OPALEYE LP

By: /s/ James Silverman
Name: James Silverman
Title: Founder / General Partner

[*Signature page to Subscription Agreement]*

IN WITNESS WHEREOF, the parties hereto have caused this Subscription Agreement to be duly executed as of the Effective Date.

DRW VENTURE CAPITAL, LLC

By: /s/ David B. Nelson
Name: David B. Nelson
Title: Vice President

[*Signature page to Subscription Agreement]*

IN WITNESS WHEREOF, the parties hereto have caused this Subscription Agreement to be duly executed as of the Effective Date.

IKARIAN CAPITAL

By: /s/ Chart Westcott
Name: Chart Westcott
Title: COO

[*Signature page to Subscription Agreement]*

IN WITNESS WHEREOF, the parties hereto have caused this Subscription Agreement to be duly executed as of the Effective Date.

JAMES F. REDDOCH

By: /s/ James F. Reddoch

[*Signature page to Subscription Agreement]*

Schedule I

SCHEDULE OF PURCHASERS

CLOSING:

Exhibit A

CERTIFICATE OF DESIGNATION

PROTEON THERAPEUTICS, INC.

**CERTIFICATE OF DESIGNATION OF PREFERENCES,
RIGHTS AND LIMITATIONS
OF
SERIES 1 CONVERTIBLE NON-VOTING PREFERRED STOCK**

PURSUANT TO SECTION 151(G) OF THE
DELAWARE GENERAL CORPORATION LAW

PROTEON THERAPEUTICS, INC., a Delaware corporation (the "**Corporation**"), in accordance with the provisions of Section 103 of the Delaware General Corporation Law (the "**DGCL**"), does hereby certify that, in accordance with Section 151 of the DGCL, the following resolution was duly adopted by the Board of Directors of the Corporation as of [date], 2019:

RESOLVED, that the Board of Directors of the Corporation, pursuant to authority expressly vested in it by the provisions of the Certificate of Incorporation of the Corporation, hereby authorizes the issuance of a series of Preferred Stock designated as the Series 1 Convertible Non-Voting Preferred Stock, par value $0.001 per share, of the Corporation, with a stated value of $[1000 x conversion price] per share, and hereby fixes the designation, number of shares, powers, preferences, rights, qualifications, limitations and restrictions thereof (in addition to any provisions set forth in the Certificate of Incorporation of the Corporation which are applicable to the Preferred Stock of all classes and series) as follows:

SERIES 1 CONVERTIBLE NON-VOTING PREFERRED STOCK

Section 1. Definitions. For the purposes hereof, the following terms shall have the following meanings:

"**Affiliate**" means any Person (as hereinafter defined) that, directly or indirectly through one or more intermediaries, controls or is controlled by or is under common control with such Person, as such terms are used in and construed under Rule 144 under the Securities Act ("**Rule 144**"). With respect to a Holder, any investment fund or managed account that is managed on a discretionary basis by the same investment manager as such Holder will be deemed to be an Affiliate of such Holder. As used in this definition of "Affiliate," the term "control" means the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of a Person, whether through ownership of voting securities or partnership or other ownership interest, by contract, or otherwise.

"**Attribution Parties**" means, with respect to any Holder, collectively, any of such Holder's Affiliates, any Persons acting as a "group" together with such Holder with respect to the Common Stock for purposes of Section 13(d) of the Exchange Act, and any other Persons whose beneficial ownership of the Common Stock would be aggregated with such Holder's for purposes of Section 13(d) of the Exchange Act.

The "**Beneficial Ownership Limitation**" shall be 9.99%; *provided that*, by written notice to the Corporation, the Holder may from time to time increase or decrease the Beneficial Ownership Limitation to any other percentage not in excess of 19.99% specified in such notice; provided that (i) any increase from a limit set pursuant to this sentence or pursuant to a previous notice will not be effective until the sixty-first (61st) day after such notice (or subsequent notice) is delivered to the Corporation, and (ii) any such increase or decrease will apply only to the Holder and not to any other Holder of Series 1 Preferred Stock.

"**Board of Directors**" means the Board of Directors of the Corporation.

"**Business Day**" means any day except Saturday, Sunday, any day which shall be a federal legal holiday in the United States or any day on which banking institutions in the State of New York are authorized or required by law or other governmental action to close.

"**Buy-In Shares**" shall have the meaning set forth in Section 7(f)(i).

"**Bylaws**" means the Amended and Restated Bylaws of the Corporation, as they may be amended, restated modified or supplemented and in effect from time to time.

"**Certificate**" means this Certificate of Designation of Preferences, Rights and Limitations of Series 1 Convertible Non-Voting Preferred Stock.

"**Commission**" means the Securities and Exchange Commission.

"**Common Stock**" means the Corporation's common stock, par value $0.001 per share, and stock of any other class of securities into which such securities may hereafter be reclassified or changed.

"**Conversion Date**" shall have the meaning set forth in Section 7(a).

"**Conversion Notice**" shall have the meaning set forth in Section 7(d)(i).

"**Conversion Price**" shall mean, on a per share basis, as of any Conversion Date or other date of determination, $[common stock purchase price], subject to adjustment as provided herein.

"**Conversion Rate**" shall have the meaning set forth in Section 7(c).

"**Conversion Shares**" shall have the meaning set forth in Section 7(b).

"**Converting Holder**" shall have the meaning set forth in Section 7(d)(i).

"**Corporation**" shall have the meaning set forth in the preamble.

"**DGCL**" shall have the meaning set forth in the preamble.

"**Distribution**" shall have the meaning set forth in Section 3.

"**DTC**" shall have the meaning set forth in Section 7(d)(ii).

"**DWAC**" shall have the meaning set forth in Section 7(d)(ii).

"**Effective Date**" means [date].

"**Excess Shares**" shall have the meaning set forth in Section 7(g).

"**Exchange Act**" means the Securities Exchange Act of 1934, as amended, and the rules and regulations promulgated thereunder.

"**Fundamental Transaction**" shall have the meaning set forth in Section 8(b)(i).

"**Holder**" shall mean each holder of record of shares of Series 1 Preferred Stock.

"**Junior Securities**" shall have the meaning set forth in Section 6(a).

"**National Exchange**" means each of the following, together with any successor thereto: the NYSE American, The New York Stock Exchange, the NASDAQ Global Market, the NASDAQ Global Select Market and the NASDAQ Capital Market.

"**Parity Securities**" shall have the meaning set forth in Section 6(a).

"**Person**" shall mean an individual, a limited liability company, a partnership, a joint venture, a corporation, a trust, an unincorporated organization or a government or any department or agency thereof or any other legal entity.

"**Principal Market**" means the NASDAQ Global Market; however, if the Common Stock becomes listed on another National Exchange after the Effective Date, then, from and after such date, the "**Principal Market**" shall mean such National Exchange.

"**Registration Rights Agreement**" means the Registration Rights Agreement, dated as of September 23, 2019, by and among the Corporation and the investors party thereto, as the same may be amended, restated, modified or supplemented and in effect from time to time.

"**Registration Statement Effective Date**" shall have the meaning set forth in Section 7(d)(iv).

"**Requisite Holders**" means, as of any date, the Holders of at least 66.6% of the then-outstanding shares of Series 1 Preferred Stock.

"**Securities**" means, collectively, the shares of Series 1 Preferred Stock and the Conversion Shares.

"**Securities Act**" means the Securities Act of 1933, as amended, and the rules and regulations promulgated thereunder.

"**Securities Purchase Agreement**" means that certain Subscription Agreement, dated as of September 23, 2019, between the Corporation and the investors party thereto.

"**Senior Securities**" shall have the meaning set forth in Section 6(a).

"**Series 1 Liquidation Preference**" means, with respect to each share of Series 1 Preferred Stock, an amount equal to $10.00.

"**Series 1 Preferred Director**" has the meaning set forth in Section 4(b).

"**Series 1 Preferred Stock**" has the meaning set forth in Section 2(a).

"**Series 1 Preferred Stock Register**" has the meaning set forth in Section 2(b).

"**Share Delivery Date**" shall have the meaning set forth in Section 7(d)(ii).

"**Stated Value**" shall mean $[1000x conversion price].

"**Stock Event**" means any stock split, stock combination, reclassification, stock dividend, recapitalization or other similar transaction of such character that shares of Common Stock shall be changed into or become exchangeable for a larger or small number of shares.

"**Taxes**" means all taxes, charges, fees, levies or other like assessments, including United States federal, state, local, foreign and other net income, gross income, gross receipts, social security, estimated, sales, use, ad valorem, franchise, profits, net worth, alternative or add-on minimum, capital gains, license, withholding, payroll, employment, unemployment, social security, excise, property, transfer taxes and any and all other taxes, assessments, fees or other governmental charges, whether computed on a separate, consolidated, unitary, combined or any other basis together with any interest and any penalties, additions to tax, estimated taxes or additional amounts with respect thereto, and including any liability for taxes as a result of being a member of a consolidated, combined, unitary or affiliated group or any other obligation to indemnify or otherwise succeed to the tax liability of any other Person.

"**Trading Day**" means any day on which the Common Stock is traded on the Principal Market; provided that "Trading Day" shall not include any day on which the Common Stock is scheduled to trade, or actually trades, on the Principal Market for less than 4.5 hours.

"**Transfer Agent**" shall have the meaning set forth in Section 7(d)(ii).

"**Volume Weighted Average Price**" means, for any security as of any date, the U.S. dollar volume-weighted average price for such security on its Principal Market during the period beginning at 9:30 a.m., New York City time (or such other time as the Principal Market publicly announces is the official open of trading), and ending at 4:00 p.m., New York City time (or such other time as the Principal Market publicly announces is the official close of trading), as reported by Bloomberg Markets (or any successor thereto) "**Bloomberg**") through its "Volume at Price" functions, or, if the foregoing does not apply, the dollar volume-weighted average price of such security in the over-the-counter market on the electronic bulletin board for such security during the period beginning at 9:30 a.m., New York City time (or such other time as such over-the-counter market publicly announces is the official open of trading), and ending at 4:00 p.m., New York City time (or such other time as such over-the-counter market publicly announces is the official close of trading), as reported by Bloomberg, or, if no dollar volume-weighted average price is reported for such security by Bloomberg for such hours, the average of the highest closing bid price and the lowest closing ask price of any of the market makers for such security as reported by OTC Markets Group, Inc. (or any successor thereto). If the Volume Weighted Average Price cannot be calculated for such security on such date on any of the foregoing bases, the Volume Weighted Average Price of such security on such date shall be the fair market value as mutually determined by the Corporation and the Holders of a majority of the outstanding shares of Series 1 Preferred Stock as to which the determination is being made. If the Principal Market is located in a country other than the United States, the Volume Weighted Average Price shall be calculated in U.S. dollars using the spot rate for the purchase of the applicable foreign currency at the close of business on the immediately preceding Business Day in New York, New York published in the Wall Street Journal. All such determinations shall be appropriately adjusted for any Stock Event during any period during which the Volume Weighted Average Price is being determined. Volume Weighted Average Price will be determined without regard to after-hours trading or any other trading outside of the regular trading hours.

"**Unrestricted Conditions**" shall have the meaning set forth in Section 7(d)(iv).

Section 2. Designation, Amount and Par Value; Assignment.

(a) The series of preferred stock designated by this Certificate shall be designated as the Corporation's Series 1 Convertible Non-Voting Preferred Stock (the "**Series 1 Preferred Stock**"), and the number of shares so designated shall be [ ] (which shall not be subject to increase without the written consent of the Requisite Holders) and shall be designated from the 10,000,000 shares of Preferred Stock authorized to be issued by the Certificate of Incorporation. Each share of Series 1 Preferred Stock shall have a par value of $0.001 per share.

(b) The Corporation shall register, or cause to be registered, shares of the Series 1 Preferred Stock, upon records to be maintained by the Corporation (or the Corporation's designated transfer agent for the Series 1 Preferred Stock) for that purpose (the "**Series 1 Preferred Stock Register**"), in the respective names of the Holders thereof from time to time. The Corporation may deem and treat the registered Holder of shares of Series 1 Preferred Stock as the absolute owner thereof for the purpose of any conversion thereof and for all other purposes. The Corporation shall register, or cause to be registered, the transfer of any shares of Series 1 Preferred Stock in the Series 1 Preferred Stock Register, upon surrender of the certificates evidencing such shares to be transferred, duly endorsed by the Holder thereof (or accompanied by stock powers or other instruments of transfer duly completed and executed by the Holder thereof), to the Corporation at its address specified herein. Upon any such registration or transfer, a new certificate evidencing the shares of Series 1 Preferred Stock so transferred shall be issued to the transferee or transferees and a new certificate evidencing the remaining portion of the shares not so transferred, if any, shall be issued to the transferring Holder, in each case, within three Business Days. The shares of Series 1 Preferred Stock and the rights evidenced hereby and thereby shall inure to the benefit of and be binding upon the successors

and assigns of the Holder. The provisions of this Certificate are intended to be for the benefit of all Holders from time to time and shall be enforceable by any such Holder.

(c) Neither the shares of Series 1 Preferred Stock nor the Conversion Shares may be pledged, transferred, sold or assigned except pursuant to an effective registration statement or an exemption to the registration requirements of the Securities Act and applicable state laws, including Section 4(a)(7) of the Securities Act, Rule 144 or a so-called "4[(a)](1) and a half" transaction. For avoidance of doubt, in the event a holder notifies the Corporation that such sale or transfer is pursuant to an exemption to the registration requirements of the Securities Act other than pursuant to Rule 144, the parties agree that a legal opinion from outside counsel for such holder delivered to counsel for the Corporation substantially in the form attached hereto as Exhibit A shall be the only requirement that such holder needs to satisfy to establish the availability of such an exemption from registration under the Securities Act to effectuate such transaction. Additionally, notwithstanding anything to the contrary contained herein, no shares of Series 1 Preferred Stock may be sold, transferred or assigned if a Conversion Notice has been delivered to the Corporation with respect to such shares and such Conversion Notice has not been voided or withdrawn by the applicable Holder.

Section 3. Dividends. If the Corporation shall declare or make any dividend or other distribution of assets (or rights to acquire assets) to holders of Common Stock by way of return of capital or otherwise (including any dividend or other distribution of cash, stock or other securities, property or options by way of a dividend, spin off, reclassification, corporate rearrangement or other similar transaction) (a "**Distribution**") at any time after the Effective Date, then, in each such case, each Holder of Series 1 Preferred Stock on the applicable record date with respect to such Distribution (or, if there is no record date for such Distribution, each Holder of Series 1 Preferred Stock immediately prior to the effective date of such Distribution) shall be entitled to receive such Distribution, and the Corporation shall make such Distribution to such Holder, exactly as if such Holder had converted such Holder's shares of Series 1 Preferred Stock in full (and, as a result, had held all of the Conversion Shares that such Holder would have received upon such conversion, without regard to any limitations or restrictions on conversion) immediately prior to the record date for such Distribution, or if there is no record date therefor, immediately prior to the effective date of such Distribution (but without the Holder's actually having to so convert such Holder's shares of Series 1 Preferred Stock). For the avoidance of doubt, payments under the preceding sentence shall be made concurrently with the Distribution to the holders of Common Stock.

Section 4. Voting Rights. Except as otherwise provided herein (including with respect to the matters set forth in Section 5 hereof) or as otherwise required by the DGCL, the Series 1 Preferred Stock shall have no voting rights. The Corporation shall not, however, as long as any shares of Series 1 Preferred Stock are outstanding, either directly or indirectly (whether by amendment, corporate action, by contract, by merger or otherwise), without the written consent of the Requisite Holders, and any such act or transaction entered into without such consent shall be null and void *ab initio*, and of no force or effect: (i) increase the number of authorized shares of Series 1 Preferred Stock, (ii) consummate or consent to any Fundamental Transaction if such Fundamental Transaction will not be effected in compliance with Section 8(b); or (iii) enter into any agreement with respect to any of the foregoing.

Section 5. Amendments to this Certificate. Any amendment to this Certificate that alters or changes the powers, preferences, rights or other terms of the Series 1 Preferred Stock shall require the approval of the Requisite Holders. In accordance with Article Four, Section 2(b) of the Certificate of Incorporation of the Corporation, except as otherwise required by law, holders of Common Stock, as such, shall not be entitled to vote on any amendment to this Certificate.

Section 6. Rank; Liquidation.

(a) The Series 1 Preferred Stock shall rank (i) senior to all of the Common Stock; (ii) senior to any class or series of capital stock of the Corporation hereafter created specifically ranking by its terms junior to any Series 1 Preferred Stock ("**Junior Securities**"); (iii) on parity with any class or series of capital stock of the Corporation created specifically ranking by its terms on parity with the Series 1 Preferred Stock ("**Parity Securities**"); and (iv) junior to any class or series of capital stock of the Corporation hereafter created specifically ranking by its terms senior to any Series 1 Preferred Stock ("**Senior Securities**"), in each

case, as to distributions of assets upon liquidation, dissolution or winding up of the Corporation, whether voluntarily or involuntarily.

(b) Subject to any superior liquidation rights of the holders of any Senior Securities of the Corporation, upon the liquidation, dissolution or winding up of the Corporation (other than in connection with a Fundamental Transaction), whether voluntary or involuntary, each Holder shall be entitled to receive for each share of Series 1 Preferred Stock, in preference to any distributions of any of the assets or surplus funds of the Corporation to the holders of the Common Stock and Junior Securities and *pari passu* with any distribution to the holders of Parity Securities, an amount equal to the Series 1 Liquidation Preference, plus an amount equal to any dividends declared but unpaid thereon, before any payments shall be made or any assets distributed to holders of any class of Common Stock or Junior Securities. After such payment shall have been made in full to the holders of the Series 1 Preferred Stock and Parity Securities, or funds necessary for such payment shall have been set aside by the Corporation in trust for the account of holders of the Series 1 Preferred Stock and Parity Securities, so as to be available for such payment, the remaining assets available for distribution shall be distributed ratably among the holders of the Junior Securities, if applicable in accordance with the terms of such securities, and the Common Stock.

Section 7. Conversion.

(a) Conversion Right. Each Holder shall have the right, at such Holder's option, to convert the shares of Series 1 Preferred Stock held by such Holder into shares of Common Stock on any date (such date, the "**Conversion Date**") subject to and upon the terms, conditions and limitations set forth in this Section 7.

(b) Conversion at Option of the Holder. Each Holder shall be entitled to convert some or all of its shares of Series 1 Preferred Stock into fully paid and nonassessable shares of Common Stock ("**Conversion Shares**") subject to, and in accordance with, this Section 7 at the Conversion Rate. The Corporation shall not issue any fraction of a share of Common Stock upon any conversion. If the issuance would result in the issuance of a fraction of a share, then the Corporation shall round such fraction of a share up or down to the nearest whole share (with 0.5 rounded up). Whether or not fractional shares would be issuable upon such conversion shall be determined on the basis of the total number of shares of Series 1 Preferred Stock the Holder is at the time converting into Common Stock and the aggregate number of shares of Common Stock issuable upon such conversion.

(c) Conversion Rate. The number of Conversion Shares issuable upon conversion of each share of Series 1 Preferred Stock being converted pursuant to this Section 7 shall be determined according to the following formula (the "**Conversion Rate**"):

$$\frac{\text{Stated Value}}{\text{Conversion Price}}$$

(d) Mechanics of Conversion. The conversion of Series 1 Preferred Stock shall be conducted in the following manner:

(i) Holder's Delivery Requirements. To convert shares of Series 1 Preferred Stock into Conversion Shares pursuant to this Section 7 on any date, a Holder seeking to effect such conversion (a "**Converting Holder**") shall (A) transmit by facsimile or electronic mail (or otherwise deliver), for receipt on or prior to 5:00 p.m. New York City time on such date, a copy of an executed conversion notice in the form attached hereto as **Annex A** (the "**Conversion Notice**") to the Corporation (Attention: President and CEO, Email: Series1@Proteontx.com), which Conversion Notice may specify that such conversion is conditioned upon consummation of a Fundamental Transaction or any other transaction (such Fundamental Transaction or other transaction, a "**Conversion Triggering Transaction**"), and (B) if required pursuant to subparagraph (iii) below, surrender to a common carrier for delivery to the Corporation, no later than three (3) Business Days after the Conversion Date, the original stock certificates representing the shares of Series 1 Preferred Stock being converted (or an indemnification undertaking in customary form with respect to such shares in the case of the loss, theft or destruction of any stock certificate representing such shares) (or, if the

conversion is conditioned upon the consummation of a Conversion Triggering Transaction, on the date of (and immediately prior to) the consummation of such Conversion Triggering Transaction). For purposes of determining the maximum number of Conversion Shares that the Corporation may issue to a Holder pursuant to this Section 7 upon conversion of shares of Series 1 Preferred Stock on a particular Conversion Date, such Holder's delivery of a Conversion Notice with respect to such conversion shall constitute a representation by such Holder (on which the Corporation shall rely) that, upon the issuance of the Conversion Shares to be issued to it on such Conversion Date, the shares of Common Stock beneficially owned by such Holder and its Attribution Parties (including shares held by any "group" of which such Holder is a member) will not exceed the Beneficial Ownership Limitation for such Holder.

(ii) Corporation's Response. Upon receipt or deemed receipt by the Corporation of a copy of a Conversion Notice, the Corporation (A) shall as promptly as possible send, via email, a confirmation of receipt of such Conversion Notice to the Converting Holder and the Corporation's designated transfer agent (the "**Transfer Agent**"), which confirmation (i) shall be sent to the Converting Holder at the email address specified by the Converting Holder pursuant to such Conversion Notice and to the Transfer Agent at the email address previously specified by the Transfer Agent for this purpose and (ii) shall include an instruction to the Transfer Agent to process such Conversion Notice in accordance with the terms herein, and (B) on or before the third (3rd) Business Day following the date of receipt or deemed receipt by the Corporation of such Conversion Notice (or, if earlier, the end of the standard settlement period for U.S. broker-dealer securities transactions, or, if the conversion is conditioned upon the consummation of a Conversion Triggering Transaction, immediately prior to the consummation of such Conversion Triggering Transaction) (the "**Share Delivery Date**"), (x) credit, or cause to be credited, such aggregate number of Conversion Shares to which the Converting Holder shall be entitled to the Converting Holder's or its designee's balance account with The Depository Trust Company ("**DTC**") through its Deposit/Withdrawal at Custodian ("**DWAC**") system, or (y) if none of the Unrestricted Conditions is then satisfied, deliver, or cause to be delivered, a stock certificate to the address designated by the Converting Holder, in each case, for the number of Conversion Shares to which the Converting Holder shall be entitled. If the number of shares of Series 1 Preferred Stock represented by any stock certificate surrendered by the Converting Holder is greater than the number of shares of Series 1 Preferred Stock being converted, then the Corporation shall, as soon as practicable and in no event later than three (3) Business Days after receipt of such stock certificates and at its own expense, issue and deliver to the Converting Holder a new certificate representing shares of the Series 1 Preferred Stock not so converted.

(iii) Book-Entry. Notwithstanding anything to the contrary set forth herein, upon conversion of shares of Series 1 Preferred Stock in accordance with the terms hereof, no Holder shall be required to physically surrender the certificate representing the shares of Series 1 Preferred Stock, if any, to the Corporation unless the full number of shares of Series 1 Preferred Stock represented by the certificate are being converted. Each Holder and the Corporation shall maintain records showing the number of shares of Series 1 Preferred Stock so converted and the dates of such conversions or shall use such other method, reasonably satisfactory to such Holder and the Corporation, so as not to require physical surrender of the certificate representing the shares of Series 1 Preferred Stock, if any, upon each such conversion. In the event of any dispute or discrepancy, such records of the Corporation shall be controlling and determinative in the absence of manifest error. Notwithstanding the foregoing, if shares of Series 1 Preferred Stock represented by a certificate are converted as aforesaid, such Holder may not transfer the certificate representing the shares of Series 1 Preferred Stock unless such Holder first physically surrenders the certificate representing the shares of Series 1 Preferred Stock to the Corporation, whereupon the Corporation will forthwith issue and deliver upon the order of such Holder a new certificate of like tenor, registered as such Holder may request, representing in the aggregate the remaining number of shares of Series 1 Preferred Stock represented by such certificate. Each Holder and any assignee, by acceptance of a certificate, acknowledge and agree that, by reason of the provisions of this paragraph, following conversion of any shares of Series 1 Preferred Stock, the number of shares of Series 1 Preferred Stock represented by any such certificate may be less than the number of shares of Series 1 Preferred Stock stated of the face thereof.

(iv) Restrictive Legends. Until such time as shares of Series 1 Preferred Stock or Conversion Shares have been registered under the Securities Act as contemplated by the Registration Rights Agreement or otherwise may be sold pursuant to Rule 144 or an exemption from registration under the

Securities Act without any restriction as to the number of securities as of a particular date that can then be immediately sold, such Securities may bear the Securities Act Legend (as defined in Securities Purchase Agreement). The certificates (or electronic book entries, if applicable) evidencing any Securities shall not contain or be subject to any legend restricting the transfer thereof (including the Securities Act Legend) or be subject to any stop-transfer instructions: (A) while a registration statement (including a Registration Statement (as such term is defined in the Registration Rights Agreement)) covering the sale or resale of such Security is effective under the Securities Act, (B) if the holder of Securities provides the Corporation customary seller and, as applicable, broker paperwork or other reasonable assurances to the effect that such Securities have been or are being sold pursuant to Rule 144, (C) if such Securities are eligible for sale under Rule 144(b)(1) and the Holder thereof is not, and has not been during the preceding three months, an Affiliate of the Corporation (subject to the Holder's delivery to the Corporation of a customary non-affiliate representation letter), or (D) if such legend is not required under applicable requirements of the Securities Act (including judicial interpretations and pronouncements issued by the staff of the Commission) (collectively, the "**Unrestricted Conditions**"). Promptly following the Registration Statement Effective Date or such other time as any of the Unrestricted Conditions have been satisfied, the Corporation shall cause its counsel to issue a legal opinion or other instruction to the Transfer Agent (if required by the Transfer Agent) to effect the issuance of the applicable shares of Series 1 Preferred Stock or Conversion Shares without a restrictive legend or, in the case of shares of Series 1 Preferred Stock or Conversion Shares that have previously been issued, the removal of the legend thereunder. If any of the Unrestricted Conditions are met with respect to any shares of Series 1 Preferred Stock or Conversion Shares at the time of issuance of such Security, then such Security shall be issued free of all legends. The Corporation agrees that, following the Registration Statement Effective Date in the case of Conversion Shares, or at such time as any of the other Unrestricted Conditions are met or such legend is otherwise no longer required under this Section 7(d)(iv), it will, no later than three (3) Trading Days (or if earlier, the number of Trading Days comprising the standard settlement period for U.S. broker-dealer securities transactions) following the delivery by the holder thereof to the Corporation or the Transfer Agent of any certificate representing shares of Series 1 Preferred Stock or Conversion Shares, as applicable, issued with a restrictive legend, deliver or cause to be delivered to such holder a certificate (or electronic transfer) representing such Securities that is free from all restrictive and other legends. For purposes hereof, "**Registration Statement Effective Date**" shall mean the date that the first Registration Statement that the Corporation is required to file pursuant to the Registration Rights Agreement has been declared effective by the Commission. Notwithstanding the foregoing, the certificates (or electronic book entries, if applicable) evidencing any Series 1 Preferred Stock shall at all times (whether before or after that satisfaction of any Unrestricted Condition or the Registration Statement Effective Date) bear a legend indicating that no shares of Series 1 Preferred Stock may be sold, transferred or assigned if a Conversion Notice has been delivered to the Corporation with respect to such shares and such Conversion Notice has not been voided or withdrawn.

(e) Record Holder. The Person or Persons entitled to receive the Conversion Shares issuable upon a conversion of Series 1 Preferred Stock shall be treated for all purposes as the legal and record holder or holders of such Conversion Shares upon delivery by a Converting Holder of the Conversion Notice.

(f) Corporation's Failure to Timely Convert.

(i) Cash Damages. If by the Share Delivery Date, the Corporation shall fail to issue and deliver a certificate to a Converting Holder for, or credit such Converting Holder's or its designee's balance account with DTC with, the number of Conversion Shares to which such Converting Holder is entitled pursuant to this Section 7 (provided any Unrestricted Condition is satisfied, free of any restrictive legend), then, such Converting Holder shall reasonably promptly provide written notice to the Corporation that such Converting Holder was not issued the number of Conversion Shares to which such Converting Holder is entitled pursuant to this Section 7, and, in addition to all other available remedies that such Converting Holder may pursue hereunder, the Corporation shall pay additional damages to such Converting Holder for each day after the date such written notice is delivered that such conversion is not timely effected in an amount equal to one percent (1%) of the product of (I) the number of Conversion Shares not issued to the Converting Holder or its designee on or prior to the Share Delivery Date and to which the Converting Holder is entitled and (II) the Volume Weighted Average Price of the Common Stock on the Share Delivery Date. Alternatively, in lieu of the foregoing damages, if applicable, at the written election of the applicable

Converting Holder made in such Converting Holder's sole discretion, if, on or after the applicable Share Delivery Date, such Converting Holder purchases (in an open market transaction or otherwise) shares of Common Stock to deliver in satisfaction of a sale by such Converting Holder of Conversion Shares that such Converting Holder anticipated receiving from the Corporation (such purchased shares, "**Buy-In Shares**"), the Corporation shall be obligated to promptly pay to such Converting Holder (in addition to all other available remedies that the Converting Holder may otherwise have), 105% of the amount by which (A) such Converting Holder's total purchase price (including brokerage commissions, if any) for such Buy-In Shares exceeds (B) the net proceeds received by such Converting Holder from the sale of the number of shares equal to up to the number of Conversion Shares such Converting Holder was entitled to receive but had not received on the Share Delivery Date. If the Corporation fails to pay the additional damages set forth in this Section 7(f)(i) within five (5) Business Days of the date incurred, then the Converting Holder entitled to such payments shall have the right at any time, so long as the Corporation continues to fail to make such payments, to require the Corporation, upon written notice, to immediately issue, in lieu of such cash damages, the number of shares of Common Stock equal to the quotient of (X) the aggregate amount of the damages payments described herein divided by (Y) the Conversion Price.

(ii) Void Conversion Notice. If for any reason a Converting Holder has not received all of the Conversion Shares prior to the tenth (10th) Business Day after the Share Delivery Date with respect to a conversion of Series 1 Preferred Stock, then such Converting Holder, upon written notice to the Corporation, may void its conversion with respect to, and retain or have returned, as the case may be, any shares of Series 1 Preferred Stock that have not been converted pursuant to such Converting Holder's Conversion Notice; provided, that the voiding of such Converting Holder's Conversion Notice shall not affect the Corporation's obligations to make any payments that have accrued prior to the date of such notice pursuant to Section 7(f)(i) or otherwise.

(iii) Obligation Absolute. Subject to Section 7(g)) hereof and subject to a Holder's right to void a conversion pursuant to Section 7(f)(ii) above, the Corporation's obligation to issue and deliver the Conversion Shares upon conversion of Series 1 Preferred Stock in accordance with the terms hereof are absolute and unconditional, irrespective of any action or inaction by a Holder to enforce the same, any waiver or consent with respect to any provision hereof, the recovery of any judgment against any Person or any action to enforce the same, or any setoff, counterclaim, recoupment, limitation or termination, or any breach or alleged breach by such Holder or any other Person of any obligation to the Corporation or any violation or alleged violation of law by such Holder or any other person, and irrespective of any other circumstance which might otherwise limit such obligation of the Corporation to such Holder in connection with the issuance of such Conversion Shares. Subject to Section 7(g) hereof and subject to a Holder's right to void a conversion pursuant to Section 7(f)(ii) above, in the event a Holder shall elect to convert any or all of its Series 1 Preferred Stock, the Corporation may not refuse conversion based on any claim that such Holder or anyone associated or affiliated with such Holder has been engaged in any violation of law, agreement or for any other reason, unless an injunction from a court, on notice to Holder, restraining and/or enjoining conversion of all or part of the Series 1 Preferred Stock of such Holder shall have been sought and obtained, and the Corporation posts a surety bond for the benefit of such Holder in the amount of 125% of the value of the Conversion Shares into which would be converted the Series 1 Preferred Stock which is subject to the injunction, which bond shall remain in effect until the completion of arbitration/litigation of the underlying dispute and the proceeds of which shall be payable to such Holder to the extent it obtains judgment.

(g) Limitations on Share Issuances. Notwithstanding anything herein to the contrary, the Corporation shall not issue to any Holder, and no Holder may acquire, a number of shares of Common Stock hereunder (pursuant to this Section 7(g) or otherwise) to the extent that, upon such issuance, the aggregate number of shares of Common Stock then beneficially owned by such Holder together with any Attribution Parties (including shares held by any "group" of which such Holder is a member) would exceed the then-applicable Beneficial Ownership Limitation for such Holder. For purposes of the foregoing sentence, the aggregate number of shares of Common Stock beneficially owned by such Holder and its Attribution Parties shall include the number of shares of Common Stock held by the Holder and all of its Attribution Parties plus the number of shares of Common Stock issuable upon conversion of such shares of Series 1 Preferred Stock 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) conversion of the remaining, unconverted portion of the shares of

Series 1 Preferred Stock beneficially owned by such Holder or any of its Attribution Parties and (ii) exercise or conversion of the unexercised or unconverted portion of any other securities of the Corporation beneficially owned by such Holder or any of its Attribution Parties subject to a limitation on conversion or exercise analogous to the limitation contained in this Section 7(g). For purposes hereof, "group" has the meaning set forth in Section 13(d) of the Exchange Act and applicable regulations of the Commission, and the percentage held by each Holder shall be determined in a manner consistent with the provisions of Section 13(d) of the Exchange Act.

For purposes of the Beneficial Ownership Limitation, in determining the number of outstanding shares of Common Stock, a Holder may rely on the number of outstanding shares as reflected in (1) the Corporation's most recent quarterly report on Form 10-Q or annual report on Form 10-K, as the case may be, (2) a more recent public announcement by the Corporation or (3) any other notice by the Corporation or the transfer agent for the Common Stock setting forth the number of shares outstanding. Upon written request of any Holder at any time, the Corporation shall, within one (1) Business Day, confirm orally and in writing to such Holder the number of shares of Common Stock then outstanding. In any case, the number of outstanding shares of Common Stock shall be determined after giving effect to the conversion or exercise of securities of the Corporation by such Holder and its Attribution Parties since the date as of which the number of outstanding shares of Common Stock was reported.

In the event that the issuance of shares of Common Stock to any Holder upon the conversion of any of such Holder's shares of Series 1 Preferred Stock results in such Holder and its Attribution Parties being deemed to beneficially own, in the aggregate, a number of shares of Common Stock that exceeds the then-applicable Beneficial Ownership Limitation for such Holder, the issuance of that number of shares so issued in excess of the Beneficial Ownership Limitation (the "**Excess Shares**"), and the conversion of shares of Series 1 Preferred Stock resulting in such issuance, shall be deemed null and void and shall be cancelled ab initio, such Holder shall not have the power to vote or to transfer the Excess Shares, and the shares of Series 1 Preferred Stock as to which the conversion was voided shall remain outstanding and continue to be held by such Holder. As soon as reasonably practicable after such issuance and conversion have been deemed null and void, the Corporation shall return to such Holder certificates representing the number of shares of Series 1 Preferred Stock corresponding to the voided issuance and conversion (to the extent such shares of Series 1 Preferred Stock were surrendered to the Corporation).

For purposes of clarity, the shares of Common Stock underlying any Holder's shares of Series 1 Preferred Stock in excess of the Beneficial Ownership Limitation shall not be deemed to be beneficially owned by such Holder for any purpose, including for purposes of Section 13(d) or Rule 16a-1(a)(1) of the Exchange Act. The provisions of this Section 7(g) shall be construed and implemented in a manner otherwise than in strict conformity with the terms of this Section 7(g) to the extent necessary to correct this paragraph or any portion of this paragraph which may be defective or inconsistent with the intended beneficial ownership limitation contained in this Section 7(g) or to make changes or supplements necessary or desirable to properly give effect to such limitation. The limitation contained in this Section 7(g) may not be waived and shall apply to any successor Holder of shares of Series 1 Preferred Stock.

(h) [reserved].

(i) Taxes. The Corporation shall be responsible for any liability with respect to any transfer, stamp, documentary, intangible, recording or similar non-income Taxes that may be payable in connection with the execution, delivery and performance of this Certificate, including any such Taxes with respect to the issuance or transfer of shares of Series 1 Preferred Stock or the Conversion Shares. Notwithstanding any provision herein to the contrary, the Corporation shall (A) be entitled to deduct and withhold from any payments (which shall include, for purposes of this Section 7(i), Conversion Shares issued upon conversion of Series 1 Preferred Stock to the extent attributable to declared but unpaid dividends, if any) made to a holder of any Securities, such amounts that the Corporation may be required to withhold under applicable U.S. federal withholding Tax requirements (including without limitation under Sections 1471 through 1474 of the Internal Revenue Code of 1986, as amended) and (B) not be responsible for or liable for any Taxes imposed on, or measured by, net income (however denominated), franchise Taxes, and branch profits Taxes, in each case, imposed as a result of a payee (or beneficial owner of a payment) being

organized under the laws of, or having its principal office in, the jurisdiction imposing such Tax (or any political subdivision thereof). The Corporation shall provide the applicable payee with five (5) Business Days' advance notice of any such required withholding and shall reasonably cooperate with such holder to mitigate or reduce such withholding. Any amounts withheld pursuant to clause (A) above shall be treated for purposes hereof as if paid to the relevant payee.

Section 8. Certain Adjustments; Calculations; Notices.

(a) Stock Dividends and Stock Splits. If the Corporation shall at any time effect a Stock Event, then, upon the effective date of such Stock Event, the Conversion Price shall be, in the case of an increase in the number of shares of Common Stock, proportionally decreased and, in the case of a decrease in the number of shares of Common Stock, proportionally increased. The Corporation shall give each Holder the same notice it provides to holders of Common Stock of any transaction described in this Section 8(a).

(b) Fundamental Transaction.

(i) The term "**Fundamental Transaction**" shall mean the occurrence of any of the following at any time while any shares of Series 1 Preferred Stock are outstanding: (A) the Corporation, directly or indirectly, in one or more related transactions, effects any merger or consolidation of the Corporation with or into another Person, (B) the Corporation, directly or indirectly, in one transaction or a series of related transactions, effects any sale of all or substantially all of its assets (including, for the avoidance of doubt, all or substantially all of the assets of the Corporation and its subsidiaries in the aggregate), and distributes the proceeds therefrom to the holders of capital stock of the Corporation, (C) any tender offer or exchange offer (whether by the Corporation or another Person) approved by the Board of Directors is completed pursuant to which holders of Common Stock are permitted to tender or exchange their shares for other securities, cash and/or other property or (D) the Corporation, directly or indirectly, in one transaction or a series of related transactions, effects any reclassification of the Common Stock or any compulsory share exchange (other than as a result of a Stock Event covered by Section 8(a) above) pursuant to which the Common Stock is effectively converted into or exchanged for other securities, cash and/or other property. Upon or following the occurrence of any Fundamental Transaction, each share of Series 1 Preferred Stock outstanding shall thereafter be convertible (or, to the extent a Conversion Notice contingent upon consummation of such Fundamental Transaction has been previously delivered (and has not been voided or otherwise withdrawn) with respect to such share, shall automatically convert) into the kind and amount of securities, cash and/or other property which a Holder of the number of shares of Common Stock of the Corporation issuable upon conversion of one share of Series 1 Preferred Stock immediately prior to such Fundamental Transaction would have

been entitled to receive pursuant to such Fundamental Transaction (without regard to any limitation on the conversion of Series 1 Preferred Stock (including the Beneficial Ownership Limitation)); provided, that, if the value of the aggregate of such securities, cash and/or other property to which the Holder of one share of Series 1 Preferred Stock would be entitled upon conversion thereof would be less than the Stated Value, then each outstanding share of Series 1 Preferred Stock shall instead thereafter be convertible (or, to the extent a Conversion Notice contingent upon consummation of such Fundamental Transaction has been previously delivered (and has not been voided or otherwise withdrawn) with respect to such share, shall automatically convert) into such kind of securities, cash and/or other property (in the same proportions as would be applicable but for this proviso) with an aggregate value equal to the Stated Value. The Corporation shall make an appropriate adjustment to the Conversion Price following a Fundamental Transaction based on a determination in accordance with Section 8(b)(ii) of the amount and relative value of the securities, cash and/or other property issuable in respect of one share of Common Stock in such Fundamental Transaction. If holders of Common Stock are given any choice as to the securities, cash and/or other property to be received in a Fundamental Transaction, then the Holder shall be given the same choice as to the securities, cash and/or other property it receives upon any conversion of the Series 1 Preferred Stock following such Fundamental Transaction. The Corporation shall cause any successor entity (as well as its parent) in a Fundamental Transaction in which the Corporation is not the survivor to assume in writing all of the obligations of the Corporation under this Certificate in accordance with the provisions of this Section 8(b) pursuant to written agreements in form and substance approved by the Requisite Holders prior to such Fundamental Transaction.

(ii) For purposes of determining the value of any securities and/or other property to which a holder of shares of Common Stock would be entitled pursuant to a Fundamental Transaction: (A) the value of any such security that is traded on a National Exchange at the effective time of the Fundamental Transaction shall be equal to the Volume Weighted Average Price per share of such securities for the five (5) Trading Days immediately prior to such effective time; and (B) the value of any other property (including a security that is not traded on a National Exchange at the effective time of the Fundamental Transaction) shall be equal to the fair market value thereof as determined by the mutual agreement of the Corporation and the Requisite Holders.

(c) Certain Events. If any event occurs of the type contemplated by the provisions of Section 8(a) or Section 8(b) but not expressly provided for by such provisions, then the Board of Directors will make an appropriate adjustment in the Conversion Price so as to protect the rights of the Holders; provided, however, that no such adjustment will increase the Conversion Price as otherwise determined pursuant to this Section 8.

(d) Calculations. All calculations under this Section 8 shall be made to the nearest cent or the nearest 1/100th of a share, as the case may be. For purposes of this Section 8, the number of shares of Common Stock deemed to be issued and outstanding as of a given date shall be the sum of the number of shares of Common Stock (excluding any treasury shares of the Corporation) issued and outstanding.

(e) Adjustment Notices.

(i) Promptly following, but in no event later than one (1) Business Day after, any adjustment of the Conversion Price pursuant to Section 8(a), the Corporation will give written notice thereof to each Holder, setting forth in reasonable detail and certifying the calculation of such adjustment.

(ii) The Corporation will give written notice to each Holder at least ten (10) days prior to the date on which the Corporation closes its books or takes a record (A) with respect to any dividend or distribution upon the Common Stock, (B) with respect to any pro rata subscription offer to holders of Common Stock, or (C) for determining rights to vote with respect to any Fundamental Transaction or winding-up, dissolution or liquidation of the Corporation; provided, however, that in no event shall such notice be provided to any Holder prior to such information being made known to the public.

(iii) The Corporation will give written notice to each Holder at least ten (10) days prior to the date on which any Fundamental Transaction, dissolution or liquidation will take place, and in no event shall such notice be provided to any Holder prior to such information being made known to the public.

Section 9. Dispute Resolution. In the case of a dispute between the Corporation and any Holder (i) as to the value of any asset or other property pursuant to Section 6, in connection with any liquidation, dissolution or winding up of the Corporation, or Section 8(b), in connection with any Fundamental Transaction, or (ii) as to the determination of any adjustment to the Conversion Price following a Fundamental Transaction pursuant to Section 8(b), the Corporation shall promptly (and in any event within two (2) Business Days of notice of any such dispute from such Holder) submit via facsimile the disputed value of such asset or other property, or the disputed determination of such adjustment to the Conversion Price, as applicable, to an independent, reputable investment banking firm agreed to by the Corporation and the Requisite Holders. The Corporation shall direct the investment bank to determine the value of such asset or other property, or the adjustment to the Conversion Price, as applicable, and notify the Corporation and such Holder of the results no later than two (2) Business Days from the time the investment bank receives the disputed value or disputed determination, as applicable. Such investment bank's determination of the value of any such asset or other property, or of the adjustment to the Conversion Price, as applicable, shall be binding upon all parties absent manifest error.

Section 10. Reservation of Shares. The Corporation shall, so long as any of the shares of Series 1 Preferred Stock are outstanding, reserve and keep available out of its authorized and unissued Common Stock, solely for the purpose of effecting the conversion of the shares of Series 1 Preferred Stock, such number of shares of Common Stock as shall, from time to time, be sufficient to effect the conversion of all of the shares of Series 1 Preferred Stock then outstanding (without regard to any limitations on conversions (including the Beneficial

Ownership Limitation)). The number of shares of Common Stock reserved for conversions of the shares of Series 1 Preferred Stock shall be allocated pro rata among the Holders based on the number of shares of Series 1 Preferred Stock held by each Holder. In the event a Holder shall sell or otherwise transfer any of such Holder's shares of Series 1 Preferred Stock, each transferee shall be allocated a pro rata portion of the number of reserved shares of Common Stock reserved for such transferor. Any shares of Common Stock reserved and which remain allocated to any Person which does not hold any shares of Series 1 Preferred Stock shall be allocated to the remaining Holders, pro rata based on the number of shares of Series 1 Preferred Stock then held by each such Holder.

Section 11. Miscellaneous.

(a) Notices. Any and all notices or other communications or deliveries to be provided by the Holders hereunder including, without limitation, any Conversion Notice, shall be in writing and delivered personally, by electronic mail to Series1@Proteontx.com, or sent by a nationally recognized overnight courier service, addressed to the Corporation, at its principal place of business, to the attention of the President and Chief Executive Officer of the Corporation, with a copy to the Legal Department, or such other electronic mail address or address as the Corporation may specify for such purposes by notice to the Holders delivered in accordance with this Section 11(a). Any and all notices or other communications or deliveries to be provided by the Corporation hereunder shall be in writing and delivered personally, by confirmed electronic mail or facsimile, or sent by a nationally recognized overnight courier service addressed to each Holder at the electronic mail address, facsimile number or address of such Holder appearing on the books of the Corporation, or if no such facsimile number or address appears on the books of the Corporation, at the principal place of business of such Holder. Except as otherwise expressly provided herein, any notice or other communication or deliveries hereunder shall be deemed given and effective on the earliest of (i) the time and date of transmission, if such notice or communication is delivered via electronic mail at the e-mail address specified in this Section 11(a) prior to 4:00 p.m. (New York City time) on any date, (ii) the date immediately following the date of transmission, if such notice or communication is delivered via email at the email address specified in this Section 11(a) between 4:00 p.m. and 11:59 p.m. (New York City time) on any date, (iii) the second Business Day following the date of mailing, if sent by nationally recognized overnight courier service, or (iv) upon actual receipt by the party to whom such notice is required to be given.

(b) Absolute Obligation. Except as expressly provided herein, no provision of this Certificate shall alter or impair the obligation of the Corporation, which is absolute and unconditional, to pay liquidated damages on the shares of Series 1 Preferred Stock at the time, place, and rate, and in the coin or currency, herein prescribed.

(c) Lost or Mutilated Series 1 Preferred Stock Certificate. If a Holder's Series 1 Preferred Stock certificate shall be mutilated, lost, stolen or destroyed, the Corporation shall execute and deliver, in exchange and substitution for and upon cancellation of a mutilated certificate, or in lieu of or in substitution for a lost, stolen or destroyed certificate, a new certificate for the shares of Series 1 Preferred Stock so mutilated, lost, stolen or destroyed, but only upon receipt of evidence of such loss, theft or destruction of such certificate, and of the ownership thereof reasonably satisfactory to the Corporation and, in each case, customary and reasonable indemnity, if requested. Applicants for a new certificate under such circumstances shall also comply with such other reasonable regulations and procedures and pay such other reasonable third-party costs as the Corporation may prescribe.

(d) Remedies, Characterizations, Other Obligations, Breaches and Injunctive Relief. The remedies provided in this Certificate shall be cumulative and in addition to all other remedies available under this Certificate, at law or in equity (including a decree of specific performance and/or other injunctive relief), no remedy contained herein shall be deemed a waiver of compliance with the provisions giving rise to such remedy and nothing herein shall limit a Holder's right to pursue actual damages for any failure by the Corporation to comply with the terms of this Certificate. The Corporation covenants to each Holder that there shall be no characterization concerning this instrument other than as expressly described herein. Amounts set forth or provided for herein with respect to payments, conversion and the like (and the computation thereof) shall be the amounts to be received by the holder thereof and shall not, except as expressly provided herein, be subject to any other obligation of the Corporation (or the performance thereof). The Corporation acknowledges that a breach by it of its obligations hereunder may cause irreparable harm to the Holders by

vitiating the intent and purpose of the transactions contemplated by this Certificate and that the remedy at law for any such breach may be inadequate. The Corporation therefore agrees that, in the event of any such breach or threatened breach by the Corporation of the provisions of this Certificate, the Holders shall be entitled, in addition to all other available remedies, to an injunctive order and/or injunction restraining any breach and requiring immediate compliance, without the necessity of showing economic loss and without any bond or other security being required.

(e) Waiver. Any waiver by the Corporation or a Holder of a breach of any provision of this Certificate shall not operate as or be construed to be a waiver of any other breach of such provision or of any breach of any other provision of this Certificate or a waiver by any other Holders. The failure of the Corporation or a Holder to insist upon strict adherence to any term of this Certificate on one or more occasions shall not be considered a waiver or deprive that party (or any other Holder) of the right thereafter to insist upon strict adherence to that term or any other term of this Certificate. Any waiver by the Corporation or a Holder must be in writing.

(f) Severability. If any provision of this Certificate is invalid, illegal or unenforceable, the balance of this Certificate shall remain in effect, and if any provision is inapplicable to any Person or circumstance, it shall nevertheless remain applicable to all other Persons and circumstances. If it shall be found that any interest or other amount deemed interest due hereunder violates the applicable law governing usury, the applicable rate of interest due hereunder shall automatically be lowered to equal the maximum rate of interest permitted under applicable law. Notwithstanding any provision in this Certificate to the contrary, any provision contained herein (other than Section 7(c) which cannot be waived by the Holders) and any right of the Holders of Series 1 Preferred Stock granted hereunder may be waived as to all shares of Series 1 Preferred Stock (and the Holders thereof) upon the written consent of the Requisite Holders, unless a higher percentage is required by the DGCL, in which case the written consent of the holders of not less than such higher percentage shall be required.

(g) Next Business Day. Whenever any payment or other obligation hereunder shall be due on a day other than a Business Day, such payment shall be made on the next succeeding Business Day.

(h) Headings. The headings contained herein are for convenience only, do not constitute a part of this Certificate and shall not be deemed to limit or affect any of the provisions hereof.

(i) Status of Converted Series 1 Preferred Stock. If any shares of Series 1 Preferred Stock shall be converted or reacquired by the Corporation, such shares of Series 1 Preferred Stock shall resume the status of authorized but unissued shares of preferred stock and shall no longer be designated as Series 1 Preferred Stock.

(j) Benefit of Holders. The provisions of this Certificate are intended to be for the benefit of all Holders from time to time and shall be enforceable by any such Holder.

****

RESOLVED, FURTHER, that the Chairperson, the president or any vice-president, and the secretary or any assistant secretary, of the Corporation be, and they hereby are, authorized and directed to prepare and file a Certificate of Designation of Preferences, Rights and Limitations in accordance with the foregoing resolution and the provisions of Delaware law.

IN WITNESS WHEREOF, the undersigned has executed this Certificate of Designation this day of , 2019.

_____

Name:
Title:

ANNEX A

CONVERSION NOTICE

(TO BE EXECUTED BY THE REGISTERED HOLDER IN ORDER TO CONVERT SHARES OF SERIES 1 PREFERRED STOCK)

Reference is made to the Certificate of Designation of Preferences, Rights and Limitations of Series 1 Convertible Non-Voting Preferred Stock (the "Certificate of Designation"). In accordance with and pursuant to the Certificate of Designation, the undersigned hereby elects to convert the number of shares of Series 1 Convertible Non-Voting Preferred Stock, par value $0.001 per share and with a stated value of $[1000 x conversion price] per share (the "Series 1 Preferred Stock"), of Proteon Therapeutics, Inc., a Delaware corporation (the "Corporation"), indicated below into shares of common stock, par value $0.001 per share (the "Common Stock"), of the Corporation, by tendering the stock certificate(s) representing the shares of Series 1 Preferred Stock specified below as of the date specified below.

Date of Conversion:

Number of shares of Series 1 Preferred Stock to be converted:

Stock certificate no(s). of shares of Series 1 Preferred Stock to be converted:

This Conversion is conditioned upon the consummation of the following Conversion Triggering Transaction: [1]

Please confirm the following information:

Conversion Price:

Number of shares of Common Stock to be issued:

Please issue the shares of Common Stock in accordance with the terms of the Certificate of Designation as follows:

- o Deposit/Withdrawal At Custodian ("**DWAC**") system; or
- o Physical Certificate

Issue to:

Address (for delivery of physical certificate):

E-mail:

DTC Participant Number and Name (if through DWAC):

Account Number (if through DWAC):

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[1] No such condition applies if left blank.

ACKNOWLEDGMENT

The Corporation hereby acknowledges this Conversion Notice and hereby directs to issue the above indicated number of shares of Common Stock in accordance with the Transfer Agent Instructions dated , 20 from the Corporation and acknowledged and agreed to by .

PROTEON THERAPEUTICS, INC.

By: _____
Name: _____
Title: _____

EXHIBIT A

FORM OF OPINION

, 20

[ ]

Re: [ ] (the "Company")

Dear [ ]:

[ ] ("[ ]") intends to transfer [shares of Series 1 Convertible Non-Voting Preferred Stock] [Conversion Shares] (the "Securities") of the Company to (" ") without registration under the Securities Act of 1933, as amended (the "Securities Act"). In connection therewith, we have examined and relied upon the truth of representations contained in an Investor Representation Letter attached hereto and have examined such other documents and issues of law as we have deemed relevant.

Based on and subject to the foregoing, we are of the opinion that the transfer of the Securities by to may be effected without registration under the Securities Act, provided, however, that the Securities to be transferred to contain a legend restricting its transferability pursuant to the Securities Act and that transfer of the Securities is subject to a stop order.

The foregoing opinion is furnished only to and may not be used, circulated, quoted or otherwise referred to or relied upon by you for any purposes other than the purpose for which furnished or by any other person for any purpose, without our prior written consent.

Very truly yours,

Exhibit 10.5

REGISTRATION RIGHTS AGREEMENT

This REGISTRATION RIGHTS AGREEMENT (the "Agreement") is made as of September 23, 2019 by and among Proteon Therapeutics, Inc., a corporation organized and existing under the laws of the State of Delaware (the "Company"), and the several purchasers signatory hereto (each, a "Purchaser" and collectively, the "Purchasers").

RECITALS

WHEREAS, the Company and the Purchasers are parties to a Subscription Agreement, dated as of the date hereof (the "Purchase Agreement"), pursuant to which the Purchasers are purchasing shares of capital stock of the Company; and

WHEREAS, in connection with the consummation of the transactions contemplated by the Purchase Agreement, and pursuant to the terms of the Purchase Agreement, the parties desire to enter into this Agreement in order to grant certain rights to the Purchasers as set forth below.

NOW, THEREFORE, in consideration of the covenants and promises set forth herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereby agree as follows:

AGREEMENT

1. Certain Definitions. Unless the context otherwise requires, the following terms, for all purposes of this Agreement, shall have the meanings specified in this Section 1.

"Affiliate" has the meaning set forth in Rule 12b-2 of the rules and regulations promulgated under the Exchange Act; provided, however, that for purposes of this Agreement, the Purchasers and their Affiliates, on the one hand, and the Company and its Affiliates, on the other, shall not be deemed to be "Affiliates" of one another.

"Allowed Delay" has the meaning set forth in Section 2.1(b)(ii).

"Board" means the board of directors of the Company.

"Business Days" has the meaning ascribed to such term in the Purchase Agreement.

"Closing Date" has the meaning ascribed to such term in the Purchase Agreement.

"Common Stock" means shares of the common stock, par value $0.001 per share, of the Company.

"Effective Date" means the date that a Registration Statement filed pursuant to Section 2.1(a) is first declared effective by the SEC.

"Effectiveness Deadline" means, with respect to the Shelf Registration Statement or New Registration Statement, the ninetieth (90th) calendar day following the Closing Date (or, in the event the SEC reviews and has written comments to the Shelf Registration Statement or the New Registration Statement, the one hundred twentieth (120th) calendar day following the Closing Date); provided, however, that if the Company is notified by the SEC that the Shelf Registration Statement or the New Registration Statement will not be reviewed or is no longer subject to further review and comments, the Effectiveness Deadline as to such Shelf Registration Statement shall be the fifth (5th) Business Day following the date on which the Company is so notified if such date precedes the dates otherwise required above; provided, further, that if the Effectiveness Deadline falls on a Saturday, Sunday or other day that the SEC is closed for business, the Effectiveness Deadline shall be extended to the next Business Day on which the SEC is open for business; provided, further, that if the SEC is closed for operations due to a government shutdown, the Effectiveness Deadline shall be extended by the same amount of days that the SEC remains closed for operations.

"Exchange Act" means the Securities Exchange Act of 1934, as amended, and the rules and regulations of the Commission promulgated thereunder.

"Filing Deadline" has the meaning set forth in Section 2.1(a).

"FINRA" means the Financial Industry Regulatory Authority.

"Form S-3" means such form under the Securities Act as in effect on the date hereof or any successor or similar registration form under the Securities Act subsequently adopted by the Commission that permits inclusion or incorporation of substantial information by reference to other documents filed by the Company with the Commission.

"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.

"Holder" means any Purchaser owning or having the right to acquire Registrable Securities.

"Liquidated Damages" has the meaning set forth in Section 2.1(c).

"National Exchange" means each of the following, together with any successor thereto: the NYSE American, The New York Stock Exchange, the NASDAQ Global Market, the NASDAQ Global Select Market and the NASDAQ Capital Market.

"New Registration Statement" has the meaning set forth in Section 2.1(a).

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

"Person" has the meaning ascribed to such term in the Purchase Agreement.

"PIPE Shares" means, collectively, the Shares.

"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.

"Register," "registered" and "registration" refer to a registration effected by preparing and filing a registration statement in compliance with the Securities Act, and the declaration or ordering of effectiveness of such registration statement or document.

"Registrable Securities" means the PIPE Shares and any Common Stock issued as (or issuable upon the conversion or exercise of any warrant, right or other security which is issued as) a dividend or other distribution with respect to, or in exchange for or in replacement of, such PIPE Shares. Notwithstanding the foregoing, PIPE Shares or any such Common Stock, as applicable, shall cease to be Registrable Securities for all purposes hereunder upon the earliest to occur of the following: (A) the sale by any Person of such PIPE Shares or any such Common Stock, as applicable, to the public either pursuant to a registration statement under the Securities Act or under Rule 144 (in which case, only such PIPE Shares or any such Common Stock, as applicable, sold shall cease to be Registrable Securities) or (B) such PIPE Shares or any such Common Stock, as applicable, becoming eligible for sale by the Holder pursuant to Rule 144 without restriction.

"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 the 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.

"Registration Expenses" has the meaning set forth in Section 2.3.

"Remainder Registration Statement" has the meaning set forth in Section 2.1.

"Rule 144" means Rule 144 as promulgated by the SEC under the Securities Act, as such rule may be amended from time to time, or any similar successor rule that may be promulgated by the SEC.

"Rule 145" means Rule 145 promulgated by the Commission pursuant to the Securities Act, as such Rule may be amended from time to time, or any similar rule or regulation hereafter adopted by the Commission having substantially the same effect as such Rule.

"SEC" or "Commission" means the Securities and Exchange Commission or any other federal agency at the time administering the Securities Act.

"SEC Guidance" means any publicly-available written or oral guidance, comments, requirements or requests of the Commission staff under the Securities Act.

"Securities Act" means the Securities Act of 1933, as amended, or any similar successor federal statute and the rules and regulations thereunder, all as the same shall be in effect from time to time.

"Series 1 Preferred Conversion Shares" has the meaning set forth in the Purchase Agreement.

"Shares" means the shares of Common Stock issued pursuant to the Purchase Agreement and the Series 1 Preferred Conversion Shares.

"Shelf Registration Statement" has the meaning set forth in Section 2.1(a).

"Transaction Documents" means this Agreement and the Purchase Agreement, all exhibits and schedules thereto and hereto and any other documents or agreement executed in connection with the transactions contemplated hereunder or thereunder.

2. Registration Rights.

2.1 Shelf Registration.

(a) Registration Statements. On or prior to sixty (60) days following the Closing Date (as defined in the Purchase Agreement) (the "Filing Deadline"), the Company shall prepare and file with the SEC a Registration Statement on Form S-3 (or, if Form S-3 is not then available to the Company, on such form of registration statement as is then available to effect a registration for resale of the Registrable Securities) for the resale of the Registrable Securities pursuant to an offering to be made on a continuous basis pursuant to Rule 415 under the Securities Act (the "Shelf Registration Statement"). Such Shelf Registration Statement shall, subject to the limitations of Form S-3, include the aggregate amount of Registrable Securities to be registered therein and shall contain (except if otherwise required pursuant to written comments received from the Commission upon a review of such Shelf Registration Statement) the "Plan of Distribution" in substantially the form attached

hereto as Annex A. To the extent the staff of the SEC does not permit all of the Registrable Securities to be registered on the Shelf Registration Statement filed pursuant to this Section 2.1(a) or for any other reason any Registrable Securities are not then included in a Registration Statement filed under this Agreement, the Company shall (i) inform each of the Holders thereof and use its commercially reasonable efforts to file amendments to the Shelf Registration Statement as required by the Commission and/or (ii) withdraw the Shelf Registration Statement and file a new registration statement (a "New Registration Statement"), in either case covering the maximum number of Registrable Securities permitted to be registered by the SEC, on Form S-3 or such other form available to register for resale the Registrable Securities as a secondary offering; provided, however, that prior to filing such amendment or New Registration Statement, the Company shall be obligated to use its commercially reasonable efforts to advocate with the SEC for the registration of all of the Registrable Securities in accordance with the SEC Guidance, including without limitation, the Manual of Publicly Available Telephone Interpretations D.29. Notwithstanding any other provision of this Agreement and subject to the payment of any liquidated damages that may be required to be paid pursuant to Section 2.1(c), if any SEC Guidance sets forth a limitation of the number of Registrable Securities permitted to be registered on a particular Registration Statement as a secondary offering (and notwithstanding that the Company used diligent efforts to advocate with the SEC for the registration of all or a greater number of Registrable Securities), unless otherwise directed in writing by a Holder as to its Registrable Securities, the number of Registrable Securities to be registered on such Registration Statement will first be reduced by Registrable Securities not acquired pursuant to the Purchase Agreement (whether pursuant to registration rights or otherwise), and second by Registrable Securities represented by Shares (applied, in the case that some Shares may be registered, to the Holders on a pro rata basis based on the total number of unregistered Shares held by such Holders, subject to a determination by the Commission that certain Holders must be reduced first based on the number of Shares held by such Holders). In the event the Company amends the Shelf Registration Statement or files a New Registration Statement, as the case may be, under clauses (i) or (ii) above, the Company will use its commercially reasonable efforts to file with the SEC, as promptly as allowed by SEC or SEC Guidance provided to the Company or to registrants of securities in general, one or more Registration Statements on Form S-3 or such other form available to register for resale those Registrable Securities that were not registered for resale on the Shelf Registration Statement, as amended, or the New Registration Statement (the "Remainder Registration Statement").

(b) Effectiveness.

(i) The Company shall use reasonable best efforts to have the Shelf Registration Statement or New Registration Statement declared effective as soon as practicable but in no event later than the Effectiveness Deadline (including filing with the Commission a request for acceleration of effectiveness in accordance with Rule 461 promulgated under the Securities Act), and shall use its commercially reasonable efforts to keep the Shelf Registration Statement or New Registration Statement continuously effective under the Securities Act until the earlier of (i) such time as all of the Registrable Securities covered by such Registration Statement have been publicly sold by the Holders or (ii) the date that all Registrable Securities covered by such Registration Statement may be sold by non-affiliates without volume or manner-of-sale restrictions pursuant to Rule 144, without the requirement for the Company to be in compliance with the current public information requirement under Rule 144 as determined by counsel to the Company pursuant to a written opinion letter to such effect, addressed and reasonably acceptable to the Company's transfer agent (the "Effectiveness Period"). The Company shall notify the Purchasers by facsimile or e-mail as promptly as practicable, and in any event, within twenty-four (24) hours, after any Registration Statement is declared effective and shall simultaneously provide the Purchasers with copies of any related Prospectus to be used in connection with the sale or other disposition of the securities covered thereby.

(ii) For not more than twenty (20) consecutive days or for a total of not more than forty-five (45) days in any twelve (12) month period, the Company may suspend the use of any Prospectus included in any Registration Statement contemplated by this Section 2 in the event that the Company determines in good faith that such suspension is necessary to (A) delay the disclosure of material non-public information concerning the Company, the disclosure of which at the time is not, in the good faith opinion of the Company, in the best interests of the Company or (B) amend or supplement the Registration Statement or the related Prospectus so that such Registration Statement or Prospectus shall not include an untrue statement of a material fact or omit to state a material fact required to be stated therein or necessary to make the statements therein, in the case of the Prospectus in light of the circumstances under which they were made, not misleading (an "Allowed Delay"); provided, that the Company shall promptly (a) notify each Purchaser in writing of the commencement of and the reasons for an Allowed Delay, but shall not (without the prior written consent of a Purchaser) disclose to such Purchaser any material non-public information giving rise to an Allowed Delay, (b) advise the Purchasers in writing to cease all sales under the Registration Statement until the end of the Allowed Delay and (c) use commercially reasonable efforts to terminate an Allowed Delay as promptly as practicable.

(c) If: (i) the Shelf Registration Statement is not filed with the SEC on or prior to the Filing Deadline, (ii) the Shelf Registration Statement or the New Registration Statement, as applicable, is not declared effective by the SEC (or otherwise does not become effective) for any reason on or prior to the Effectiveness Deadline, (iii) after its Effective Date and other than for an Allowed Delay, (A) such Registration Statement ceases for any reason (including without limitation by reason of a stop order, or the Company's failure to update the Registration Statement), to remain continuously effective as to all Registrable Securities included in such Registration Statement or (B) the Company suspends the use of the Prospectus contained in the Registration Statement, (iv) the Company fails to satisfy the current public information requirement pursuant to Rule 144(c)(1) as a result of which the Holders are unable to sell Registrable Securities without restriction under Rule 144 (or any successor thereto) and fails to cure any such failure to satisfy the Rule 144(c)(1) requirement within 10 business days following the date upon which the Holder notifies the Company in writing that such Holder is unable to sell Registrable Securities as a result thereof, or (v) following the date that is six (6) months following the Closing Date, the Company's common stock is not listed on a National Exchange, or trading of the Company's common stock is suspended or halted for more than three consecutive Business Days (any such failure or breach in clauses (i) through (v) above being referred to as an "Event," and the date on which such Event occurs, being referred to as an "Event Date"), then in addition to any other rights the Holders may have hereunder or under applicable law, on each such Event Date and on each monthly anniversary of each such Event Date (if the applicable Event shall not have been cured by such date) until the earlier of (1) the applicable Event is cured or (2) the Registrable Securities are eligible for resale pursuant to Rule 144 without manner of sale or volume restrictions, the Company shall pay to each Holder an amount in cash, as partial liquidated damages and not as a penalty ("Liquidated Damages"), equal to one percent (1.0%) of the aggregate purchase price paid by such Holder pursuant to the Purchase

Agreement for any unregistered Registrable Securities then held by such Holder. The parties agree that (1) notwithstanding anything to the contrary herein or in the Purchase Agreement, no Liquidated Damages shall be payable with respect to any period after the expiration of the Effectiveness Period (it being understood that this sentence shall not relieve the Company of any Liquidated Damages accruing prior to the Effectiveness Deadline) and in no event shall, the aggregate amount of Liquidated Damages payable to a Holder exceed, in the aggregate, five percent (5%) of the aggregate purchase price paid by such Holder pursuant to the Purchase Agreement and (2) in no event shall the Company be liable in any thirty (30) day period for Liquidated Damages under this Agreement in excess of one percent (1.0%) of the aggregate purchase price paid by the Holders pursuant to the Purchase Agreement. If the Company fails to pay any Liquidated Damages pursuant to this Section 2.1(c) in full within five (5) Business Days after the date payable, the Company will pay interest thereon at a rate of one percent (1.0%) per month (or such lesser maximum amount that is permitted to be paid by applicable law) to the Holder, accruing daily from the date such Liquidated Damages are due until such amounts, plus all such interest thereon, are paid in full. The Liquidated Damages pursuant to the terms hereof shall apply on a daily pro-rata basis for any portion of a month prior to the cure of an Event, except in the case of the first Event Date. The Company shall not be liable for Liquidated Damages under this Agreement as to any Registrable Securities which are not permitted by the Commission to be included in a Registration Statement due solely to SEC Guidance from the time that it is determined that such Registrable Securities are not permitted to be registered until such time as the provisions of this Agreement as to the Remainder Registration Statements required to be filed hereunder are triggered, in which case the provisions of this Section 2.1(c) shall once again apply, if applicable. In such case, the Liquidated Damages shall be calculated to only apply to the percentage of Registrable Securities which are permitted in accordance with SEC Guidance to be included in such Registration Statement. The Effectiveness Deadline for a Registration Statement shall be extended without default or Liquidated Damages hereunder in the event that the Company's failure to obtain the effectiveness of such Registration Statement on a timely basis results from the failure of a Purchaser to timely provide the Company with information requested by the Company and necessary to complete the Registration Statement in accordance with the requirements of the Securities Act (in which the Effectiveness Deadline would be extended with respect to Registrable Securities held by such Purchaser).

(d) In the event that Form S-3 is not available for the registration of the resale of Registrable Securities hereunder, the Company shall (i) register the resale of the Registrable Securities on another appropriate form reasonably acceptable to the Holder and (ii) undertake to register the Registrable Securities on Form S-3 promptly after such form is available, *provided* that the Company shall maintain the effectiveness of the Registration Statement then in effect until such time as a Registration Statement on Form S-3 covering the Registrable Securities has been declared effective by the Commission.

2.2 Piggyback Registrations; Prohibition on Filing other Registration Statements

(a) If at any time after the Shelf Registration Statement is declared effective and prior to the expiration of the Effectiveness Period, there is not then an effective registration statement covering all of the Registrable Securities, and the Company determines to prepare and file with the SEC a registration statement relating to an offering for its own account or the account of others of any of its equity securities, then the Company shall send to each Holder written notice of such determination and, if within 15 days after the date of such notice, any such Holder shall so request in writing, the Company shall include in such registration statement all or any part of the Registrable Securities such Holder requests to be registered.

(b) The Company shall have the right, in its sole discretion, to terminate or withdraw any registration initiated by it under this Section 2.2 prior to the effectiveness of such registration whether or not any Holder has elected to include Registrable Securities in such registration.

(c) Prior to the Effective Date of the Shelf Registration Statement or the expiration of the Effectiveness Period, whichever is the first to occur, neither the Company nor any of its security holders (other than the Holders in such capacity pursuant hereto) may include securities of the Company in a Registration Statement other than the Registrable Securities and the Company shall not enter into any agreement providing any such right to any of its security holders. The Company shall not file with the Commission a registration statement relating to an offering for its own account under the Securities Act of any of its equity securities other than a registration statement on Form S-8 or, in connection with an acquisition, on Form S-4 until the earlier of (i) the date that is thirty (30) days after the date the Shelf Registration Statement in the first sentence of this clause (c) is declared effective or (ii) the date that all Registrable Securities are eligible for resale by non-affiliates without volume or manner of sale restrictions under Rule 144 and without the requirement for the company to be in compliance with the current public information requirements under Rule 144. For the avoidance of doubt and notwithstanding anything to the contrary in the foregoing provisions of this Section 2.2(c), the Company shall not be prohibited (i) from preparing and filing with the Commission a registration statement relating to an offering of Common Stock by existing stockholders of the Company under the Securities Act pursuant to the terms of registration rights held by such stockholder, (ii) from filing amendments to registration statements filed prior to the date of this Agreement or (iii) from filing prospectus supplements relating to any offering of securities of the Company pursuant to any registration statement filed by the Company prior to the date of this Agreement.

2.3 Expenses. All expenses incident to the Company's performance of or compliance with this Agreement shall be paid by the Company, other than underwriting discounts or commissions deducted from the proceeds in respect of any Registrable Securities, including (i) all registration and filing fees, and any other fees and expenses associated with filings required to be made with the SEC, FINRA or any other regulatory authority and, if applicable, the fees and expenses of any "qualified independent underwriter" as such term is defined in NASD Rule 2720 (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 and of printing Prospectuses and 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) any reasonable fees and disbursements of underwriters customarily paid

by issuers of securities, (viii) all fees and expenses of any special experts or other Persons retained by the Company in connection with any registration, (ix) all of the Company's internal expenses (including all salaries and expenses of its officers and employees performing legal or accounting duties), (x) all expenses related to the "road-show" for any underwritten offering, including all travel, meals and lodging, (xi) all reasonable fees and disbursements of one legal counsel for the Participating Holders, as selected by the Purchasers, in an amount not to exceed $25,000 in the aggregate during the term of this Agreement, and (xii) 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.

2.4 Company Obligations. The Company will use reasonable best efforts to effect the registration of the Registrable Securities in accordance with the terms hereof, and pursuant thereto the Company will:

(a) 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 Free Writing Prospectus, or any amendments or supplements thereto, (x) furnish to the Participating Holders, if any, copies of all documents prepared to be filed, which documents shall be subject to the review of such Participating Holders and their respective counsel and (y) except in the case of a registration under Section 2.2, not file any Registration Statement or Prospectus or amendments or supplements thereto to which any Participating Holders shall reasonably object;

(b) 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 commercially reasonable efforts to cause such Registration Statement to become effective under the Securities Act;

(c) 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 Free Writing Prospectus as may be (y) reasonably requested by any 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;

(d) promptly notify the Participating Holders, 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 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 for amendments or supplements to such Registration Statement, Prospectus or 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 preventing or suspending the use of any preliminary or final Prospectus or any Free Writing Prospectus or the initiation or threatening of any proceedings for such purposes, (D) 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 (E) 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;

(e) promptly notify the Participating Holders when the Company becomes aware of the happening of any event as a result of which the Registration Statement, the Prospectus included in such Registration Statement (as then in effect) or any 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 Free Writing Prospectus, in light of the circumstances under which they were made) not misleading, when any 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 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 an amendment or supplement to such Registration Statement, Prospectus or Free Writing Prospectus which shall correct such misstatement or omission or effect such compliance;

(f) promptly incorporate in a Prospectus supplement, Free Writing Prospectus or post-effective amendment to the applicable Registration Statement such information as the Participating Holders 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, 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, Free Writing Prospectus or post-effective amendment;

(g) furnish to each Participating Holder, without charge, as many conformed copies as such Participating Holder 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);

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

(i) on or prior to the date on which the Registration Statement is declared effective, use its reasonable best efforts to register or qualify, and cooperate with the Participating Holders 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 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 this Agreement, 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;

(j) cooperate with the Participating Holders 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 may be requested at least two (2) Business Days prior to any sale of Registrable Securities;

(k) use its reasonable best efforts to cause the Registrable Securities covered by the 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 to consummate the disposition of such Registrable Securities;

(l) make such representations and warranties to the Participating Holders in form, substance and scope as are customarily made by issuers in secondary underwritten public offerings;

(m) enter into such customary agreements (including underwriting and indemnification agreements) and take all such other actions as the Purchasers reasonably request in order to expedite or facilitate the registration and disposition of such Registrable Securities;

(n) obtain for delivery to the Participating Holders (i) 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 and (ii) in the event of any underwritten offering, a "comfort" letter signed by the independent public accountants who have certified the Company's financial statements included in, or incorporated by reference into, the Registration Statement, on such date or dates as may be required under the underwriting agreement, in each case in customary form, scope and substance, which opinions and auditor comfort letters shall be reasonably satisfactory to such Participating Holders or underwriters, as the case may be, and their respective counsel;

(o) cooperate with each Participating Holder participating in the disposition of such Registrable Securities and their respective counsel in connection with any filings required to be made with FINRA or any other securities regulatory authority;

(p) 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;

(q) 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;

(r) use commercially reasonable efforts to cause all Registrable Securities covered by the Registration Statement to be listed on each securities exchange on which any of the Common Stock is then listed or quoted and on each inter-dealer quotation system on which any of the Common Stock is then quoted;

(s) the Company shall make available, during normal business hours, for inspection and review by the Purchasers, advisors to and representatives of the Purchasers (who may or may not be affiliated with the Purchasers and who are reasonably acceptable to the Company), all financial and other records, all SEC Reports (as defined in the Purchase Agreement) and other filings with the SEC, and all other corporate documents and properties of the Company as may be reasonably necessary for the purpose of such review, and cause the Company's officers, directors and employees, within a reasonable time period, to supply all such information reasonably requested by the Purchasers or any such representative, advisor or underwriter in connection with such Registration Statement (including, without limitation, in response to all questions and other inquiries reasonably made or submitted by any of them), prior to and from time to time after the filing and effectiveness of the Registration Statement for the sole purpose of enabling the Purchasers and such representatives, advisors and underwriters and their respective accountants and attorneys to conduct initial and ongoing due diligence with respect to the Company and the accuracy of such Registration Statement; and

(t) with a view to making available to the Purchasers the benefits of Rule 144 (or its successor rule) and any other rule or regulation of the SEC that may at any time permit the Purchasers to sell shares of Common Stock to the public without registration, the Company covenants and agrees to: (i) make and keep public information available, as those terms are understood and defined in Rule 144, until the earlier of (A) the date as all of the Registrable Securities may be sold without restriction by the holders thereof pursuant to Rule 144 or any other rule of similar effect or (B) such date as all of the Registrable Securities shall have been resold; (ii) file with the SEC in a timely manner all reports and other documents required of the Company under the Exchange Act; and (iii) furnish to each Purchaser upon request, as long as such Purchaser owns any Registrable Securities, (A) a written statement by the Company that it has complied with the reporting requirements of the Exchange Act, (B) a copy of the Company's most recent Annual Report on Form 10-K or Quarterly Report on Form 10-Q, and (C) such other information as may be reasonably requested in order to avail such Purchaser of any rule or regulation of the SEC that permits the selling of any such Registrable Securities without registration.

All such information made available or provided pursuant to this Section 2.4 shall be treated as confidential information and shall not be disclosed by the Purchasers to any other Person other than such Purchaser's respective officers, directors, employees, accountants, consultants, legal counsel, investment bankers, advisors and authorized agents (collectively, the "Purchaser Representatives"); provided, that, each such Purchaser Representative shall be informed that such confidential information is strictly confidential and shall be subject to confidentiality restrictions in favor of the disclosing Purchaser with respect to the confidential information disclosed by the Purchaser to such Purchaser Representative. Notwithstanding anything to the contrary herein, the foregoing restrictions shall not prevent the disclosure by a Purchaser of any information (x) that is required to be disclosed by order of a court of competent jurisdiction, administrative body or other Governmental Authority (as defined in the Purchase Agreement), or by subpoena, summons or legal process, or by law, rule or regulation or (y) that is publicly available (other than by a breach of such Purchaser's confidentiality obligations to the Company), provided that, to the extent permitted by Law (as defined in the Purchase Agreement), in the event a Purchaser or Purchaser Representative is

required to make a disclosure pursuant to clause (x) hereof, it shall provide to the Board prompt notice of such disclosure (other than any such disclosure required by any administrative body or other Governmental Authority in the exercise of its regulatory or other oversight authority with respect to such Purchaser or Purchaser Representative). The confidentiality obligations herein shall, with respect to any particular Purchaser, expire on the second (2nd) anniversary of the date on which such Purchaser ceases to hold any Shares.

2.5 Obligations of the Purchasers.

(a) Each Purchaser shall furnish in writing to the Company such information regarding itself, the Registrable Securities held by it and the intended method of disposition of the Registrable Securities held by it, as shall be reasonably required to effect the registration of such Registrable Securities and shall execute such documents in connection with such registration as the Company may reasonably request. At least five (5) Business Days prior to the first anticipated filing date of any Registration Statement, the Company shall notify each Purchaser of the information the Company requires from such Purchaser if such Purchaser elects to have any of its Registrable Securities included in the Registration Statement. A Purchaser shall provide such information to the Company at least two (2) Business Days prior to the first anticipated filing date of such Registration Statement if such Purchaser elects to have any of its Registrable Securities included in the Registration Statement.

(b) Each Purchaser, by its acceptance of the Registrable Securities agrees to cooperate with the Company as reasonably requested by the Company in connection with the preparation and filing of a Registration Statement hereunder, unless such Purchaser has notified the Company in writing of its election to exclude all of its Registrable Securities from such Registration Statement.

(c) Each Purchaser agrees that, upon receipt of any notice from the Company of either (i) the commencement of an Allowed Delay pursuant to Section 2.1(b) or (ii) the happening of an event pursuant to Section 2.4(d) and Section 2.4(e) hereof, such Purchaser will immediately discontinue disposition of Registrable Securities pursuant to the Registration Statement covering such Registrable Securities, until the Purchaser is advised by the Company that such dispositions may again be made.

2.6 Indemnification.

(a) Indemnification by the Company. The Company will indemnify and hold harmless each Purchaser and its officers, directors, members, employees and agents, successors and assigns, and each other person, if any, who controls such Purchaser within the meaning of the Securities Act, against any losses, claims, damages or liabilities, joint or several, to which they may become subject under the Securities Act or otherwise, insofar as such losses, claims, damages or liabilities (or actions in respect thereof) arise out of or are based upon: (i) any untrue statement or alleged untrue statement of any material fact contained in any Registration Statement, any preliminary Prospectus or final Prospectus, or any amendment or supplement thereof or any omission or alleged omission to state a material fact required to be stated therein or necessary to make the statements therein (in the case of any Prospectus or form of prospectus or supplement thereto, in light of the circumstances under which they were made) not misleading; (ii) any "Blue Sky" application or other document executed by the Company specifically for that purpose or based upon written information furnished by the Company filed in any state or other jurisdiction in order to qualify any or all of the Registrable Securities under the securities laws thereof (any such application, document or information herein called a "Blue Sky Application"); (iii) the omission or alleged omission to state in a Blue Sky Application a material fact required to be stated therein or necessary to make the statements therein not misleading, in light of the circumstances in which they were made; (iv) any violation by the Company or its agents of any rule or regulation promulgated under the Securities Act applicable to the Company or its agents and relating to action or inaction required of the Company in connection with such registration; or (v) any failure to register or qualify the Registrable Securities included in any such Registration Statement in any state where the Company or its agents has affirmatively undertaken or agreed in writing that the Company will undertake such registration or qualification on a Purchaser's behalf and will reimburse such Purchaser, and each such officer, director or member and each such controlling person for any legal or other expenses reasonably incurred by them in connection with investigating or defending any such loss, claim, damage, liability or action; provided, however, that the Company will not be liable in any such case if and to the extent that any such loss, claim, damage or liability arises out of or is based upon an untrue statement or alleged untrue statement or omission or alleged omission so made in conformity with information furnished by such Purchaser or any such controlling person in writing specifically for use in such Registration Statement or Prospectus.

(b) Indemnification by the Purchasers. Each Purchaser agrees, severally but not jointly, to indemnify and hold harmless, to the fullest extent permitted by law, the Company, its directors, officers, employees, stockholders and each person who controls the Company (within the meaning of the Securities Act) against any losses, claims, damages, liabilities and expense (including reasonable attorney fees) resulting from any untrue statement or alleged untrue statement of a material fact or any omission or alleged omission of a material fact required to be stated in the Registration Statement or Prospectus or preliminary Prospectus or amendment or supplement thereto or necessary to make the statements therein (in the case of any Prospectus or form of prospectus or supplement thereto, in light of the circumstances under which they were made) not misleading, to the extent, but only to the extent that such untrue statement or alleged untrue statement or omission or alleged omission is contained in any information furnished in writing by such Purchaser to the Company specifically for inclusion in such Registration Statement or Prospectus or amendment or supplement thereto. In no event shall the liability of a Purchaser be greater in amount than the dollar amount of the proceeds (net of all expense paid by such Purchaser in connection with any claim relating to this Section 2.6 and the amount of any damages such Purchaser has otherwise been required to pay by reason of such untrue statement or omission) received by such Purchaser upon the sale of the Registrable Securities included in the Registration Statement giving rise to such indemnification obligation.

(c) Conduct of Indemnification Proceedings. Any Person entitled to indemnification hereunder shall (i) give prompt notice to the indemnifying party of any claim with respect to which it seeks indemnification and (ii) permit such indemnifying party to assume the defense of such claim with counsel reasonably satisfactory to the indemnified party (provided, however, that such indemnified party shall, at the expense of the indemnified party, be entitled to counsel of its own choosing to monitor such defense); provided that, subject to the preceding sentence, any Person entitled to indemnification hereunder shall have the right to 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 to pay such fees or

expenses, or (b) the indemnifying party shall have failed to assume the defense of such claim and employ counsel reasonably satisfactory to such person or (c) in the reasonable judgment of any such Person, based upon written advice of its counsel, a conflict of interest exists 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); and provided, further, that the failure of any indemnified party to give notice as provided herein shall not relieve the indemnifying party of its obligations hereunder, except to the extent that such failure to give notice shall materially adversely affect the indemnifying party in the defense of any such claim or litigation. It is understood that the indemnifying party shall not, in connection with any proceeding in the same jurisdiction, be liable for fees or expenses of more than one separate firm of attorneys at any time for all such indemnified parties. No indemnifying party will, except with the consent of the indemnified party, consent to entry of any judgment or enter into any settlement that does not include as an unconditional term thereof the giving by the claimant or plaintiff to such indemnified party of a release from all liability in respect of such claim or litigation.

(d) Contribution. If for any reason the indemnification provided for in the preceding paragraphs (a) and (b) is unavailable to an indemnified party or insufficient to hold it harmless, other than as expressly specified therein, then the indemnifying party shall contribute to the amount paid or payable by the indemnified party as a result of such loss, claim, damage or liability in such proportion as is appropriate to reflect the relative fault of the indemnified party and the indemnifying party, as well as any other relevant equitable considerations. 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 not guilty of such fraudulent misrepresentation. In no event shall the contribution obligation of a holder of Registrable Securities be greater in amount than the dollar amount of the proceeds (net of all expenses paid by such holder in connection with any claim relating to this Section 2.6 and the amount of any damages such holder has otherwise been required to pay by reason of such untrue or alleged untrue statement or omission or alleged omission) received by it upon the sale of the Registrable Securities giving rise to such contribution obligation.

2.7 Termination of Registration Rights. The registration rights provided to the Holders under Section 2 shall terminate in their entirety upon the earlier to occur of: (i) the date that is five (5) years from the Effective Date; or (ii) at such time as there are no Registrable Securities. Notwithstanding the foregoing, Sections 2.3, 2.6 and 3 shall survive the termination of such registration rights.

3. Miscellaneous.

3.1 Governing Law; Jurisdiction. This Agreement shall be governed by, and construed in accordance with, the internal laws of the State of New York without regard to the choice of law principles thereof. Each of the parties hereto irrevocably submits to the exclusive jurisdiction of the state and federal courts located in the State of New York for the purpose of any suit, action, proceeding or judgment relating to or arising out of this Agreement and the transactions contemplated hereby. Service of process in connection with any such suit, action or proceeding may be served on each party hereto anywhere in the world by the same methods as are specified for the giving of notices under this Agreement. Each of the parties hereto irrevocably consents to the jurisdiction of any such court in any such suit, action or proceeding and to the laying of venue in such court. Each party hereto irrevocably waives any objection to the laying of venue of any such suit, action or proceeding brought in such courts and irrevocably waives any claim that any such suit, action or proceeding brought in any such court has been brought in an inconvenient forum.

3.2 Successors and Assigns. Except as otherwise expressly provided herein, the provisions hereof shall inure to the benefit of, and be binding upon, the successor and assigns of the parties hereto (other than the rights of any Holder under Section 2 hereof, which shall not be assignable and shall not inure to the benefit of any successor or assign of a Holder). The Company may not assign its rights or obligations hereunder except with the prior written consent of each Holder. Each Holder may assign their respective rights hereunder (other than the rights of any Holder under Section 2 hereof, which shall not be assignable and shall not inure to the benefit of any successor or assign of a Holder) in the manner and to the Persons permitted under the Purchase Agreement.

3.3 Entire Agreement; Amendment. This Agreement and the other Transaction Documents constitute the full and entire understanding and agreement between the parties with regard to the subjects hereof and thereof. Any previous agreements among the parties relative to the specific subject matter hereof are superseded by this Agreement. Neither this Agreement nor any provision hereof may be amended, changed, waived, discharged or terminated other than by a written instrument signed by the party against who enforcement of any such amendment, change, waiver, discharge or termination is sought; *provided that* additional purchasers may become party to this Agreement by executing a joinder pursuant to Section 3 of the Purchase Agreement.

3.4 Notices. All notices and other communications provided for or permitted hereunder shall be made as set forth in Section 12.02 of the Purchase Agreement.

3.5 Severability. If any term, provision, covenant or restriction of this Agreement is held by a court of competent jurisdiction to be invalid, illegal, void or unenforceable, the remainder of the terms, provisions, covenants and restrictions set forth herein shall remain in full force and effect and shall in no way be affected, impaired or invalidated, and the parties hereto shall use their commercially reasonable efforts to find and employ an alternative means to achieve the same or substantially the same result as that contemplated by such term, provision, covenant or restriction. It is hereby stipulated and declared to be the intention of the parties that they would have executed the remaining terms, provisions, covenants and restrictions without including any of such that may be hereafter declared invalid, illegal, void or unenforceable.

3.6 Headings. The headings herein are for convenience only, do not constitute a part of this Agreement and shall not be deemed to limit or affect any of the provisions hereof.

3.7 Counterparts. This Agreement may be executed in two or more counterparts, all of which when taken together shall be considered one and the same agreement and shall become effective when counterparts have been signed by each party and delivered to each other party, it being understood that the parties need not sign the same counterpart. In the event that any signature is delivered by facsimile transmission or by e-mail delivery of a “.pdf” format data file, such signature shall create a

valid and binding obligation of the party executing (or on whose behalf such signature is executed) with the same force and effect as if such facsimile or ".pdf" signature page were an original thereof.

3.8 Delays or Omissions. It is agreed that no delay or omission to exercise any right, power or remedy accruing to any party upon any breach or default of any other party under this Agreement shall impair any such right, power or remedy, nor shall it be construed to be a waiver of any such breach or default, or any acquiescence therein, or of any similar breach or default thereafter occurring; nor shall any waiver of any single breach or default be deemed a waiver of any other breach or default theretofore or thereafter occurring. It is further agreed that any waiver, permit, consent or approval of any kind or character of any breach or default under this Agreement, or any waiver of any provisions or conditions of this Agreement must be in writing and shall be effective only to the extent specifically set forth in writing, and that all remedies, either under this Agreement, by law or otherwise, shall be cumulative and not alternative.

3.9 Consents. Any permission, consent, or approval of any kind or character under this Agreement shall be in writing and shall be effective only to the extent specifically set forth in such writing.

3.10 SPECIFIC PERFORMANCE. THE PARTIES HERETO AGREE THAT IRREPARABLE DAMAGE WOULD OCCUR IN THE EVENT THAT ANY OF THE PROVISIONS OF THIS AGREEMENT WERE NOT PERFORMED IN ACCORDANCE WITH ITS SPECIFIC INTENT OR WERE OTHERWISE BREACHED. IT IS ACCORDINGLY AGREED THAT THE PARTIES SHALL BE ENTITLED TO AN INJUNCTION OR INJUNCTIONS, WITHOUT BOND, TO PREVENT OR CURE BREACHES OF THE PROVISIONS OF THIS AGREEMENT AND TO ENFORCE SPECIFICALLY THE TERMS AND PROVISIONS HEREOF, THIS BEING IN ADDITION TO ANY OTHER REMEDY TO WHICH THEY MAY BE ENTITLED BY LAW OR EQUITY, AND ANY PARTY SUED FOR BREACH OF THIS AGREEMENT EXPRESSLY WAIVES ANY DEFENSE THAT A REMEDY IN DAMAGES WOULD BE ADEQUATE.

3.11 Construction of Agreement. No provision of this Agreement shall be construed against either party as the drafter thereof.

3.12 Section References. Unless otherwise stated, any reference contained herein to a Section or subsection refers to the provisions of this Agreement.

3.13 Variations of Pronouns. All pronouns and all variations thereof shall be deemed to refer to the masculine, feminine, or neuter, singular or plural, as the context in which they are used may require.

[Remainder of Page Intentionally Left Blank; Signature Pages Follow]

IN WITNESS WHEREOF, the parties have caused this Registration Rights Agreement to be duly executed and delivered by their proper and duly authorized officers as of the day and year first written above.

Proteon Therapeutics, Inc.

By: /s/ Timothy P. Noyes
Name: Timothy P. Noyes
Title: President & CEO

[Signature Page to Registration Rights Agreement]

IN WITNESS WHEREOF, the parties have caused this Registration Rights Agreement to be duly executed and delivered by their proper and duly authorized officers as of the day and year first written above.

PURCHASERS:

667, L.P.
By: BAKER BROS. ADVISORS LP,
management company and investment adviser to 667, L.P., pursuant to authority granted to it by Baker Biotech Capital, L.P., general partner to 667, L.P., and not as the general partner

By: /s/ Scott L. Lessing
Name: Scott L. Lessing
Title: President

BAKER BROTHERS LIFE SCIENCES, L.P.
By: BAKER BROS. ADVISORS LP,
management company and investment adviser to BAKER BROTHERS LIFE SCIENCES, L.P., pursuant to authority granted to it by Baker Brothers Life Sciences Capital, L.P., general partner to BAKER BROTHERS LIFE SCIENCES, L.P., and not as the general partner

By: /s/ Scott L. Lessing
Name: Scott L. Lessing
Title: President

IN WITNESS WHEREOF, the parties have caused this Registration Rights Agreement to be duly executed and delivered by their proper and duly authorized officers as of the day and year first written above.

PURCHASERS:

BOXER CAPITAL, LLC

By: /s/ Aaron Davis
Name: Aaron Davis
Title: Chief Executive Officer

MVA INVESTORS, LLC

By: /s/ Aaron Davis
Name: Aaron Davis
Title: Chief Executive Officer

[Signature Page to Registration Rights Agreement]

IN WITNESS WHEREOF, the parties have caused this Registration Rights Agreement to be duly executed and delivered by their proper and duly authorized officers as of the day and year first written above.

PURCHASERS:

OPALEYE LP

By: /s/ James Silverman
Name: James Silverman
Title: General Partner

[Signature Page to Registration Rights Agreement]

IN WITNESS WHEREOF, the parties have caused this Registration Rights Agreement to be duly executed and delivered by their proper and duly authorized officers as of the day and year first written above.

PURCHASERS:

DRW VENTURE CAPITAL, LLC

By: /s/ David B. Nelson
Name: David B. Nelson
Title: Vice President

[Signature Page to Registration Rights Agreement]

IN WITNESS WHEREOF, the parties have caused this Registration Rights Agreement to be duly executed and delivered by their proper and duly authorized officers as of the day and year first written above.

PURCHASERS:

IKARIAN CAPITAL

By: /s/ Chart Westcott
Name: Chart Westcott
Title: COO

[Signature Page to Registration Rights Agreement]

IN WITNESS WHEREOF, the parties have caused this Registration Rights Agreement to be duly executed and delivered by their proper and duly authorized officers as of the day and year first written above.

PURCHASERS:

JAMES F. REDDOCH

By: /s/ James F. Reddoch

Annex A

PLAN OF DISTRIBUTION

We are registering the shares of common stock issued to the selling stockholders to permit the resale of these shares of common stock by the holders of the shares of common stock from time to time after the date of this prospectus. We will not receive any of the proceeds from the sale by the selling stockholders of the shares of common stock. We will bear all fees and expenses incident to our obligation to register the shares of common stock.

The selling stockholders may sell all or a portion of the shares of common stock beneficially owned by them and offered hereby from time to time directly or through one or more underwriters, broker-dealers or agents. If the shares of common stock are sold through underwriters or broker-dealers, the selling stockholders will be responsible for underwriting discounts or commissions or agent's commissions. The shares of common stock may be sold on any national securities exchange or quotation service on which the securities may be listed or quoted at the time of sale, in the over-the-counter market or in transactions otherwise than on these exchanges or systems or in the over-the-counter market and in one or more transactions at fixed prices, at prevailing market prices at the time of the sale, at varying prices determined at the time of sale, or at negotiated prices. These sales may be effected in transactions, which may involve crosses or block transactions. The selling stockholders may use any one or more of the following methods when selling shares:

· ordinary brokerage transactions and transactions in which the broker-dealer solicits purchasers;

· block trades in which the broker-dealer will attempt to sell the shares as agent but may position and resell a portion of the block as principal to facilitate the transaction;

· purchases by a broker-dealer as principal and resale by the broker-dealer for its account;

· an exchange distribution in accordance with the rules of the applicable exchange;

· privately negotiated transactions;

· settlement of short sales entered into after the effective date of the registration statement of which this prospectus is a part;

· broker-dealers may agree with the selling stockholders to sell a specified number of such shares at a stipulated price per share;

· through the writing or settlement of options or other hedging transactions, whether such options are listed on an options exchange or otherwise;

· a combination of any such methods of sale; and

· any other method permitted pursuant to applicable law.

The selling stockholders also may resell all or a portion of the shares in open market transactions in reliance upon Rule 144 under the Securities Act, as permitted by that rule, or Section 4(1) under the Securities Act, if available, rather than under this prospectus, provided that they meet the criteria and conform to the requirements of those provisions.

Broker-dealers engaged by the selling stockholders may arrange for other broker-dealers to participate in sales. If the selling stockholders effect such transactions by selling shares of common stock to or through underwriters, broker-dealers or agents, such underwriters, broker-dealers or agents may receive commissions in the form of discounts, concessions or commissions from the selling stockholders or commissions from purchasers of the shares of common stock for whom they may act as agent or to whom they may sell as principal. Such commissions will be in amounts to be negotiated, but, except as set forth in a supplement to this Prospectus, in the case of an agency transaction will not be in excess of a customary brokerage commission in compliance with FINRA Rule 5110.

In connection with sales of the shares of common stock or otherwise, the selling stockholders may enter into hedging transactions with broker-dealers or other financial institutions, which may in turn engage in short sales of the shares of common stock in the course of hedging in positions they assume. The selling stockholders may also sell shares of common stock short and if such short sale shall take place after the date that this Registration Statement is declared effective by the Commission, the selling stockholders may deliver shares of common stock covered by this prospectus to close out short positions and to return borrowed shares in connection with such short sales. The selling stockholders may also loan or pledge shares of common stock to broker-dealers that in turn may sell such shares, to the extent permitted by applicable law. The selling stockholders may also enter into option or other transactions with broker-dealers or other financial institutions or the creation of one or more derivative securities which require the delivery to such broker-dealer or other financial institution of shares offered by this prospectus, which shares such broker-dealer or other financial institution may resell pursuant to this prospectus (as supplemented or amended to reflect such transaction). Notwithstanding the foregoing, the selling stockholders have been advised that they may not use shares registered on this registration statement to cover short sales of our common stock made prior to the date the registration statement, of which this prospectus forms a part, has been declared effective by the SEC.

The selling stockholders may, from time to time, pledge or grant a security interest in some or all of the warrants or shares of common stock owned by them and, if they default in the performance of their secured obligations, the pledgees or secured parties may offer and sell the shares of common stock from time to time pursuant to this prospectus or any amendment to this prospectus under Rule 424(b)(3) or other applicable provision of the Securities Act of 1933, as amended, amending, if necessary, the list of selling stockholders to include the pledgee, transferee or other successors in interest as selling stockholders under this prospectus. The selling stockholders also may transfer and donate the shares of common stock in other circumstances in which case the transferees, donees, pledgees or other successors in interest will be the selling beneficial owners for purposes

of this prospectus.

The selling stockholders and any broker-dealer or agents participating in the distribution of the shares of common stock may be deemed to be "underwriters" within the meaning of Section 2(11) of the Securities Act in connection with such sales. In such event, any commissions paid, or any discounts or concessions allowed to, any such broker-dealer or agent and any profit on the resale of the shares purchased by them may be deemed to be underwriting commissions or discounts under the Securities Act. Selling Stockholders who are "underwriters" within the meaning of Section 2(11) of the Securities Act will be subject to the prospectus delivery requirements of the Securities Act and may be subject to certain statutory liabilities of, including but not limited to, Sections 11, 12 and 17 of the Securities Act and Rule 10b-5 under the Securities Exchange Act of 1934, as amended, or the Exchange Act.

Each selling stockholder has informed the Company that it is not a registered broker-dealer and does not have any written or oral agreement or understanding, directly or indirectly, with any person to distribute the common stock. Upon the Company being notified in writing by a selling stockholder that any material arrangement has been entered into with a broker-dealer for the sale of common stock through a block trade, special offering, exchange distribution or secondary distribution or a purchase by a broker or dealer, a supplement to this prospectus will be filed, if required, pursuant to Rule 424(b) under the Securities Act, disclosing (i) the name of each such selling stockholder and of the participating broker-dealer(s), (ii) the number of shares involved, (iii) the price at which such the shares of common stock were sold, (iv) the commissions paid or discounts or concessions allowed to such broker-dealer(s), where applicable, (v) that such broker-dealer(s) did not conduct any investigation to verify the information set out or incorporated by reference in this prospectus, and (vi) other facts material to the transaction.

Under the securities laws of some states, the shares of common stock may be sold in such states only through registered or licensed brokers or dealers. In addition, in some states the shares of common stock may not be sold unless such shares have been registered or qualified for sale in such state or an exemption from registration or qualification is available and is complied with.

There can be no assurance that any selling stockholder will sell any or all of the shares of common stock registered pursuant to the shelf registration statement, of which this prospectus forms a part.

Each selling stockholder and any other person participating in such distribution will be subject to applicable provisions of the Securities Exchange Act of 1934, as amended, and the rules and regulations thereunder, including, without limitation, Regulation M of the Exchange Act, which may limit the timing of purchases and sales of any of the shares of common stock by the selling stockholder and any other participating person. Regulation M may also restrict the ability of any person engaged in the distribution of the shares of common stock to engage in market-making activities with respect to the shares of common stock. All of the foregoing may affect the marketability of the shares of common stock and the ability of any person or entity to engage in market-making activities with respect to the shares of common stock.

We will pay all expenses of the registration of the shares of common stock pursuant to the registration rights agreement, including, without limitation, Securities and Exchange Commission filing fees and expenses of compliance with state securities or "blue sky" laws; provided, *however*, that each selling stockholder will pay all underwriting discounts and selling commissions, if any, and any legal expenses incurred by it. We will indemnify the selling stockholders against certain liabilities, including some liabilities under the Securities Act, in accordance with a registration rights agreement, or the selling stockholders will be entitled to contribution. We may be indemnified by the selling stockholders against civil liabilities, including liabilities under the Securities Act, that may arise from any written information furnished to us by the selling stockholders specifically for use in this prospectus, in accordance with the related registration rights agreements, or we may be entitled to contribution.