As filed with the Securities and Exchange Commission on June 4, 2021.

Registration No. 333-

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

FORM S-1
REGISTRATION STATEMENT
UNDER
THE SECURITIES ACT OF 1933

ALPHA TEKNOVA, INC.
(Exact name of Registrant as specified in its charter)

Delaware	8731	94-3368109
(State or other jurisdiction of incorporation or organization)	(Primary Standard Industrial Classification Code Number)	(I.R.S. Employer Identification Number)

2290 Bert Dr.
Hollister, CA 95023
(831) 637-1100
(Address, including zip code, and telephone number, including area code, of registrant's principal executive offices)

Stephen Gunstream
President and Chief Executive Officer
Alpha Teknova, Inc.
2290 Bert Dr.
Hollister, CA 95023
(831) 637-1100
(Name, address, including zip code, and telephone number, including area code, of agent for service)

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Approximate date of commencement of proposed sale to the public:
As soon as practicable after this registration statement becomes effective.

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

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

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

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

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

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

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

CALCULATION OF REGISTRATION FEE

Title of Each Class of Securities to be Registered	Proposed Maximum Aggregate Offering Price(1)(2)	Amount of Registration Fee
Common Stock, par value $0.00001 per share	$75,000,000	$8,182.50

(1) Estimated solely for the purpose of calculating the registration fee pursuant to Rule 457(o) under the Securities Act of 1933, as amended. Includes offering price of any additional shares that the underwriters have the option to purchase.
(2) Calculated pursuant to Rule 457(o) under the Securities Act of 1933, as amended, based on an estimate of the proposed maximum aggregate offering price.

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

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

PROSPECTUS (Subject to completion) **Dated June 4, 2021**

Shares

Alpha Teknova, Inc.

Common Stock

This is an initial public offering of shares of common stock of Alpha Teknova, Inc. All of the shares of common stock are being sold by us.

Prior to this offering, there has been no public market for our common stock. It is currently estimated that the initial public offering price per share will be between $ and $. We have applied to list our common stock on the Nasdaq Global Market under the symbol "TKNO."

We are an "emerging growth company" and a "smaller reporting company," each as defined under the federal securities laws, and as such, we have elected to comply with certain reduced reporting requirements for this prospectus and may elect to do so in future filings. Following the closing of this offering, Telegraph Hill Partners IV, L.P. and its affiliate THP IV Affiliates Fund, LLC will continue to own a majority of the shares entitled to vote in the election of our directors. As a result, we will be a "controlled company" under the corporate governance standards of The Nasdaq Stock Market LLC and will be exempt from certain corporate governance requirements of the rules thereof. See the sections titled "Prospectus Summary—The Offering—Controlled company" and "Risk Factors—Risks Related to Our Common Stock and this Offering."

See the section titled "Risk Factors" beginning on page 15 to read about factors you should consider before buying shares of our common stock.

Neither the Securities and Exchange Commission nor any state securities commission has approved or disapproved of these securities or passed upon the adequacy or accuracy of this prospectus. Any representation to the contrary is a criminal offense.

	Per Share	*Total*
Initial public offering price	**$**	**$**
Underwriting discount(1)	**$**	**$**
Proceeds, before expenses, to Alpha Teknova, Inc.(1)	**$**	**$**

(1) See the section titled "Underwriting" for additional information regarding compensation payable to the underwriters.

We have granted the underwriters an option for a period of 30 days from the date of this prospectus to purchase up to an additional shares of common stock from us at the initial public offering price, less the underwriting discount.

The underwriters expect to deliver the shares against payment in New York, New York on , 2021.

Joint Book-Running Managers

Cowen **William Blair**

Co-Managers

BTIG **Stephens Inc.**

, 2021

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You should rely only on the information contained in this prospectus and any free writing prospectus that we may provide to you in connection with this offering. We have not, and the underwriters have not, authorized anyone to provide you with different information or to make any other representations, and we and the underwriters take no responsibility for, and can provide no assurance as to the reliability of, any other information others may give you. We are offering to sell, and seeking offers to buy, shares of our common stock only under circumstances and in jurisdictions where it is lawful to do so. We are not, and the underwriters are not, making an offer to sell these securities in any jurisdiction where the offer or sale is not permitted. You should not assume that the information contained in this prospectus is accurate as of any date other than its date. Our business, financial condition, results of operations and prospects may have changed since that date.

For investors outside the United States: Neither we nor the underwriters have done anything that would permit this offering or the possession or distribution of this prospectus in any jurisdiction where action for those purposes is required, other than in the United States. Persons outside of the United States who come into possession of this prospectus must inform themselves about, and observe any restrictions relating to, the offering of the shares of our common stock and the distribution of this prospectus outside of the United States.

Through and including , 2021 (the 25th day after the date of this prospectus), all dealers effecting transactions in these securities, whether or not participating in this offering, may be required to deliver a prospectus. This is in addition to a dealer's obligation to deliver a prospectus when acting as an underwriter and with respect to an unsold allotment or subscription.

Unless otherwise indicated or the context otherwise requires, references in this prospectus to the term:

- "2016 Plan" means the Alpha Teknova, Inc. 2016 Stock Plan, as amended;
- "2020 Plan" means the Alpha Teknova, Inc. 2020 Equity Incentive Plan, as amended;
- "2021 Plan" means the Alpha Teknova, Inc. 2021 Equity Incentive Plan, an equity incentive plan that we intend to adopt prior to the closing of this offering;
- "Bribery Act" means the U.K. Bribery Act 2010;
- "CAGR" means compound annual growth rate;
- "COBRA" means Consolidated Omnibus Budget Reconciliation Act;
- "Code" means the Internal Revenue Code of 1986, as amended;
- "Credit Agreement" means, collectively, that certain credit and security agreement (Term Loan), dated as of March 26, 2021, by and among the company and MidCap Financial Trust, as agent and as a lender, and the additional lenders from time to time party thereto, and that certain credit and security agreement (Revolving Loan), dated as of March 26, 2021, by and among the company and MidCap Financial Trust, as agent and as a lender, and the additional lenders from time to time party thereto;
- "DGCL" means the General Corporation Law of the State of Delaware, as amended;
- "EBITDA" means earnings before interest, taxes, depreciation and amortization;
- "EEA" means the European Economic Area;
- "EMA" means the European Medicines Agency;
- "ESPP" means the Alpha Teknova, Inc. 2021 Employee Stock Purchase Plan, an equity incentive plan that we intend to adopt prior to the closing of this offering;
- "Exchange Act" means the U.S. Securities Exchange Act of 1934, as amended;
- "FCPA" means the U.S. Foreign Corrupt Practices Act;
- "FDA" means the U.S. Food and Drug Administration;
- "GAAP" means U.S. generally accepted accounting principles;
- "GCP" means Good Clinical Practices;
- "GDPR" means the European Union's General Data Protection Directive;
- "GMP" means Good Manufacturing Practices;
- "IRS" means the Internal Revenue Service;
- "ISO" means the International Organization for Standardization;
- "JOBS Act" means the U.S. Jumpstart Our Business Startups Act of 2012, as amended;
- "mRNA" means messenger RNA;
- "Nasdaq Rules" means the rules and listing standards of The Nasdaq Stock Market LLC;
- "QC" means quality control;
- "QMS" means quality management system;
- "R&D" means research and development;
- "RNA" means ribonucleic acid;
- "RUO" means research use only;
- "Sarbanes-Oxley Act" means the U.S. Sarbanes-Oxley Act of 2002, as amended;
- "SEC" means the U.S. Securities and Exchange Commission;
- "Securities Act" means the U.S. Securities Act of 1933, as amended;
- "TAM" means our total addressable market;

- "THP" means, collectively, Telegraph Hill Partners IV, L.P. ("THP LP") and its affiliate THP IV Affiliates Fund, LLC ("THP LLC"); and
- "underwriters" means the firms listed on the cover page of this prospectus.

For ease of reference, we have repeated definitions for certain of these terms in other portions of the body of this prospectus. All such definitions conform to the definitions set forth above.

PROSPECTUS SUMMARY

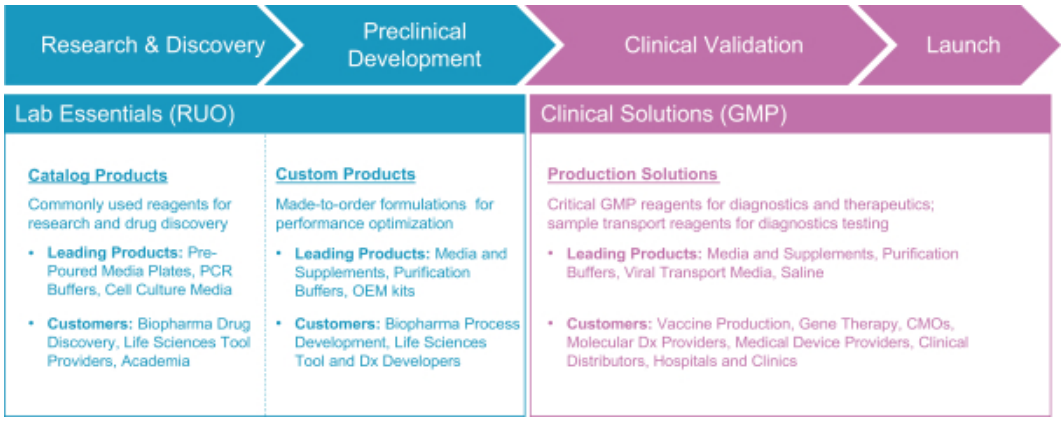
This summary highlights selected information that is presented in greater detail elsewhere in this prospectus. This summary does not contain all of the information you should consider before investing in our common stock and it is qualified in its entirety by, and should be read in conjunction with, the more detailed information included elsewhere in this prospectus. You should read this entire prospectus carefully, including the sections titled "Risk Factors" and "Management's Discussion and Analysis of Financial Condition and Results of Operations," and our financial statements and the related notes included elsewhere in this prospectus before making an investment decision. Unless the context otherwise requires, the terms "Teknova," "company," "we," "us" and "our" refer to Alpha Teknova, Inc.

Overview

We are a leading provider of critical reagents that enable the discovery, research, development and production of biopharmaceutical products such as drug therapies, novel vaccines, and molecular diagnostics. Our 3,000 active customers span the entire continuum of the life sciences market and include leading pharmaceutical and biotechnology companies, contract development and manufacturing organizations, *in vitro* diagnostics franchises, and academic and government research institutions. Our company is built around proprietary manufacturing processes that are highly adaptable and versatile. These proprietary processes enable us to manufacture and deliver high quality, custom, made-to-order products on a short turnaround time and at scale, across all stages of development, including commercialization.

We have substantial expertise in manufacturing customer-specified formulations and have demonstrated the ability to manufacture and deliver our products to customers quickly. Due to our expertise in supply chain management, product creation, chemical formulation, and QC, developed over more than two decades, we are typically able to move a new custom product into production in less than one week from order receipt. This allows our customers to potentially receive their products in weeks as compared to months from alternative suppliers employing traditional production environments. Our processes are designed to handle a diverse array of customer-requested inputs, which vary by volume, chemical formulation, quality specifications, container types, and transportation requirements, enabling broad use of our products across the full scope of the life sciences market.

Our proprietary capabilities and products underpin the value we provide to customers across the entire product development workflow, allowing us to scale with our clients over time and as they grow, support their need for materials in greater volume and meet increasingly stringent regulatory requirements. We offer three primary product types: pre-poured media plates for cell growth and cloning, liquid cell culture media and supplements for cellular expansion, and molecular biology reagents for sample manipulation, resuspension, and purification. Our products are introduced to customers in the discovery phase of development, where off-the-shelf (stock) formulations are used for initial experimentation. As customers' product development progresses and they advance to requiring products with improved performance, increased volume amounts, and the capability of meeting certain GMP regulatory requirements, they routinely order high value, custom, made-to-order and GMP-grade products. We believe the highly bespoke nature of our portfolio makes us a critical, trusted supplier to our customers.



Due to the extensive validation required for these custom products, our customers frequently integrate them as components into the lifecycle of their own products and, we believe, are unlikely to substitute Teknova's components with alternatives. As a result, our customer relationships typically span many years and help drive recurring business. Moreover, we are committed to delivering high levels of customer satisfaction through continued investment in our customer service, infrastructure, quality systems and manufacturing processes. Since 2018, we have achieved an annual customer retention rate of approximately 97% for customers purchasing more than $10,000 yearly, which customers account for just over 12% of our customer base and more than 88% of our average annual revenue during that period. We believe the Teknova brand is well established in the life sciences industry as a result of our track record of delivering high quality, custom products and providing superior customer service over two decades.

We participate in multiple market segments because customers use our products across the life sciences, including in high growth areas like cell and gene therapy research, development, and production. We believe our prospects for growth will also benefit from developments in other fields, including the validation of mRNA vaccines and their possible use in therapies, continued significant investment in synthetic biology, and growing interest in molecular diagnostics and genomics. Based on industry consultants and our internal estimates, we believe our TAM opportunity in 2020 was approximately $8.2 billion and expect that addressable market to grow at a 9.7% CAGR to $11.9 billion by 2024. Our internal estimates reflect our judgments about, among other things, future economic, competitive, regulatory and market conditions, and our future business decisions, all of which are inherently subject to significant uncertainties and contingencies, including, among others, the risks and uncertainties described under the sections entitled "Risk Factors" and "Cautionary Note Regarding Forward-Looking Statements."

The investment capital raised by companies developing and commercializing cell and gene therapies increased from $9.8 billion in 2019 to $19.9 billion in 2020, according to the Alliance for Regenerative Medicine. Based on third party research, the global market for cell and gene therapies is expected to grow from $2.3 billion in 2020 to $45.4 billion by 2026. As a supplier to more than 65 leading cell and gene therapy organizations, we are well positioned to benefit from the rapid growth in this market through our high quality, custom, made-to-order products.

Teknova is a leading provider of research and GMP-grade bacterial cell culture media and specialized chromatography solutions—reagents required for plasmid and therapeutic nucleic acid

production—which we believe positions us especially well to capture share in the high-growth cell and gene therapy markets.

We believe the key industry factors that will drive our growth include:

- the central role that bacterial cell culture plays in producing plasmids, an essential ingredient in cell and gene therapy bioproduction;
- the complexity of viral purification, which requires new, customized research and GMP-grade chromatography formulations to increase viral production efficiency, yield and purity;
- the growing demand for a single, adaptable, end-to-end provider that can offer both research use only ("RUO") as well as GMP-grade, custom, made-to-order products with short turnaround times;
- the importance of GMP-grade products in a highly scrutinized development and manufacturing process, with a variety of complex and stringent regulatory requirements; and
- the need for suppliers capable of scaling the volume of product up and down, readily shifting with customers' needs.

The nature of many of our products and their uses require that they be manufactured by highly trained personnel in contamination-controlled environments, following exacting procedures to ensure quality. We manufacture our products at our facilities in California, which were purpose-built to address our customers' needs for custom-made, research or GMP-grade critical input components.

We recorded net sales of $9.1 million, a net loss of $0.7 million, and Adjusted EBITDA of $0.0 million for the three months ended March 31, 2021. We generated revenue growth of approximately 49% for the three months ended March 31, 2021 as compared to the same period in the prior year. During the twelve months ended December 31, 2020 we recorded net sales of $31.3 million, net income of $3.6 million, and Adjusted EBITDA of $7.0 million. Also during that period, our revenue grew approximately 51% compared to the twelve months in the combined predecessor and successor periods of 2019. Revenue of approximately $0.9 million and $4.3 million in the quarter ended March 31, 2021 and the year ended December 31, 2020, respectively, from sales of our sample transport medium, a product used to aid in the transport of COVID-19 test samples, contributed to our growth in each such period and helped to offset decreased spending by some of our customers during the early stages of the pandemic. For the definitions of Adjusted EBITDA, and a reconciliation of Adjusted EBITDA to net income or loss, see the sections titled "—Summary Historical Financial and Other Data" and "Management's Discussion and Analysis of Financial Condition and Results of Operations—Non-GAAP Financial Measures."

Our Competitive Strengths

- **Expertise in Complex Chemical Formulation Manufacturing.** Through two decades of capital investment and process optimization, we have created a production system designed to manufacture complex, customer-specified formulations, which we believe enables us to produce and QC custom products faster than our competitors. We utilize our proprietary chemical formulation and production knowhow, supported by a product database consisting of the formulations of thousands of previously made products. This database, along with our tenured staff, allows us to quickly determine the optimal production process and meet the associated complexity requirements for custom orders. We believe our ability to rapidly customize has led to significant adoption of our products.
- **Quality and Regulatory Expertise Drives Deep Customer Relationships.** Our customers rely on us to meet the high quality, reliability and performance standards required by the life sciences industry while also facilitating the development of novel, innovative products. We

establish trusted relationships during the early stages of product development, as we manufacture customer-specified formulations to aid in the optimization of therapeutic or diagnostic production processes. Our customers frequently validate these custom-made research and GMP-grade components into their production processes, which often leads to deep relationships with our customers, and the purchasing of our components for the life of a product.

- **Industry Leading Delivery Time for Custom Products.** Our operations, built upon our proprietary manufacturing processes developed over the past 20 years, enables adaptable, versatile, and rapid production of complex, custom, made-to-order chemical formulations. Due to our expertise in supply chain management, product creation, chemical formulation, and QC, developed over more than two decades, we are typically able to move a new custom product into production in less than one week from order receipt. In addition, we can provide custom solutions at low minimum volumes and increase in scale by 100-fold within the same production environment, allowing customers to potentially receive their products in weeks rather than the months associated with traditional production environments. We ship 90% of our custom products less than three weeks from order placement.
- **Well Positioned in Rapidly Evolving Cell and Gene Therapy Market.** Our products are critical components frequently used in the research and development of cell and gene therapy derived pharmaceuticals and vaccines. In particular, we are a leading provider of RUO and GMP bacterial cell culture media and specialized chromatography solutions—reagents required for plasmid and therapeutic nucleic acid production—which we believe positions us especially well to capture share in these growing markets.
- **Experienced Leadership and Talented Workforce.** Our senior management team has vast experience across the life sciences, diagnostics, and biopharmaceutical market segments and has more than 80 years of collective experience in these segments. Our employees, a number of whom have been with the company for over a decade, provide tailored support, guidance and service for our customers.

Our Strategy

Our goal is to provide our customers the products necessary to accelerate their therapeutic development efforts, from basic research to commercialization of drugs that improve human health. The key elements of our business strategy to achieve this goal include:

- **Increase Integration of Our Products into Our Customers' Workflows.** Building long-term partnerships and embedding our products within our customers' key workflows are at the core of our strategy. As customers move from stock to custom and, ultimately, to clinical production, their total expenditure significantly increases. Based on our cumulative purchase data from 2018 to 2020, excluding purchase data relating to sample transport medium, our customers that purchased our custom products, catalog products and GMP-grade products represented approximately 9%, 90% and fewer than 1%, respectively, of our total customers over such period. We intend to further integrate into customer workflows during their product development by partnering with them to develop customized reagents for their workflows, providing excellent customer and technical support, and facilitating the scale-up in volume and regulatory stringency as they move towards production.
- **Provide Superior Customer Service Through Operational Excellence.** We are committed to providing superior customer service and to continuously developing our existing operational excellence. We intend to invest heavily in automation and infrastructure to substantially increase the manufacturing capacity at our facilities, which we believe will improve our operating efficiency and reduce delivery time for custom research and GMP-grade products.

- **Expand R&D and Commercial Scale to Establish Leadership in High Growth Market Segments.** We are investing substantially in our marketing, sales, R&D, and technical support capabilities. We believe this investment will allow us to increase our brand awareness, develop new products and services, and attract new customers, particularly those in the high growth gene therapy and nucleic acid therapeutic market segments. We intend to onboard new gene therapy and mRNA therapeutic customers by expanding our viral and nucleic acid bioproduction expertise and establishing a scientific field presence to provide new services and support models. We believe these efforts will also allow us to support our existing customers when they migrate from research to GMP-grade products.
- **Selectively Expand in Geographies with Attractive Growth Potential.** We believe there is significant opportunity for our high quality, custom products in markets outside of the U.S., including Europe. Based on our knowledge of the industry, we believe the local supply base in Europe is not able to produce customer-specified formulations with the diversity and at the scale necessary to satisfy the corresponding demand, with the short turnaround times customers will expect. We intend to expand into these markets by developing new relationships enabling us to establish manufacturing capabilities or by acquiring existing operating businesses in Europe.

Risks Associated with Our Business

There are a number of risks related to our business, this offering and our common stock that you should consider before you decide to participate in this offering. You should carefully consider all the information presented in the section titled “Risk Factors” in this prospectus. Some of the principal risks related to our business include the following:

- we have incurred operating losses in the past and may incur losses in the future;
- our operating results may fluctuate significantly in the future, which makes our future operating results difficult to predict and could cause our operating results to fall below expectations or any guidance we may provide, including the potential decline of revenue from our Sample Transport product line or other product lines as the COVID-19 pandemic eases;
- our efforts to increase the scale and capacity of our manufacturing processes and systems could be disruptive to our operations and adversely affect our results of operations and financial condition, and we may not realize some or all of the anticipated benefits of these initiatives in the time frame anticipated or at all;
- we depend on a limited number of customers for a high percentage of our revenue. For the year ended December 31, 2020, our largest customer is a distributor that accounted for 15% of our total revenue and our next largest customer accounted for 10% of our total revenue, each of which buy from us on a purchase order basis. If we cannot maintain our current relationships with customers, fail to sustain recurring sources of revenue with our existing customers, or if we fail to enter into new relationships, our future operating results will be adversely affected;
- we compete with life science, pharmaceutical and biotechnology companies, some of whom are our customers, who are substantially larger than we are and potentially capable of developing new approaches that could make our products and technology obsolete or develop their own internal capabilities that compete with our products;
- it may be difficult for us to implement our strategies for revenue growth in light of competitive challenges;
- future strategic investments or transactions may require us to seek additional financing, which we may not be able to secure on favorable terms, if at all;

- future acquisitions may expose us to risks that could adversely affect our business, and we may not achieve the anticipated benefits of acquisitions of businesses or technologies;
- until very recently, the company has not invested in marketing and selling our products. If we are unable to build a successful commercial (product development, marketing, and sales) function, our business and operating results will be adversely affected;
- our long-term results depend upon our ability to improve existing products and introduce and market new products successfully;
- the market may not be receptive to our new products and services upon their introduction;
- our activities are and will continue to be subject to extensive government regulation, which is expensive and time consuming;
- we rely on assumptions, estimates and data to calculate certain of our key metrics, and real or perceived inaccuracies in such metrics may harm our reputation and negatively affect our business;
- our management has limited experience in operating a public company;
- we rely primarily on trade secret laws, as well as confidentiality and non-disclosure agreements, and other contractual protections, to protect our technologies. If we are unable to protect the confidentiality of our technology, the value of our technology and products could be materially adversely affected;
- the terms of the Credit Agreement may restrict our current and future operations, particularly our ability to respond to changes or to take certain actions;
- THP controls us, and its interests may conflict with ours or yours in the future; and
- upon the listing of our shares of common stock on the Nasdaq Global Market, we will be a “controlled company” within the meaning of the Nasdaq Rules and, as a result, we will qualify for, and intend to rely on, exemptions from certain corporate governance requirements. You will not have the same protections as those afforded to stockholders of companies that are subject to such governance requirements.

Our Controlling Stockholder

We have a valuable relationship with our controlling stockholder, Telegraph Hill Partners Management Company LLC (“Telegraph Hill Partners”). In connection with this offering, our amended and restated certificate of incorporation, which will take effect immediately prior to the closing of this offering, will effectively provide THP (our controlling stockholders and affiliates of Telegraph Hill Partners) with certain rights not otherwise available to all of our stockholders, subject to certain conditions. See the sections titled “Management—Board of Directors” and “Description of Capital Stock” for more details with respect to certain rights of THP under our amended and restated certificate of incorporation.

Telegraph Hill Partners, founded in 2001 and based in San Francisco, California, invests in commercial stage companies in growth areas within the healthcare sector, including life science technologies, medical devices, chemistry and reagent suppliers, and healthcare services. Telegraph Hill Partners seeks to partner with these companies by providing capital and strategic guidance to innovate and expand.

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

We qualify as an “emerging growth company” as defined in the JOBS Act. For as long as we qualify as an emerging growth company, we may take advantage of certain exemptions from various

reporting requirements and other burdens that are otherwise applicable generally to public companies. These provisions include, but are not limited to:

- reduced obligations with respect to financial data, including presenting only two years of audited financial statements;
- an exemption from compliance with the auditor attestation requirements of Section 404 of the Sarbanes-Oxley Act;
- reduced disclosure about our executive compensation arrangements in our periodic reports, proxy statements, and registration statements; and
- exemptions from the requirements of holding non-binding advisory votes on executive compensation or golden parachute arrangements.

In addition, under the JOBS Act, emerging growth companies can delay adopting new or revised accounting standards until such time as those standards apply to private companies. We have elected to avail ourselves of this exemption from adopting new or revised accounting standards, and, therefore, we will not be subject to the same new or revised accounting standards as other public companies that are not emerging growth companies or that have opted out of using such extended transition period, which may make comparison of our financial statements with those of other public companies more difficult. We may take advantage of these reporting exemptions until we no longer qualify as an emerging growth company, or, with respect to adoption of certain new or revised accounting standards, until we irrevocably elect to opt out of using the extended transition period.

Under the JOBS Act, we will remain an emerging growth company until the earliest of:

- the last day of the fiscal year in which we have total annual gross revenues of $1.07 billion or more;
- the last day of our fiscal year following the fifth anniversary of the date of the closing of this offering;
- the date on which we have issued more than $1.0 billion in nonconvertible debt during the previous three years; and
- the date on which we are deemed to be a “large accelerated filer” under the Exchange Act (i.e., the first day of the fiscal year after we have (i) more than $700.0 million in outstanding common equity held by our non-affiliates, measured each year on the last business day of our most recently completed second fiscal quarter, and (ii) been public for at least 12 months).

We are also a “smaller reporting company” as defined in the Exchange Act. We may continue to be a smaller reporting company even after we are no longer an emerging growth company. We may take advantage of certain of the scaled disclosures available to smaller reporting companies until the fiscal year following the determination that (i) the market value of our voting and non-voting common stock held by non-affiliates equals or exceeds $250.0 million measured on the last business day of our most recently completed second fiscal quarter, and our annual revenues are more than $100.0 million during the most recently completed fiscal year or (ii) the market value of our voting and non-voting common stock held by non-affiliates equals or exceeds $700.0 million measured on the last business day of our most recently completed second fiscal quarter.

Corporate Information

The company was founded in 1996 and initially incorporated in California on May 30, 2000 under the name “eTeknova Inc.” On January 11, 2019, the company filed a certificate of merger and merged with and into Alpha Teknova, Inc., a Delaware corporation, which continued as the surviving entity

bearing the corporate name of “Alpha Teknova, Inc.” Our principal executive offices are located at 2290 Bert Dr., Hollister, California 95023. Our telephone number is (831) 637-1100. Our website address is www.teknova.com. Information contained on, or that can be accessed through, our website is not part of and is not incorporated by reference into this prospectus, and you should not consider information on our website to be part of this prospectus.

Trademarks and Service Marks

The name “Teknova”, the “Teknova Science Matters” logo, and other registered or common law trademarks or service marks of Alpha Teknova, Inc. appearing in this prospectus are the property of Alpha Teknova, Inc. This prospectus contains additional trade names, trademarks and service marks of others, which are the property of their respective owners. Solely for convenience, trade names, trademarks, and service marks referred to in this prospectus may appear without the ® or ™ symbols. Such references are not intended to indicate, in any way, that we will not assert, to the fullest extent under applicable law, our rights or the rights of the applicable licensor to such trade names, trademarks, and service marks.

The Offering	
Common stock being offered hereby	shares
Common stock outstanding after this offering	shares
Underwriters' option to purchase additional shares of common stock	The underwriters have an option, exercisable for 30 days from the date of this prospectus, to purchase up to an additional shares from us.
Use of proceeds	We estimate that the net proceeds to us from the sale of shares of our common stock in this offering will be approximately $ million (or approximately $ million if the underwriters' option to purchase additional shares is exercised in full) based upon the assumed initial public offering price of $ per share, which is the midpoint of the estimated offering price range set forth on the cover page of this prospectus, and after deducting the estimated underwriting discounts and commissions and estimated offering expenses payable by us. The principal purposes of this offering are to increase our capitalization and financial flexibility, create a public market for our common stock and thereby enable access to the public equity markets for us and our stockholders. We intend to use the net proceeds to us from this offering to increase our manufacturing capacity and capabilities, improve operating efficiency, scale up our marketing, sales and R&D staff, to increase brand awareness, develop new products and services and attract new customers, pursue acquisition opportunities, and for other general corporate purposes. See the section titled "Use of Proceeds" for a more complete description of the intended use of proceeds from this offering.
Controlled company	Immediately following closing of this offering, THP will control approximately % of the total voting power of our outstanding common stock. As a result, THP will be able to control the outcome of all matters submitted to a vote of our stockholders, including, for example, the election of directors, amendments to our certificate of incorporation and mergers or other business combinations. See the section titled "Description of Capital Stock." In addition, we currently intend to avail ourselves of the

	controlled company exemption under the Nasdaq Rules, and so you will not have the same protections afforded to stockholders of companies that are subject to such requirements.
Proposed Nasdaq trading symbol	"TKNO"
Risk factors	You should read the section titled "Risk Factors" and the other information included elsewhere in this prospectus for a discussion of some of the risks and uncertainties you should carefully consider before deciding to invest in our common stock.
Dividend policy	We currently do not intend to declare any dividends on our common stock in the foreseeable future. Our ability to pay dividends on our common stock is limited by the covenants of our Credit Agreement and may also be limited by the terms of any future debt or preferred securities we may issue or any future credit facilities we may enter into. See the section titled "Dividend Policy."

The total number of shares of our common stock to be outstanding after this offering is based on 11,262,092 shares of our common stock outstanding as of March 31, 2021, assuming the conversion of all outstanding shares of our Series A preferred stock into an aggregate of 9,342,092 shares of our common stock upon the closing of this offering, and excludes, as of March 31, 2021:

- 171,863 shares of common stock issuable upon the exercise of stock options outstanding as of March 31, 2021 under the 2016 Plan, at a weighted average exercise price of $0.79 per share;
- 1,126,551 shares of common stock issuable upon the exercise of stock options outstanding as of March 31, 2021 under the 2020 Plan, at a weighted average exercise price of $2.72 per share;
- 550,526 shares of common stock available for future issuance as of March 31, 2021 under our 2020 Plan, which will no longer be available for issuance thereunder at the time our 2021 Plan becomes effective;
- shares of our common stock reserved for future issuance under our 2021 Plan, which will become effective once the registration statement of which this prospectus forms a part is declared effective, as well as any future automatic annual increases in the number of shares of common stock reserved for issuance under our 2021 Plan and any shares underlying outstanding stock awards granted under our 2020 Plan that expire or are repurchased, forfeited, cancelled or withheld, as more fully described in the section titled "Executive Compensation—Actions Taken in 2021 or in Connection with This Offering—2021 Equity Incentive Plan"; and
- shares of our common stock reserved for issuance under the ESPP, which will become effective once the registration statement of which this prospectus forms a part is declared effective, as well as any future automatic annual increases in the number of shares of common stock reserved for future issuance under our ESPP.

See the section titled “Executive Compensation—Actions Taken in 2021 or in Connection with This Offering” for additional information.

Unless otherwise indicated, this prospectus assumes or gives effect to the following:

- the filing and effectiveness of our amended and restated certificate of incorporation to be effective immediately prior to the closing of this offering, and the adoption of our amended and restated bylaws to be effective immediately prior to the closing of this offering;
- the conversion of all outstanding shares of our Series A preferred stock into 9,342,092 shares of our common stock immediately prior to the closing of this offering;
- no exercise of the outstanding options described above;
- an assumed initial public offering price of $ per share, which is the midpoint of the price range set forth on the cover page of this prospectus; and
- no exercise by the underwriters of their option to purchase an additional shares of our common stock.

Summary Historical Financial and Other Data

On January 14, 2019, we entered into a stock purchase agreement with THP, pursuant to which THP acquired majority control of the company (the "THP Transaction"). As of March 31, 2021, THP owned 83% of our outstanding voting stock. In connection with the change of control effected by the THP Transaction, we elected to apply "pushdown" accounting by applying the guidance in Accounting Standards Codification ("ASC") Topic 805, *Business Combinations* and the financial reporting periods are presented as follows:

- the "2019 Predecessor Period" means the period from January 1, 2019 through January 13, 2019;
- the "2019 Successor Period" means the period from January 14, 2019 through December 31, 2019;
- the "2020 Successor Period" means the year ended December 31, 2020;
- the "2020 Interim Successor Period" means the three months ended March 31, 2020; and
- the "2021 Interim Successor Period" means the three months ended March 31, 2021.

The following tables present our summary historical financial and other data as of and for the periods indicated. The audited financial statements for the period from January 1, 2019 through January 13, 2019, include all accounts of the company for the 2019 Predecessor Period. The audited financial statements for the period from January 14, 2019 through December 31, 2019, and the year ended December 31, 2020 include all accounts of the company for the 2019 Successor Period and 2020 Successor Period, respectively. The unaudited financial statements for the three months ended March 31, 2021 and March 31, 2020, include all accounts of the company for the 2020 Interim Successor Period and the 2021 Interim Successor Period, respectively. The summary statements of operations data for the 2020 Successor Period, the 2019 Successor Period and the 2019 Predecessor Period, and the summary balance sheet data as of the end of the 2020 Successor Period are derived from our audited financial statements included elsewhere in this prospectus. The summary statements of operations data for the 2021 Interim Successor Period and the 2020 Interim Successor Period, and the summary balance sheet data as of March 31, 2021, are derived from our unaudited interim condensed financial statements included elsewhere in this prospectus and are not necessarily indicative of results to be expected for the full year. In the opinion of management, the unaudited interim condensed financial statements reflect all adjustments, consisting solely of normal recurring adjustments, necessary for the fair statement of the financial information in those statements.

You should read the summary historical financial and other data below together with our audited financial statements and related notes, as well as the information in the section titled "Management's Discussion and Analysis of Financial Condition and Results of Operations," included elsewhere in this prospectus. Our historical results are not necessarily indicative of the results that you should expect in any future period.

	Successor		Successor		Predecessor
	For the Three Months Ended March 31, 2021	For the Three Months Ended March 31, 2020	For the Year Ended December 31, 2020	For the Period from January 14, 2019 through December 31, 2019	For the Period from January 1, 2019 through January 13, 2019
Revenue	$ 9,078	$ 6,112	$ 31,297	$ 20,094	$ 686
Cost of sales	4,053	2,483	13,542	11,520	461
Gross profit	5,025	3,629	17,755	8,574	225
Operating expenses:					
Research and development	700	326	1,507	769	21
Sales and marketing	705	349	2,229	928	30
General and administrative	4,161	1,655	8,208	7,633	2,910
Amortization of intangible assets	287	287	1,148	1,100	–
Total operating expenses	5,853	2,617	13,092	10,430	2,961
(Loss) income from operations	(828)	1,012	4,663	(1,856)	(2,736)
Other income (expenses), net					
Interest income	7	32	87	66	–
Other income (expense), net	1	(21)	(24)	(10)	–
Total other income (expense), net	8	11	63	56	–
(Loss) income before income taxes	(820)	1,023	4,726	(1,800)	(2,736)
(Benefit from) provision for income taxes	(165)	75	1,156	(495)	(2,601)
Net (loss) income	(655)	948	3,570	(1,305)	(135)
Change in unrealized (loss) gain on available-for-sale securities, net of tax	(7)	(34)	(13)	20	–
Comprehensive (loss) income	$ (648)	$ 914	$ 3,557	$ (1,285)	$ (135)
Net (loss) income available to common stockholders					
Net (loss) income	(655)	948	3,570	(1,305)	(135)
Less: undistributed income attributable to preferred stockholders	–	(787)	(2,962)	–	–
Net (loss) income attributable to common stockholders	$ (655)	$ 161	$ 608	$ (1,305)	$ (135)
Net income (loss) per share attributable to common stockholders[1]					
Basic	$ (0.34)	$ 0.08	$ 0.32	$ (0.69)	$ (0.02)
Diluted	$ (0.34)	$ 0.08	$ 0.30	$ (0.69)	$ (0.02)
Weighted average shares used in computing net income (loss) per share attributable to common stockholders[1]					
Basic	1,920,000	1,920,000	1,920,000	1,879,294	6,080,714
Diluted	1,920,000	1,940,000	11,712,919	1,879,294	6,080,714
Net income (loss) per share attributable to common stockholders (unaudited)[2]					
Pro forma net income per share—Basic					
Pro forma net income per share—Diluted					
Weighted average shares used to compute the pro forma net income per share (unaudited)[2]					
Pro forma—Basic					
Pro forma—Diluted					

(1) See Note 13 to our audited financial statements appearing elsewhere in this prospectus for an explanation of the method used to calculate the historical net income (loss) per share, basic and diluted, and the number of shares used in the computation of the per share amounts.

(2) The pro forma income per share data gives effect to the conversion of all outstanding shares of our Series A preferred stock into an aggregate of 9,342,092 shares of our common stock which will occur immediately prior to the closing of this offering, resulting in an aggregate of 11,262,092 outstanding shares of our common stock.

	As of March 31, 2021		
Balance sheet data (in thousands):	**Actual**	**Pro forma(1)**	**Pro forma, as adjusted(2)**
		(unaudited)	**(unaudited)**
Cash and cash equivalents	$14,466	$ 14,466	$
Total assets	76,120	76,120	
Total liabilities	24,194	24,194	
Working capital(3)	20,291	20,291	
Series A preferred stock	35,638	–	
Retained earnings	1,610	1,610	
Total stockholders' equity:	$16,288	$ 51,926	$

(1) The pro forma balance sheet data gives effect to the conversion of all outstanding shares of our Series A preferred stock into an aggregate of 9,342,092 shares of our common stock which will occur immediately prior to the closing of this offering, resulting in an aggregate of 11,262,092 outstanding shares of our common stock.

(2) The pro forma as adjusted column in the balance sheet data table above gives effect to (a) the pro forma adjustments described in footnote (1) above and (b) the issuance and sale of shares of common stock in this offering at the assumed initial public offering price of $ per share, which is the midpoint of the price range set forth on the cover page of this prospectus, after deducting the estimated underwriting discounts and commissions and estimated offering expenses payable by us.

(3) We define working capital as current assets less current liabilities. See our audited financial statements included elsewhere in this prospectus for further details regarding our current assets and current liabilities.

RISK FACTORS

Investing in our common stock involves a high degree of risk. You should carefully consider the risks and uncertainties described below, together with all of the other information contained in this prospectus, including our financial statements and the related notes thereto, before making a decision to invest in our common stock. The risks and uncertainties described below are not the only ones we face. If any of the following risks occur, our business, financial condition, results of operations and prospects could be materially and adversely affected. In that event, the price of our common stock could decline, and you could lose all or part of your investment.

Risks Related to Our Business and Strategy

We have incurred operating losses in the past and may incur losses in the future.

We have incurred operating losses in the past, may incur operating losses in the future and may never achieve or maintain profitability. While we had net income of approximately $3.6 million for the year ended December 31, 2020, we incurred net losses in the past, including $1.3 million for the period from January 14, 2019 through December 31, 2019, and approximately $0.1 million for the period from January 1, 2019 through January 13, 2019. We expect that our operating expenses will continue to increase as we grow our business and we anticipate additional costs in connection with legal, accounting and other administrative expenses related to operating as a public company. Since our inception, we have financed our operations primarily through revenue from our products and the sale of our equity securities. While our revenue has grown in recent years, if our revenue declines or fails to grow at a rate sufficient to offset increases in our operating expenses, we will not be able to achieve and maintain profitability in future periods. We may never be able to generate sufficient revenue to maintain profitability and our recent and historical growth and profitability should not be considered indicative of our future performance.

Our operating results may fluctuate significantly in the future, which makes our future operating results difficult to predict and could cause our operating results to fall below expectations or any guidance we may provide.

Our quarterly and annual operating results may fluctuate significantly, which makes it difficult for us to predict our future operating results. These fluctuations may be driven by a variety of factors, many of which are outside of our control and, as a result, may not fully reflect the underlying performance of our business. These fluctuations may occur due to a variety of factors, including, but not limited to:

- demand from our largest customers, which account for a significant percentage of our sales and orders, may not meet our expectations regarding volume and price in any given time period;
- the level of demand for our products, which may vary significantly, and our ability to increase penetration in our existing markets and expand into new markets;
- customers accelerating, canceling, reducing or delaying orders, including as a result of developments related to their pre-clinical studies and clinical trials, or plans for commercialization;
- impacts on us, our suppliers and our customers as a result of the novel coronavirus (“COVID-19”) pandemic;
- changes in any governmental declaration of a global pandemic, for example impacting the status of our Sample Transport products currently subject to the FDA’s COVID-19 enforcement policy guidance on viral transport media;
- the relative quality, performance, and reliability of our products;

- changes in governmental regulations or the regulatory posture toward our business and the businesses of our customers;
- the volume and mix of the products we sell or changes in the production or sales costs related to our products;
- the success of our newer products, such as our Sample Transport products, and the introduction of other new products or product enhancements by us or others in our industry;
- the timing and amount of expenditures that we may incur to acquire, develop or commercialize additional products, services and technologies or for other purposes, including the expansion of our facilities;
- changes in governmental and academic funding of life sciences research and developments or changes that impact budgets, budget cycles or seasonal spending patterns of our customers;
- future accounting pronouncements or changes in our accounting policies;
- difficulties encountered by our commercial carriers in delivering our products, whether as a result of external factors such as weather or internal issues such as labor disputes;
- general market conditions and other factors, including factors unrelated to our operating performance or the operating performance of our competitors; and
- the other factors described in this “Risk Factors” section.

The impact of any one of the factors discussed above, or the cumulative effects of a combination of such factors, could result in significant fluctuations and unpredictability in our quarterly and annual operating results. As a result, comparisons of our operating results on a period-to-period basis may not be meaningful. Further, our historical results are not necessarily indicative of results expected for any future period, and quarterly results are not necessarily indicative of the results to be expected for the full year or any other period, and accordingly should not be relied upon as indicative of future performance.

As a result of variability and unpredictability, we may also fail to meet the expectations of industry or financial analysts or investors for any period. If our revenue or operating results fall short of the expectations of analysts or investors or any guidance we may provide, or if the guidance we provide falls short of the expectations of analysts or investors, the price of our common stock could decline substantially. Such a stock price decline could occur even when we have met or exceeded any publicly stated guidance we may have provided and could in turn negatively impact our business, financial condition, results of operations, cash flows and prospects.

Our efforts to increase the scale and capacity of our manufacturing processes and systems could be disruptive to our operations and adversely affect our results of operations and financial condition, and we may not realize some or all of the anticipated benefits of these initiatives in the time frame anticipated or at all.

We intend to extend our rapid custom production capability by investing in automation and infrastructure to substantially increase the manufacturing capacity at our facilities, improve operating efficiency through the use of automation, and reduce delivery time for our custom RUO products and our products manufactured subject to GMP requirements. We have recently expanded our footprint from 64,000 square feet to approximately 137,000 square feet and expect to expand our total production capacity by five-fold over the course of the next two years. The expansion and automation of existing manufacturing facilities, as well as new or expanded manufacturing operations, could be disruptive to our operations, divert the attention of management and require significant investments. Our ability to increase our manufacturing capacity is subject to a number of uncertainties inherent in all new manufacturing operations, including ongoing compliance with regulatory requirements, procurement and maintenance of construction, environmental and operational licenses and approvals for additional expansion, delays in construction, potential supply chain constraints, hiring, training and

retention of qualified employees and the pace of bringing production equipment and processes online with the capability to manufacture high-quality products at scale. If we experience any issues or delays in meeting our projected timelines for expansion, our projected costs or capital efficiency expectations are not met or the anticipated production capacity for our expansion efforts is not as expected, our business, financial condition, results of operations, cash flows and prospects may be harmed.

Our efforts to increase the scale and capacity of our manufacturing processes and systems may result in temporary constraints upon our ability to produce the quantity of products necessary to fill orders and thereby complete sales in a timely manner. In addition, system upgrades at our manufacturing facilities that impact ordering, production scheduling, manufacturing and other related processes are complex, and could impact or delay production. A prolonged delay in our ability to fill orders on a timely basis could affect customer demand for our products and increase the size of our product inventories, causing future reductions in our manufacturing schedules and adversely affecting our performance. Furthermore, delays in production could harm our reputation of being a supplier that is able to deliver customer-specified formulations on a short turnaround time, which may harm our brand, business, financial condition, results of operations, cash flows and prospects.

We may be unable to successfully expand our operations or manage our growth effectively.

The expansion of our manufacturing operations, the development of our marketing and sales organization and our organic growth have all increased and will continue to increase the complexity of our business. Acquisitions we may pursue in the future, including of businesses located outside the United States, would contribute to that increased complexity. Expansion of our operations may place significant demands on our management, finances and other resources. Our ability to manage the anticipated future growth, should it occur, will depend upon a significant expansion of our accounting and other internal management systems and the implementation and subsequent improvement of a variety of systems, procedures and controls. There can be no assurance that significant problems in these areas will not occur. Any failure to expand these areas and implement and improve such systems, procedures and controls in an efficient manner at a pace consistent with the growth of our business could have a material adverse effect on our business, financial condition, results of operations, cash flows and prospects.

If our products do not possess the required or expected quality characteristics or perform as expected or the reliability of the technology on which our products are based is questioned, we could experience lost revenue, delayed or reduced market acceptance of our products, increased costs and damage to our reputation.

Our success depends on the market's confidence that we can provide reliable, high-quality reagents for the development and commercialization of drug therapies, novel vaccines and molecular diagnostics, including products manufactured subject to GMP requirements. We believe that customers in our target markets are particularly sensitive to product nonconformances, defects, and errors given the potential for impact on their own products and processes, which in many cases are regulated. Our reputation and the public image of our products and technologies may be impaired if our products fail to perform as expected.

Although our products undergo QC testing prior to release for shipment, nonconformances, defects or errors could nonetheless occur or be present in products that we release for shipment to customers. Our operating results depend on our ability to execute and, when necessary, improve our quality management strategy and systems, our ability to effectively train and maintain our employee base with respect to quality management, and our ability to consistently meet GMP regulatory requirements and agreements with customers relative to product specification and quality. A failure of our QC systems could result in problems with facility operations, the preparation or provision of products or our ability to meet GMP regulatory requirements. In each case, such problems could arise for a variety of reasons,

including equipment malfunction, failure to follow specific manufacturing and quality control and assurance protocols and procedures or other human error, problems with raw materials or environmental factors and damage to, or loss of, manufacturing operations. Such problems could affect production of a particular batch or series of batches of products, requiring the destruction of such products or a halt of facility production altogether. Furthermore, some of the products that we manufacture are subsequently incorporated into products that are sold by other life sciences companies and we have no control over the manufacture and production of those products.

In addition, in the event we, or our suppliers, fail to meet required quality standards and if our products experience, or are perceived to experience, a material nonconformance, defect, or error, our products could be recalled or we may be unable to timely deliver products to our customers, which in turn could damage our reputation for quality and service. Although we take steps to continually improve our quality review, product documentation and reference testing procedures, we cannot guarantee that we will not experience quality assurance issues with our products in the future. Any such failure could, among other things, lead to increased costs, delayed or lost revenue, delayed market acceptance, damaged reputation, diversion of development resources, legal claims, reimbursement to customers for lost drug product, starting materials and active pharmaceutical ingredients, other customer claims, damage to and possible termination of existing customer relationships, increased insurance costs, time and expense spent investigating the cause and, depending on the cause, similar losses with respect to other batches or products, any of which could harm our business, financial condition, results of operations, cash flows and prospects. Such nonconformances, defects or errors could also narrow the scope of the use of our products, which could hinder our success in the market.

Even after any underlying concerns or problems are resolved, any lingering concerns in our target markets regarding our technology or any manufacturing defects or performance errors in our products could continue to result in lost revenue, delayed market acceptance, damage to our reputation and claims against us.

In addition, we may be unable to maintain the quality, reliability, robustness and expected turnaround times of our products and services to continue to satisfy customer demand as we grow. Fast delivery time is of crucial importance to the cell and gene therapy market segment and our customers rely on us to provide swift delivery of their custom-made formulations. To effectively manage our growth, we must continue to improve our operational, manufacturing, quality control and assurance and monitoring systems and processes and other aspects of our business and continue to effectively expand, train and manage our personnel. The time and resources required to improve our existing systems and procedures, to implement new systems and procedures and to adequately staff such existing and new systems and procedures is uncertain, and failure to complete this in a timely and efficient manner could adversely affect our operations and negatively impact our business and financial results. We may need to purchase additional equipment, some of which can take several months or more to procure, set up and validate, establish new production processes and increase our personnel levels to meet increased demand. We also plan to expand our manufacturing capabilities over the course of the next two years. There can be no assurance that any of these anticipated increases in scale, personnel growth, equipment or process enhancements or manufacturing expansion will be successfully implemented. Failure to manage this growth could result in delays in turnaround times, higher product costs, declining product quality, deteriorating customer service and slower responses to competitive challenges. A failure in any one of these areas could make it difficult for us to meet market expectations for our products and could damage our reputation and our business, financial condition, results of operations, cash flows and prospects could be adversely affected.

If the quality or delivery of our products does not meet regulatory requirements or our customers' expectations, our reputation could suffer and ultimately our sales and operating earnings could be negatively impacted.

In the course of conducting our business, we must adequately address quality issues associated with our products, including defects in our engineering, design, manufacturing and delivery processes, as well as defects in third-party components included in our products. Because our consumables are highly complex, the occurrence of defects may increase as we continue to introduce new products and services and as we rapidly scale up manufacturing to meet increased demand for our products and services. Although we have established internal procedures to reduce the risks that may arise from product quality issues, there can be no assurance that we will be able to eliminate or mitigate occurrences of these issues and associated liabilities. We have not to date been the subject of inspections by the FDA, and cannot predict or guarantee what the results would be if we were to be so inspected. In addition, identifying the root cause of quality issues, particularly those affecting reagents and third-party components, may be difficult, which increases the time needed to address quality issues as they arise and increases the risk that similar problems could recur. Finding solutions to quality issues can be expensive and we may incur significant costs or lost revenue in connection with, for example, shipment holds, product recalls or other service obligations. In addition, quality issues can impair our relationships with new or existing customers and adversely affect our brand image, and our reputation as a producer of high quality products could suffer, which could adversely affect our business, financial condition, results of operations, cash flows and prospects.

Our business, financial condition and results of operations may be materially adversely affected by global epidemics, including, but not limited to, the COVID-19 pandemic.

In March 2020, the World Health Organization declared that the outbreak of COVID-19 was a global pandemic. The COVID-19 pandemic has and continues to significantly affect the United States and global economies. Because our business is categorized as being a part of the country's critical infrastructure, we were able to continue operations during the COVID-19 pandemic. However, the outbreak has affected and may continue to affect our operations, including our operations in San Benito County, California where our management team and a significant portion of our employees are located. The COVID-19 pandemic is evolving and to date has led to the implementation of various responses, including government imposed shelter-in-place orders, quarantines, travel restrictions and other public health safety measures, as well as reported adverse impacts on healthcare resources, facilities and providers across the United States and in other countries. In response to the spread of COVID-19, and in accordance with direction from state and local government authorities, we have restricted access to our facilities mostly to personnel and third parties who must perform critical activities that must be completed on-site, limited the number of such personnel who can be present at our facilities at any one time, and requested that many of our personnel work remotely. In the event that government authorities were to further modify current restrictions, our employees conducting research and development or manufacturing activities may not be able to access our laboratory or manufacturing facilities and our core activities may be significantly limited or curtailed, possibly for an extended period of time.

As a result of the COVID-19 pandemic, or any similar pandemics and outbreaks that may occur in the future, we have experienced and may in the future experience severe disruptions, including:

- interruption of or delays in receiving products and supplies from the third parties we rely on to, among other things, manufacture our products, due to staffing shortages, production slowdowns or stoppages and disruptions in delivery systems, which may impair our ability to manufacture and sell our products;
- limitations on our business operations by the local, state or federal government that could impact our ability to manufacture, sell or deliver our products;

- on-site visit limitations and prohibitions imposed by customers that could impact our ability to engage in pre-sales activities, and to provide post-sale activities, such as training, service and support;
- delays in customers' purchasing decisions and negotiations with customers and potential customers;
- business disruptions caused by workplace, laboratory and office closures and an increased reliance on employees working from home, travel limitations, cyber security and data accessibility limits, or communication or mass transit disruptions; and
- limitations on employee resources that would otherwise be focused on the conduct of our activities, including because of sickness of employees or their families or the desire of employees to avoid contact with large groups of people.

Any of these factors could severely impact our research and development activities, manufacturing business operations and sales or delay necessary interactions with local regulators, third-party vendors and other important contractors and customers. These and other factors arising from the COVID-19 pandemic could worsen in countries that are already experiencing significant levels of COVID-19 infections, could continue to spread to additional countries or could return to countries where the pandemic has been partially contained and could further adversely impact our ability to conduct our business generally and have a material adverse impact on our business, financial condition, results of operations, cash flows and prospects.

As global demand for transport medium exceeded supply, we developed and commercialized a suite of sample transport mediums to aid in COVID-19 sample collection and transport, our Sample Transport products, which accounted for $4.3 million of our revenue for the fiscal year ended December 31, 2020. To address the enforcement parameters relative to transport media during the COVID-19 pandemic, in July 2020 the FDA issued the *Enforcement Policy for Viral Transport Media During the Coronavirus Disease 2019 (COVID-19) Public Health Emergency*. Under this enforcement policy, the FDA requires that manufacturers developing transport media devices in support of expanding opportunities for testing of the SARS-COV-2 virus, provide notification of validation to the FDA and include a statement that the transport medium has not been reviewed by the FDA in addition to other labeling information so that the product does not create an undue risk in light of the public health emergency. We cannot predict how long this guidance and the related policy will remain in effect and while we intend to file a 510(k) application on an active transport medium product line that would allow for marketing outside of this guidance, there is no guarantee that the FDA will grant 510(k) clearance of this or any future sample transport mediums.

Our custom automation enables us to manufacture our Sample Transport products in high-throughput under GMP quality standards, and to produce over 200,000 units of transport medium per week. The end-to-end manufacturing automation developed in 2020 provides us with a new capability for high volume "GMP-grade" production, which we expect will be useful in molecular diagnostics and bioprocessing in the future. We do not expect, however, that our transport medium will benefit from competitive advantages over others in the long term. Moreover, the longevity and extent of the COVID-19 pandemic is uncertain. If the pandemic were to end, whether due to a significant decrease in new infections, due to the availability and rapid distribution of vaccines, or for other reasons, the need for a COVID-19-related transport medium could decrease significantly and this could have an adverse effect on the portion of our results of operations and profitability attributable to this product. As a result, the increase in revenue in 2020 due to the sale of our Sample Transport products may not be indicative of our future revenue.

The extent to which the pandemic may negatively impact our operations and results of operations or those of our suppliers, partners or customers will depend on future developments, which are highly

uncertain and cannot be predicted with confidence, such as the ultimate geographic spread of the disease, the duration of the pandemic, the extent of travel restrictions, additional or modified government actions, new information that will emerge concerning the severity and impact of COVID-19 and actions to contain the pandemic or treat its impact, such as social distancing, quarantines, lock-downs or business closures.

We cannot predict the scope and severity of any potential or ongoing business shutdowns or disruptions as a result of the COVID-19 pandemic. If we or any of the third parties with whom we engage were to experience shutdowns or other business disruptions, our ability to conduct our business in the manner and on the timelines presently planned could be materially and negatively impacted, which could have a material adverse effect on our business, financial condition, results of operations, cash flows and prospects.

Changes in economic conditions could negatively impact our revenue and earnings.

Our chemical formulations are sold primarily to biopharmaceutical companies, life science research companies, contract research organizations ("CROs"), contract development and manufacturing organizations ("CDMOs"), *in vitro* diagnostics franchises, and academic and government research institutions developing novel vaccines and therapies and performing basic research. Research and development spending by our customers and the availability of government research funding can fluctuate due to changes in available resources, mergers of pharmaceutical and biotechnology companies, spending priorities, general economic conditions and institutional and governmental budgetary policies. Changes in government funding for certain research or reductions in overall healthcare spending could negatively impact us or our customers and, correspondingly, our sales to them. Currently, the U.S. and global economies are experiencing a period of economic downturn as a result of the COVID-19 pandemic. Other global economies have been slow to recover from past downturns. Any continued or further economic downturns or reductions or delays in governmental funding could cause customers to delay or forego purchases of our products. A substantial majority of our sales are made on a purchase order basis, which permits our customers to cancel, change or delay their product purchase commitments with little or no notice to us and often without penalty to them. Changes in the level of orders received and filled can cause fluctuations in our quarterly revenue and earnings.

We are dependent on our customers' spending on and demand for our products. A reduction in spending or demand could have a material adverse effect on our business, financial condition, results of operations, cash flows and prospects.

The success of our business depends primarily on the number and size of purchase orders from our customers, primarily biopharmaceutical companies, life science research companies, CROs, CDMOs, *in vitro* diagnostics franchises, and academic and government research institutions, for our products. Over the past several years, we have benefited from an increased demand for our products as a result of the continued growth of the global biologics and diagnostics market segments, increasing research and development budgets of our customers and greater degree of outsourcing by our customers. A slowing or reversal of any of these trends could have a significant adverse effect on the demand for our products.

In addition to these industry trends, our customers' willingness and ability to utilize our products are also subject to, among other things, their own financial performance, changes in their available resources, their decisions to acquire in-house manufacturing capacity, their spending priorities, their budgetary policies and practices and their need to develop new biological products, which, in turn, are dependent upon a number of factors, including their competitors' discoveries, developments and commercial manufacturing initiatives and the anticipated market, clinical and reimbursement scenarios for specific products and therapeutic areas. In addition, consolidation in the industries in which our

customers operate may have an impact on our customers' spending as they integrate acquired operations, including research and development departments and associated budgets. If our customers reduce their spending on our products as a result of any of these or other factors, our business, financial condition, results of operations, cash flows and prospects would be materially and adversely affected.

We depend on a limited number of customers for a high percentage of our revenue. If we cannot maintain our current relationships with customers, fail to sustain recurring sources of revenue with our existing customers, or if we fail to enter into new relationships, our future operating results will be adversely affected.

For the 2020 Successor Period, and the combined 2019 Predecessor Period and 2019 Successor Period (each, as defined in the section titled "Management's Discussion and Analysis of Financial Condition and Results of Operations"), revenue from our three largest customers accounted for approximately 33% and 42% of our total revenue, respectively. However, we note that two of these customers are distributors representing highly diversified customer bases. For the 2020 Successor Period, one of our largest customers is a distributor that accounted for 15% of our total revenue, and our next largest customer accounted for 10%, each of which buy from us on a purchase order basis. The revenue attributable to our top customers has fluctuated in the past and may fluctuate in the future, which could have a material adverse effect on our business, financial condition, results of operations, cash flows and prospects. In addition, the termination of these relationships could result in a temporary or permanent loss of revenue.

Our future success depends on our ability to maintain these relationships, to increase our penetration among these existing customers and to establish new relationships. We engage in conversations with other companies and institutions regarding potential commercial opportunities on an ongoing basis, which can be time consuming. There is no assurance that any of these conversations will result in a commercial agreement, or if an agreement is reached, that the resulting relationship will be successful. Speculation in the industry about our existing or potential commercial relationships can be a catalyst for adverse speculation about us, our products and our technology, which can adversely affect our reputation and our business. In addition, if our customers order our products but fail to pay on time or at all, our liquidity, financial condition, results of operations, cash flows and prospects could be materially and adversely affected.

We compete with life science, pharmaceutical and biotechnology companies, some of whom are our customers, who are substantially larger than we are and potentially capable of developing new approaches that could make our products and technology obsolete or develop their own internal capabilities that compete with our products.

The market for biologics components products and services in the biopharmaceutical development, life science research, and diagnostics space is intensely competitive, rapidly evolving, significantly affected by new product introductions and other market activities by industry participants and subject to rapid technological change. We also expect increased competition as additional companies enter our market and as more advanced technologies become available. We compete with other providers of outsourced biologics components products and services. We also compete with the in-house discovery, development and commercial manufacturing functions of pharmaceutical and biotechnology companies. Many of our competitors, which in some cases are also our customers, are large, well-capitalized companies with significantly greater resources and market share than we have. They may undertake their own development of products that are substantially similar to or compete with our products and they may succeed in developing products that are more effective or less costly than any that we may develop. These competitors may be able to spend more aggressively on product and service development, marketing, sales and other initiatives than we can. Many of these competitors also have:

- broader name recognition;

- longer operating histories and the benefits derived from greater economies of scale;
- larger and more established distribution networks;
- additional product and service lines and the ability to bundle products and services to offer higher discounts or other incentives to gain a competitive advantage;
- more experience in conducting research and development, manufacturing and marketing;
- more experience in entering into collaborations or other strategic partnership arrangements; and
- more financial, manufacturing and human resources to support product development, sales and marketing and patent and other intellectual property litigation.

These factors, among others, may enable our competitors to market their products and services at lower prices or on terms more advantageous to customers than we can offer. Competition may result in price reductions, reduced gross margins and loss of market share, any of which could have a material adverse effect on our business, financial condition, results of operations, cash flows and prospects. Additionally, our current and future competitors, including certain of our customers, may at any time develop additional products and services that compete with our products and new approaches by these competitors may make our products, technologies and methodologies obsolete or noncompetitive. We may not be able to compete effectively against these organizations.

In addition, to develop and market our new products, services, technologies and methodologies successfully, we must accurately assess and meet customers' needs, make significant capital expenditures, optimize our development and manufacturing processes to predict and control costs, hire, train and retain the necessary personnel, increase customer awareness and acceptance of such services, provide high-quality services in a timely manner, price our products and services competitively and effectively integrate customer feedback into our business planning. If we fail to create demand for our new products, services or technologies, our future business could be harmed.

It may be difficult for us to implement our strategies for revenue growth in light of competitive challenges.

We face significant competition across many of our product lines. In addition, consolidation trends in the pharmaceutical, biotechnology and diagnostics industries have served to create fewer customer accounts and to concentrate purchasing decisions for some customers, resulting in increased pricing pressure on us. Moreover, customers may believe that larger companies are better able to compete as sole source vendors, and therefore prefer to purchase from such businesses. Failure to anticipate and respond to competitors' actions may impact our future revenue and profitability.

Certain of our products are used by customers in the development and production of novel vaccines, drug therapies and molecular diagnostics, some of which represent relatively new and still-developing modes of treatment and testing. Unforeseen adverse events, negative clinical outcomes, or increased regulatory scrutiny of these treatments and their financial cost may damage public perception of the safety, utility, or efficacy of these vaccines and therapies or other modes of treatment and may harm our customers' ability to conduct their business. Such events may negatively impact our revenue and have an adverse effect on our performance.

Gene therapy and mRNA vaccines remain relatively new and are under active development, with only a few gene therapies and mRNA vaccines authorized or approved to date by regulatory authorities. Public perception may be influenced by claims that gene therapy or mRNA vaccines are unsafe or ineffective, and gene therapy may not gain the acceptance of the public or the medical community. In addition, ethical, social, legal and financial concerns about gene therapy and mRNA vaccines could result in additional regulations or limitations or even prohibitions on certain gene

therapies or vaccine-related products. More restrictive regulations or negative public perception could reduce certain of our customers' use of our products, which could negatively affect our revenue and performance. In addition, certain of the COVID-19 vaccine development and diagnostic testing programs utilize our Sample Transport products, our bacterial cell culture media and our molecular biology reagents, which we manufacture subject to GMP requirements. While some are still in early stages of development, others have been through clinical trials and have received Emergency Use Authorization ("EUA") from the FDA. There can be no assurance that products receiving EUA will receive full FDA approval or that there will not be changes in formulation affecting the use of our products. There can be no assurance that any gene therapy, vaccine programs or diagnostic tests will proceed to clinical trials or result in a commercial product, or that any resulting gene therapies, vaccines or diagnostic tests will incorporate or utilize our products.

Our products are highly complex and are subject to manufacturing and quality control and assurance regulatory compliance requirements.

We apply QC procedures, including inspection of the product or materials, the verification of stability and/or performance and, for certain products, additional validation requirements, whether a product we offer is designed and manufactured by us, or purchased from outside suppliers. All of our QC processes are administered under a system designed to adhere to the Quality System Regulation ("QSR") under 21 CFR Part 820, and ISO 13485:2016. Certain of our products, such as RUO products, and some other products offered for limited uses or that are the subject of certain exemptions, are manufactured following QSR that, while not required by existing regulatory requirements, are in place to assure product quality throughout the process, from receiving through final packaging. We believe these products are exempt from compliance with the U.S. Food, Drug, and Cosmetic Act ("FDCA") and the current GMP ("cGMP") regulations of the FDA, as they are further processed by our customers and we do not make claims related to their safety or effectiveness. In the event we or our suppliers manufacture products that fail to comply with required quality standards, we may incur delays in fulfilling orders, recalls, damages resulting from product liability claims and/or harm to our reputation.

If our customers do not qualify our manufacturing lines or if we are unable to maintain our ISO certification, our operating results could suffer.

Our manufacturing lines have passed our qualification standards, as well as our technical standards. However, our customers may also require that our manufacturing lines pass their specific qualification standards and that we be registered under international quality standards. In addition, our customers may require that we maintain our ISO 13485:2016 certification. Problems in the design or quality of our products may have a material and adverse effect on our business, financial condition, results of operations, cash flows and prospects, and could result in us losing our ISO certification. In the event we are unable to maintain process controls required to maintain ISO certification, or in the event we fail to pass the ISO certification audit for any reason, we could lose our ISO certification. We may also encounter quality issues in the future as a result of the expansion and reconfiguration of existing manufacturing facilities or ramping new products to full volume production. We may be unable to obtain customer qualification of our manufacturing lines or we may experience delays in obtaining customer qualification of our manufacturing lines. Such delays or failure to obtain or maintain qualifications may delay the manufacturing of our products or require us to divert resources away from other areas of our business, which could adversely affect our operations and financial results.

If we cannot provide quality technical and applications support, we could lose customers and our business and prospects would suffer.

The introduction of our products into our customers' existing laboratory workflows and ongoing customer support for our products can be complex. Accordingly, we need highly trained technical support personnel. Hiring technical support personnel is very competitive in our industry due to the limited number of people available with the necessary scientific and technical backgrounds and ability

to understand our products and their uses at a technical level. To effectively support potential new customers and the expanding needs of current customers, we will need to substantially expand our technical support staff. If we are unable to attract, train or retain the number of highly qualified technical services personnel that our business needs, our business and prospects will suffer.

We depend on a stable and adequate supply of quality raw materials from our suppliers, and price increases or interruptions of such supply could have an adverse impact on our business, financial condition, results of operations, cash flows and prospects.

Our operations depend upon our ability to obtain raw materials at reasonable prices. If we are unable to obtain the materials we need at a reasonable price, we may not be able to produce certain of our products at marketable prices or at all, which could have a material adverse effect on our results of operations. Certain of our raw materials are sourced from a limited number of suppliers. For the years ended December 31, 2020 and 2019, purchases from two suppliers accounted for 54% and 52% of all of our inventory purchases, respectively. However, we note that one of these suppliers is a distributor that sells products on behalf of a diversified supply chain. Delays or difficulties in securing these raw materials or other laboratory materials could result in an interruption in our production operations if we cannot obtain an acceptable substitute. Any such interruption could significantly affect our business, financial condition, results of operations, cash flows and prospects.

Although we believe that we have stable relationships with our existing suppliers, we cannot assure you that we will be able to secure a stable supply of raw materials going forward. Our suppliers may not be able to keep up with our pace of growth or may reduce or cease their supply of raw materials to us at any time. While we may identify other suppliers, raw materials furnished by such replacement suppliers may require us to alter our production operations or perform extensive validations, which may be time consuming and expensive. In addition, we cannot assure you that our suppliers have obtained and will be able to obtain or maintain all licenses, permits and approvals necessary for their operations or comply with all applicable laws and regulations, and the failure to do so by them may lead to interruption in their business operations, which in turn may result in shortages of raw materials supplied to us. Some of our suppliers are based overseas and therefore may need to maintain export or import licenses. If the supply of raw materials is interrupted, our business, financial condition, results of operations, cash flows and prospects may be adversely affected.

If we are unable to manufacture in specific quantities, our operating results will be harmed.

Our revenue and other operating results depend in large part on our ability to manufacture and ship our products in sufficient quantities and on specific timelines. Any interruptions we experience in the manufacturing or shipping of our products could delay our ability to recognize revenue in a particular quarter. Manufacturing problems can and do arise, and as demand for our products increases, any such problems could have an increasingly significant impact on our operating results. While we have not generally experienced problems with, or delays in, our production capabilities that resulted in delays in our ability to ship finished products, there can be no assurance that we will not encounter such problems in the future. We may not be able to quickly ship products and recognize anticipated revenue for a given period if we experience significant delays in the manufacturing process. In addition, we must maintain sufficient production capacity in order to meet anticipated customer demand, and we may be unable to offset the associated fixed costs if orders slow, which would adversely affect our operating margins. Furthermore, our customers rely on us for fast delivery of their custom-made formulations, and if our production timeline slows down, we may not be able to meet their expectations and our relationships could suffer. If we are unable to manufacture our products consistently, in sufficient quantities and on a timely basis, our business, financial condition, results of operations, cash flows and prospects will be materially and adversely affected.

Future strategic investments or transactions may require us to seek additional financing, which we may not be able to secure on favorable terms, if at all.

We plan to continue a strategy of growth and development for our business. To this end, we actively evaluate various strategic transactions on an ongoing basis, including licensing or acquiring complementary products, technologies or businesses that would complement our existing portfolio of products and services. We may need to seek additional financing to fund these strategic investments or transactions. Should we need to do so, we may not be able to secure such financing, or obtain such financing on favorable terms because of the volatile nature of the life sciences marketplace. In addition, future acquisitions may require the issuance or sale of additional equity, or equity-linked securities, which may result in additional dilution to our stockholders. The Credit Agreement contains a number of restrictive covenants that impose significant restrictions on our ability to make acquisitions or certain other investments and our ability to make such acquisitions or other investments may be further limited by the terms of any future debt or preferred securities we may issue or any future credit facilities we may enter into.

Natural disasters, geopolitical unrest, war, terrorism, public health issues or other catastrophic events could disrupt the supply, delivery or demand of our products, which could negatively affect our operations and performance.

We are subject to the risk of disruption by earthquakes, hurricanes, floods and other natural disasters; fire; power shortages; geopolitical unrest, war, terrorist attacks and other hostile acts; public health issues, epidemics or pandemics, such as the COVID-19 pandemic; and other events beyond our control and the control of the third parties on which we depend. Any of these catastrophic events, whether in the United States or abroad, may have a significant negative impact on the global economy, our employees, facilities, partners, suppliers, distributors or customers and could decrease demand for our products, create delays and inefficiencies in our supply chain and make it difficult or impossible for us to deliver products to our customers.

We rely upon our internal manufacturing, packaging and distribution operations to produce many of the products we sell and our warehouse facilities to store products pending sale. Our primary manufacturing and storage operations are located in California, near major earthquake faults, which makes us susceptible to earthquake and fire risks. A catastrophic event that results in damage to specific equipment that would be difficult to replace, in the destruction or disruption of our research and production facilities or in the disruption of our critical business or information technology systems would severely affect our ability to conduct normal business operations. Any disruptions in our operations could adversely affect our business, financial condition and results of operations and harm our reputation. We may not carry sufficient business insurance to compensate for losses that may occur. Any such losses or damages could have a material adverse effect on our business, financial condition and results of operations. In addition, the facilities of our suppliers and customers may be harmed or rendered inoperable by such catastrophic events, which may cause disruptions, difficulties or otherwise materially and adversely affect our business.

Because we rely heavily on third-party package-delivery services, a significant disruption in these services, damages or losses sustained during shipping or significant increases in prices could adversely affect our business, financial condition, results of operations, cash flows and prospects.

We ship a significant portion of our products to our customers through independent package delivery companies, such as FedEx, UPS and FedEx Freight. If one or more of these third-party package-delivery providers were to experience a major work stoppage, preventing our products from being delivered in a timely fashion or causing us to incur additional shipping costs we could not pass on to our customers, our costs could increase and our relationships with certain of our customers could be adversely affected. In addition, if one or more of these third-party package-delivery providers were

to increase prices, and we were not able to find comparable alternatives or make adjustments in our delivery network, our profitability could be adversely affected. Furthermore, if one or more of these third-party package-delivery providers were to experience performance problems or other difficulties, it could negatively impact our operating results and our customers' experience. In the past, some of our products have sustained serious damage in transit such that they were no longer usable. Although we have taken steps to improve our packaging and shipping containers, there is no guarantee our products will not become damaged or lost in transit in the future. If our products are damaged or lost in transit, it may result in a substantial delay in the fulfillment of our customer's order and, depending on the type and extent of the damage, it may result in a substantial financial loss. If our products are not delivered in a timely fashion or are damaged or lost during the delivery process, our customers could become dissatisfied and cease using our products, which would adversely affect our business, financial condition, results of operations, cash flows and prospects.

If we are unable to continue to hire and retain skilled personnel, we will have trouble developing and marketing our products.

We are highly dependent, and our success depends largely, upon the continued service of our management and scientific staff and our ability to attract, retain and motivate highly skilled technical, scientific, engineering, management and marketing personnel, who deliver high-quality and timely services to our customers and keep pace with cutting-edge technologies and developments in biology and manufacturing. We also face significant competition in the hiring and retention of such personnel from other companies, other providers of outsourced biologics services, research and academic institutions, government and other organizations who have superior funding and resources. Each of our executive officers may terminate their employment with us at any time. The loss of key personnel or our inability to hire and retain skilled personnel could materially adversely affect the development of our products and our business, financial condition, results of operations, cash flows and prospects. We do not maintain "key person" insurance for any of our executives or employees.

In addition, we rely on consultants, to assist us in developing and implementing engineering and operational advancements. Our consultants and advisors may be employed by employers other than us and may have commitments under consulting or advisory contracts with other entities that may limit their availability to us.

Our corporate culture has contributed to our success, and if we cannot maintain this culture as we grow, we could lose the innovation, creativity and teamwork fostered by our culture and our business may be harmed.

We believe that our culture has been and will continue to be a critical contributor to our success. We expect to continue to hire aggressively as we expand. If we do not continue to develop our corporate culture or maintain and preserve our core values as we grow and evolve, we may be unable to foster the innovation, curiosity, creativity, focus on execution, teamwork and the facilitation of critical knowledge transfer and knowledge sharing we believe we need to support our growth. Our anticipated headcount growth and our transition from a private company to a public company may result in a change to our corporate culture, which could harm our business.

Until very recently, we have not invested in marketing and selling our products. If we are unable to build a successful commercial (product development, marketing, and sales) function, our business and operating results will be adversely affected.

Our future financial performance and our ability to commercialize our products and to compete effectively will depend, in part, on our ability to manage our future growth without compromising quality. We currently have limited commercialization expertise, and have only recently begun to invest in our sales, marketing and distribution capabilities. These activities will require significant capital expenditures, management resources and time. We will have to compete with other companies to

recruit, hire, train and retain qualified marketing and sales personnel. Competition for employees capable of selling our products within the pharmaceutical and biotechnology industries is intense. We may not be able to attract and retain personnel or be able to build an efficient and effective sales organization, which could negatively impact sales and market acceptance of our products and limit our revenue growth and potential profitability.

We may enter into additional distribution arrangements and marketing alliances for certain products and services and any failure to successfully identify and implement these arrangements on favorable terms, if at all, may impair our ability to effectively distribute and market our products.

We may pursue additional arrangements regarding the sales, marketing and distribution of one or more of our products and our future revenue may depend, in part, on our ability to enter into and maintain arrangements with other companies having sales, marketing and distribution capabilities and the ability of such companies to successfully market and sell any such products. Any failure to enter into such arrangements and marketing alliances on favorable terms, if at all, could delay or impair our ability to distribute or market our products and could increase our costs of distribution and marketing. Any use of distribution arrangements and marketing alliances to commercialize our products will subject us to a number of risks, including the following:

- we may be required to relinquish important rights to our products;
- we may not be able to control the amount and timing of resources that our distributors or collaborators may devote to the distribution or marketing of our products;
- our distributors or collaborators may experience financial difficulties; and
- business combinations or significant changes in a collaborator's business strategy may adversely affect a collaborator's willingness or ability to complete its obligations under any arrangement.

Our success depends on the market acceptance of our bacterial cell culture media, specialized chromatography solutions and molecular biology reagents, which we manufacture subject to GMP regulatory requirements. Our bacterial cell culture media, specialized chromatography solutions and molecular biology reagents may not achieve or maintain significant commercial market acceptance.

Our commercial success is dependent upon our ability to continue to successfully market and sell our bacterial cell culture media, specialized chromatography solutions and molecular biology reagents, which are manufactured subject to GMP regulatory requirements. Our ability to achieve and maintain commercial market acceptance of our products will depend on a number of factors, including:

- our ability to increase awareness of the capabilities of our technology and solutions;
- our ability to continue to quickly produce and deliver custom-made formulations to our customers that scale to clinical use;
- our ability to maintain compliance with GMP regulatory requirements for certain of our products;
- our ability to assess and determine, consistent with the interpretation of the FDA and similar regulatory bodies, the regulatory categories and status of our product offerings which may develop and change over time and to obtain any regulatory clearances or approvals, if and/or when required by the FDA or similar regulatory authorities;
- our customers' willingness to adopt new products, services and technologies;
- whether our products reliably provide advantages over legacy and other alternative technologies and are perceived by customers to be cost effective;

- our ability to execute on our strategy to scale-up our technology and manufacturing capabilities to meet increasing demand;
- the rate of adoption of our products by biopharmaceutical companies, academic institutions and others;
- the relative reliability and robustness of our products as a whole;
- our ability to develop new tools and solutions for customers;
- whether competitors develop and commercialize products and services that provide comparable features and benefits at scale;
- whether competitors effectively link their instruments and/or capital equipment to their reagents;
- the impact of our investments in product innovation and commercial growth; and
- negative publicity regarding our or our competitors' products resulting from defects or errors.

We cannot assure you that we will be successful in addressing these criteria or other criteria that might affect the market acceptance of our products. If we are unsuccessful in achieving and maintaining market acceptance of our products, our business, financial condition, results of operations, cash flows and prospects could be adversely affected.

Our long-term results depend upon our ability to improve existing products and introduce and market new products and services successfully.

Our business is dependent on the continued improvement of our existing products and our development of new products and services utilizing our current or other potential future technology. As we introduce new products and services or refine, improve or upgrade versions of existing products, we cannot predict the level of market acceptance or the amount of market share these products or services will achieve, if any. We cannot assure you that we will not experience material delays in the introduction of new products and services in the future. Consistent with our strategy of offering new products and product refinements, we expect to continue to use a substantial amount of capital for product development and refinement. We may need additional capital for product development and refinement than is available on terms favorable to us, if at all, which could adversely affect our business, financial condition, results of operations, cash flows and prospects.

We generally sell our products in industries that are characterized by rapid technological changes, frequent new product introductions and changing industry standards. If we do not develop new products and product enhancements based on technological innovation on a timely basis, our products may become obsolete over time and our revenues, cash flow, profitability and competitive position will suffer. Our success will depend on several factors, including our ability to:

- correctly identify customer needs and preferences and predict future needs and preferences;
- allocate our research and development funding to products with higher growth prospects;
- anticipate and respond to our competitors' development of new products and technological innovations;
- innovate and develop new technologies and applications, and acquire or obtain rights to third-party technologies that may have valuable applications in the markets we serve;
- successfully commercialize new technologies in a timely manner, price them competitively and manufacture and deliver sufficient volumes of new products of appropriate quality on time; and
- convince our customers to adopt new technologies.

In addition, if we fail to accurately predict future customer needs and preferences or fail to produce viable technologies, we may invest heavily in research and development of products that do not lead to significant revenue. Even if we successfully innovate and develop new products and product enhancements, we may incur substantial costs in doing so, and our profitability may suffer.

The market may not be receptive to our new products and services upon their introduction.

We expect a portion of our future revenue growth to come from introducing new products to support the growing cell and gene therapy market and the increasing use of mRNA vaccines and therapies. The commercial success of all of our products will depend upon their acceptance by the life science and biopharmaceutical industries. Some of the products and services that we are developing are based upon new technologies or approaches. As a result, there can be no assurance that these new products and services, even if successfully developed and introduced, will be accepted by customers. If customers do not adopt our new products, services and technologies, our results of operations may suffer and, as a result, the market price of our common stock may decline.

Due to the significant resources required to enable access in new markets, we must make strategic and operational decisions to prioritize certain markets, technology offerings or partnerships, and there can be no assurance that we will expend our resources in a way that results in meaningful revenue or capitalizes on potential new markets.

We believe our products have potential applications across a wide range of markets and we have targeted certain markets in which we believe we have a higher probability of success or revenue opportunity or for which the path to commercialize products and realizing or achieving revenue is shorter. However, due to the significant resources required for the development of applications for new markets, we must make decisions regarding which markets to pursue and the amount of resources to allocate to each. Our decisions concerning the allocation of research, development, collaboration, management and financial resources toward particular markets or applications may not lead to the development of any viable products and may divert resources away from better opportunities. Similarly, our potential decisions to delay or terminate efforts to address, or to collaborate with third parties in respect of, certain markets may subsequently also prove to have been suboptimal and could cause us to miss valuable opportunities. In particular, if we are unable to develop additional relevant products and applications for markets such as the cell and gene therapy market, it could slow or stop our business growth and negatively impact our business, financial condition, results of operations, and prospects.

The estimates of market opportunity and forecasts of market growth included in this prospectus may prove to be inaccurate, and even if the market in which we compete achieves the forecasted growth, our business could fail to grow at similar rates, if at all.

Addressable market estimates and growth forecasts are subject to significant uncertainty and are based on assumptions and estimates that may not prove to be accurate. These estimates and forecasts are based on a number of complex assumptions and third-party estimates and other business data, including assumptions and estimates relating to our ability to generate revenue from existing products and the development of new products and services. The estimates and forecasts in this prospectus relating to the size and expected growth of our markets may prove to be inaccurate. Even if the markets in which we compete meet the size estimates and growth forecasted in this prospectus, our business could fail to grow at the rate we anticipate, if at all.

Product liability lawsuits against us could cause us to incur substantial liabilities, limit sales of our existing products and limit commercialization of any products that we may develop.

Our business exposes us to the risk of product liability claims that are inherent in the development, production, distribution, and sale of biotechnology products. We face an inherent risk of product liability exposure related to the use of our products and product liability lawsuits may allege that our products failed to perform as designed. We may also be subject to liability for errors in, a misunderstanding of or inappropriate reliance upon, the information we provide in the ordinary course of our business activities. If any of our products harm people due to our negligence, willful misconduct, unlawful activities or material breach, or if we cannot successfully defend ourselves against claims that our products caused injuries, we could incur substantial liabilities. Regardless of merit or eventual

outcome, liability claims may result in the following, any of which could impact our business, financial condition, results of operations, cash flows and prospects:

- decreased demand for our products and any products or services that we may develop in the future;
- injury to our reputation;
- costs to defend the related litigation;
- loss of revenue; and
- the inability to commercialize products that we may develop.

We maintain product liability insurance, but this insurance is subject to deductibles, limits and exclusions and may not fully protect us from the financial impact of defending against product liability claims or the potential loss of revenue that may result. Any product liability claim brought against us, with or without merit, could increase our insurance rates or prevent us from securing insurance coverage in the future.

We are subject to stringent and evolving data privacy and information security laws, regulations and standards, as well as policies and contractual obligations related to data privacy and security, and changes in these could adversely affect our business.

We are subject to data privacy and information security laws and regulations that apply to the collection, transmission, storage and use of proprietary information and personal information. Failure to comply with any of these laws and regulations could result in enforcement actions against us, including fines, claims for damages by affected individuals, damage to our reputation and loss of goodwill, any of which could have a material adverse effect on our business, financial condition, results of operations, cash flows and prospects. Additionally, if we are unable to properly protect the privacy and security of information, we could be found to have breached our contracts.

In the U.S., numerous federal and state laws, including state data breach notification laws, and federal and state health information privacy and consumer protection laws, govern the collection, use, disclosure and security of personal information. These laws continue to change and evolve and are increasing in breadth and impact. Many states in which we operate have laws that protect the privacy and security of personal information. For example, the California Consumer Privacy Act of 2018 (“CCPA”), which increases privacy rights for California residents and imposes obligations on companies that process their personal information, came into effect on January 1, 2020. Among other things, the CCPA requires covered companies to provide new disclosures to California residents and provide such residents with new data protection and privacy rights, including the ability to opt-out of certain sales of personal information. The CCPA provides for civil penalties for violations, as well as a private right of action for certain data breaches that result in the loss of personal information. Further, in November 2020, California voters approved the California Privacy Rights Act (“CPRA”) through a ballot measure. The CPRA will amend the CCPA, giving California residents additional control over their personal information and imposing further obligations on businesses processing the personal information of California residents. The CPRA includes the creation of a privacy-specific enforcement agency, the first of its kind in any U.S. state, which will be responsible for enforcing the new law. The CPRA takes effect on January 1, 2023. These laws subject us to increased regulatory scrutiny, litigation, and overall risk. State laws are changing rapidly and there is discussion in Congress of a new federal data protection and privacy law to which we would become subject, if it is enacted. Without an overarching federal law driving privacy compliance in the U.S., however, the risk is high of a patchwork of privacy legislation formed by individual state laws, similar to the patchwork created by differing state data breach notification obligations. Requirements to comply with varying state laws not only increase costs for compliance, but also create the potential for enforcement by individual state attorneys general.

Various foreign countries also have, or are developing, laws that govern the collection, use, disclosure, security and cross-border transmission of personal information. The legislative and regulatory landscape for data privacy and information security continues to evolve, and there has been an increasing focus on data privacy and information security issues that have the potential to affect our business. To the extent applicable, we are, or could be subject to these laws, rules, and regulations, and, we cannot guarantee that we are, or will be, in compliance with all applicable laws, rules, and regulations as they are enforced now or as they evolve.

We use third-party credit card processors to process payments from our customers. Through our agreements with our third-party credit card processors, we are subject to payment card association operating rules, including the Payment Card Industry Data Security Standard ("PCI-DSS"), which governs a variety of areas, including how consumers and customers may use their cards, the security features of cards, security standards for processing, data security and allocation of liability for certain acts or omissions, including liability in the event of a data breach. Any change in these rules or standards and related requirements could make it difficult or impossible for us to comply. Additionally, any data breach or failure to hold certain information in accordance with PCI-DSS may have an adverse effect on our business and results of operations.

It is possible that the laws governing data privacy and information security may be interpreted and applied in a manner that is inconsistent with our practices and our efforts to comply with the evolving data protection rules may be unsuccessful. We must devote significant resources to understanding and complying with this changing landscape. Failure to comply with U.S. federal and state and non-U.S. laws regarding data privacy and information security could expose us to penalties under such laws, orders requiring that we change our practices, claims for damages or other liabilities, regulatory investigations and enforcement action, litigation and significant costs for remediation, any of which could adversely affect our business. Even if we are not determined to have violated these laws, government investigations into these issues typically require the expenditure of significant resources and generate negative publicity, which could have a material adverse effect on our business, financial condition, results of operations, cash flows and prospects.

Our internal computer systems, or those of our vendors, customers, or contractors, have been and may in the future be subject to cyberattacks or security breaches, which could result in a material disruption of our product development programs or otherwise adversely affect our business, financial condition, results of operations, cash flows and prospects.

Despite the implementation of security measures, our internal computer systems and those of our vendors, customers and contractors, are vulnerable to damage from computer viruses and unauthorized access. We and our vendors, including security and infrastructure vendors, manage and maintain our data using a combination of on-site systems and cloud-based data centers. We face a number of risks related to protecting information, including inappropriate use or disclosure, unauthorized access or acquisition, or inappropriate modification of, information. Cyberattacks are increasing in their frequency, sophistication and intensity and have become increasingly difficult to detect. Cyberattacks could include the deployment of harmful malware, ransomware, denial-of-service attacks, social engineering and other means to affect service reliability and threaten the confidentiality, integrity and availability of information. Cyberattacks also could include phishing attempts or e-mail fraud to cause unauthorized payments or information to be transmitted to an unintended recipient, or to permit unauthorized access to systems. A material cyberattack or security incident could cause interruptions in our operations and could result in a material disruption of our business operations, damage to our reputation, financial condition, results of operations, cash flows and prospects.

In the ordinary course of our business, we collect and store data that we are required to protect, including, among other things, personal information about our employees, credit card data, intellectual property, and proprietary business information. Any cyberattack or security incident that leads to

unauthorized access, acquisition, use or disclosure of personal or proprietary information could harm our reputation, cause us not to comply with U.S. federal and/or state, or non-U.S., data breach notification laws, or our contractual obligations, and otherwise subject us to liability under laws and regulations that protect the privacy and security of personal information. In addition, we could be subject to risks caused by misappropriation, misuse, leakage, falsification or intentional or accidental release or loss of information maintained in our information systems and networks and those of our vendors, including personal information of our employees, and company, customer and vendor confidential data. In addition, outside parties have previously attempted and may in the future attempt to penetrate our systems or those of our vendors or fraudulently induce our personnel or the personnel of our vendors to disclose information in order to gain access to our data and/or systems or make unauthorized payments to third parties. The number and complexity of these threats continue to increase over time. If a material breach of our information technology systems or those of our vendors occurs, the market perception of the effectiveness of our security measures could be harmed and our reputation and credibility could be damaged.

Our insurance coverage may not be adequate to cover losses associated with security incidents, and in any case, such insurance may not cover all of the types of costs, expenses and losses we could incur to address a security incident. As a result, we may be required to expend significant additional resources to protect against the threat of these issues or to alleviate problems caused by the same. In addition, we could be subject to regulatory actions and/or claims made by individuals and groups in private litigation related to data collection and use practices and other data privacy laws and regulations, including claims for misuse or inappropriate disclosure of data, as well as unfair or deceptive practices. Although we develop and maintain systems and controls designed to prevent these events from occurring, and we have a process to identify and mitigate threats, the development and maintenance of these systems, controls and processes is costly and requires ongoing monitoring and updating as technologies change and efforts to overcome security measures become increasingly sophisticated. Moreover, despite our efforts, the possibility of these events occurring cannot be eliminated entirely and there can be no assurance that any measures we take will prevent cyberattacks or security incidents that could adversely affect our business, financial condition, results of operations, cash flows and prospects.

Changes in political, economic or governmental regulations may reduce demand for our products or increase our expenses.

We compete in many markets in which we and our customers must comply with federal, state, local and international regulations, such as environmental, health and safety and food and drug regulations. We develop, configure and market our products to meet customer needs created by those regulations. The U.S. and international healthcare industry is subject to changing political, economic and regulatory influences that could significantly affect the drug development process, research and development costs and the pricing and reimbursement for pharmaceutical products. Any significant change in regulations could have an adverse effect on both our customers' business and our business, which could result in reduced demand for our products and services or increases in our expenses. For example, we provide products used for basic research and input components used by biopharmaceutical customers for further processing.

Changes in the FDA's regulation of the drug discovery and development process may have a negative impact on the ability of our customers to conduct and fund clinical trials, which could have a material adverse effect on the demand for the products we provide these customers. Additionally, the U.S. government and governments worldwide have increased efforts to expand healthcare coverage while at the same time curtailing and better controlling the increasing costs of healthcare. If cost-containment efforts limit our customers' profitability, they may decrease research and development spending, which could decrease the demand for our products and materially adversely affect our growth prospects. Any of these factors could harm our customers' businesses, which, in turn, could

materially adversely affect our business, financial condition, results of operations, cash flows and prospects.

We are subject to financial, operating, legal and compliance risk associated with global operations.

We engage in limited business globally, with approximately 4% of our revenue for the years ended December 31, 2020 and 2019 coming from outside the U.S. However, one of our strategies is to expand geographically, both through distribution and through direct sales. We may also seek to expand geographically by acquiring complementary businesses outside of the U.S. This will subject us to a number of risks, including international economic, political, and labor conditions; currency fluctuations; tax laws (including U.S. taxes on income earned by foreign subsidiaries); increased financial accounting and reporting burdens and complexities; compliance with legislative and regulatory requirements that govern the collection, use, disclosure, security and cross-border transmission of personal information; unexpected changes in, or impositions of, legislative or regulatory requirements; failure of laws to protect intellectual property rights adequately; inadequate local infrastructure and difficulties in managing and staffing international operations; delays resulting from difficulty in obtaining export licenses for certain technology; tariffs, quotas and other trade barriers and restrictions; transportation delays; operating in locations with a higher incidence of corruption and fraudulent business practices; and other factors beyond our control, including terrorism, war, natural disasters, climate change and diseases.

Laws and regulations applicable to international transactions are often unclear and may at times conflict. Compliance with these laws and regulations may involve significant costs or require changes in our business practices that result in reduced revenue and profitability. Non-compliance could also result in fines, damages, criminal sanctions, prohibited business conduct, and damage to our reputation. We expect to incur additional legal compliance costs associated with our global operations and could become subject to legal penalties in foreign countries if we do not comply with local laws and regulations, which may be substantially different from those in the U.S.

We may expand our operations in countries with developing economies, where it may be common to engage in business practices that are prohibited by anti-corruption and anti-bribery laws and regulations that either do, or likely will, apply to us, such as the U.S. Foreign Corrupt Practices Act, the U.S. Travel Act, and the UK Bribery Act 2010, which prohibit improper payments or offers of payment by us for the purpose of obtaining or retaining business. Although we intend to implement policies and procedures designed to ensure compliance with these laws, there can be no assurance that all of our employees, contractors, distributors and agents, including those based in foreign countries where practices that violate such U.S. laws may be customary, will comply with our internal policies. Any such non-compliance, even if prohibited by our internal policies, could have an adverse effect on our business and result in significant fines or penalties.

Future acquisitions may expose us to risks that could adversely affect our business, and we may not achieve the anticipated benefits of acquisitions of businesses or technologies.

We may, in the future, make selected opportunistic acquisitions of complementary businesses, products, services or technologies. Any acquisition involves numerous risks, uncertainties and operational, financial, and managerial challenges, including the following, any of which could adversely affect our business, financial condition, results of operations, cash flows and prospects:

- difficulties in integrating new operations, systems, technologies, products, services and personnel of acquired businesses effectively;
- problems maintaining uniform procedures, controls and policies with respect to our financial accounting systems;

- lack of synergies or the inability to realize expected synergies and cost-savings, including enhanced revenue, technology, human resources, cost savings, operating efficiencies and other synergies;
- difficulties in managing geographically dispersed operations, including risks associated with entering foreign markets in which we have no or limited prior experience;
- underperformance of any acquired technology, product, or business relative to our expectations and the price we paid;
- negative near-term impacts on financial results after an acquisition, including acquisition-related earnings charges;
- the potential loss of key employees, customers, and strategic partners of acquired companies;
- declining employee morale and retention issues affecting employees of businesses that we acquire, which may result from changes in compensation, or changes in management, reporting relationships, future prospects or the direction of the acquired business;
- claims by terminated employees and stockholders of acquired companies or other third parties related to the transaction;
- the assumption or incurrence of additional debt obligations or expenses, or use of substantial portions of our cash;
- the issuance of equity or equity-linked securities to finance, or as consideration for, any acquisitions may dilute the ownership of our stockholders;
- the issuance of equity or equity-linked securities to finance, or as consideration for, any acquisitions may not be an option if the price of our common stock is low or volatile, which could preclude us from completing any such acquisitions;
- acquisitions financed with borrowings could increase our leverage and interest expense, which could make us more vulnerable to business downturns;
- any collaboration, strategic alliance and licensing arrangement may require us to relinquish valuable rights to our technologies or products, or grant licenses on terms that are not favorable to us;
- disruption of our ongoing operations and diversion of management's attention and company resources from existing operations of the business;
- inconsistencies in standards, controls, procedures, and policies;
- the impairment of intangible assets as a result of technological advancements, or worse-than-expected performance of acquired companies;
- assumption of, or exposure to, historical liabilities of the acquired business, including unknown contingent or similar liabilities that are difficult to identify or accurately quantify, litigation-related liabilities and regulatory compliance or accounting issues, and potential litigation or regulatory action arising from a proposed or completed acquisition;
- the need to later divest acquired assets at a loss if an acquisition does not meet our expectations; and
- risks associated with acquiring intellectual property, including potential disputes regarding acquired companies' intellectual property.

In addition, the successful integration of acquired businesses requires significant effort and expense across all operational areas, including sales and marketing, research and development, manufacturing, finance, legal, and information technologies. There can be no assurance that we will be able to identify or complete promising acquisitions for many reasons, including competition among buyers, the high valuations of businesses in our industry, the need for regulatory and other approvals and the availability of capital. Even if we are able to complete acquisitions in the future, there can be no assurance that such acquisitions will be successful or profitable. Our failure to successfully address the foregoing risks may prevent us from achieving the anticipated benefits from any future acquisitions in a reasonable time frame, or at all.

We and our customers' respective business operations are and will continue to be subject to extensive government laws and regulations, and assessing the applicability and relevant requirements of, and maintaining compliance with, these laws and regulations can be expensive and time consuming.

We are subject to various local, state, federal, foreign and transnational laws and regulations, and, in the future, any changes to such laws and regulations could adversely affect us. We offer certain products that may be deemed medical devices and become subject to related regulation. Additionally, we provide products used by third parties for the development and commercialization of drug therapies, novel vaccines, and molecular diagnostics by biopharmaceutical companies, life science research companies, CROs, CDMOs, *in vitro* diagnostics franchises, laboratories, and academic and government research institutions that are also subject to an extensive range of regulatory requirements.

The quality of our products is critical to our customers, including researchers looking to develop novel vaccines and drug therapies and for biopharmaceutical customers who use our products as components in their preclinical studies and clinical trials. Biopharmaceutical customers are subject to extensive regulations by the FDA and similar regulatory authorities in other countries for conducting clinical trials and commercializing products for therapeutic or diagnostic use. This regulatory scrutiny results in our customers imposing rigorous quality requirements on us as their supplier through supplier qualification processes and customer contracts, including quality agreements. Regulatory authorities and our customers may conduct scheduled or unscheduled periodic inspections of our facilities to monitor our regulatory compliance or compliance with our quality agreements with our customers. There are significant risks at each stage of the regulatory scheme for our customers.

Regulatory agencies may in the future take action against us or our customers for failure to comply with applicable regulations governing clinical trials and the development and testing of diagnostic and therapeutic products, as well as requirements to fall within certain regulatory categories to qualify for exemption from marketing authorization, or where applicable to obtain clearance, authorization, or approval prior to marketing of regulated products. Failure by us or by our customers to comply with the requirements of these regulatory authorities, including without limitation, remediating any inspectional observations to the satisfaction of these regulatory authorities, could result in warning letters, product recalls or seizures, monetary sanctions, injunctions to halt manufacture and distribution, restrictions on our operations, civil or criminal sanctions, or withdrawal of existing or denial of pending approvals, including those relating to products or facilities. In addition, such a failure could expose us to contractual or product liability claims, contractual claims from our customers, including claims for reimbursement for lost or damaged active pharmaceutical ingredients, as well as ongoing remediation and increased compliance costs, any or all of which could be significant.

We are also subject to a variety of federal, state, local and international laws and regulations that govern, among other things, the importation and exportation of products, the handling, transportation and manufacture of substances that could be classified as hazardous, and our business practices in the U.S. and abroad such as anti-corruption and anti-competition laws. Any noncompliance by us with applicable laws and regulations or the failure to maintain, renew or obtain necessary permits and licenses could result in criminal, civil and administrative penalties and could have an adverse effect on our results of operations.

Establishing policies, procedures, and monitoring and oversight with consideration of both legal requirements and industry best practices in these areas are costly and time consuming. Defending against any actions for non-compliance of such laws can also be costly, time consuming and may require significant financial and personnel resources. Therefore, even if we are successful in defending against any such actions that may be brought against us, our business may be impaired.

Our products could become subject to more onerous regulation by the FDA or other regulatory agencies in the future, which could increase our costs and delay or prevent commercialization of our products, thereby materially and adversely affecting our business, financial condition, results of operations, cash flows and prospects.

We make certain of our products available to customers as research-use-only ("RUO") products. RUO products belong to a separate regulatory classification under a long-standing FDA regulation. From an FDA perspective, products that are intended for research use only and are labeled as RUO are not regulated by the FDA as *in vitro* diagnostic devices for clinical use, and are therefore not subject to those specific regulatory requirements. RUO products may be used or distributed for research use without first obtaining FDA clearance, authorization or approval. The products must bear the statement: "For Research Use Only. Not for Use in Diagnostic Procedures." RUO products cannot make any claims related to safety, effectiveness or diagnostic utility, and they cannot be intended for human clinical diagnostic use. Accordingly, a product labeled RUO but intended or promoted for clinical diagnostic use may be viewed by the FDA as adulterated and misbranded under the FDCA and subject to FDA enforcement action. The FDA will consider the totality of the circumstances surrounding distribution and use of an RUO product, including how the product is marketed and to whom, when determining its intended use. The FDA could disagree with our assessment that our products are properly marketed as RUO, or could conclude that products labeled as RUO are actually intended for clinical diagnostic use, and could take enforcement action against us, including requiring us to stop distribution of our products until we are in compliance with applicable regulations, which would adversely affect our business, financial condition, results of operations, cash flows and prospects. In the event that the FDA requires us to obtain marketing authorization of our RUO products in the future, there can be no assurance that the FDA will grant any clearance or approval requested by us in a timely manner, or at all. Our raw material products are manufactured following the voluntary quality standards of ISO 13485:2016. Additionally, products we offer as "GMP-grade" raw material products that we voluntarily manufacture consistent with GMP requirements also follow ISO 13485:2016 standards. We believe these raw material products, including our raw material products offered as "GMP-grade," are exempt from compliance with FDA regulatory requirements, given that we do not believe they are finished devices as our raw material products are further processed by our customers. Our products are provided to customers under contracts and purchase orders that outline quality standards and product specifications. As products advance through the clinical phases, requirements become more stringent and we work with customers to define and agree on requirements and risks associated with their product.

The FDA could disagree with our assessment that our products are exempt from current GMP regulations. In addition, the FDA could conclude that the raw material and biologics components products we provide to our customers are actually subject to the pharmaceutical or drug quality-related regulations for manufacturing, processing, packing or holding of drugs or finished pharmaceuticals, and could take enforcement action against us, including requiring us to stop distribution of our products until we are in compliance with applicable regulations, which would adversely affect our business, financial condition, results of operations, cash flows and prospects. In the future, we may receive a customer request that an RUO product be available for manufacturing and not research use only, or receive notification from the FDA requiring us to comply with certain FDA regulations for our raw material and biologics components products. As a result, there can be no assurance that the FDA will find our operations are in compliance in a timely manner, or at all, and our results of operations may suffer.

We have no experience submitting 510(k) applications to the FDA, and cannot be certain that the FDA will accept our application as filed or that we will not experience any delays or that we will eventually receive 510(k) clearance.

We intend to file a 510(k) application on an active transport medium product line in the second half of 2021. To obtain 510(k) clearance, we will submit to the FDA a premarket notification demonstrating

that the device is substantially equivalent to a device legally marketed in the U.S. for which premarketing approval was not required. Under its regulations, the FDA could make a substantial equivalence determination within 90 days of FDA's receipt of the 510(k), but it may take longer if the FDA requests additional information. After a device receives 510(k) clearance, any modification that could significantly affect its safety or effectiveness, or that would constitute a major change in its intended use, will require a new clearance or possibly a pre-market approval. There is no guarantee that the FDA will grant 510(k) clearance of this or any future sample transport mediums.

We rely on assumptions, estimates and data to calculate certain of our key metrics, and real or perceived inaccuracies in such metrics may harm our reputation and negatively affect our business.

In addition to our financial results, our management regularly reviews a number of operating and financial metrics, including a breakdown of product revenue into Lab Essentials revenue, Clinical Solutions revenue and Sample Transport revenue, revenue by customer market (pharmaceutical/biotechnology, and academia, government, distributors and healthcare providers), average sale price by product, orders per day, quotes per day, delivery times, order type, new customer metrics, and status of pipeline opportunities that represent potential customers, to evaluate our business, measure our performance, identify trends affecting our business, formulate financial projections and make strategic decisions. As both the industry in which we operate and our businesses continue to evolve, so too might the metrics by which we evaluate our businesses and the company. In addition, while the calculation of the metrics we use is based on what we believe to be reasonable estimates, our internal tools are not independently verified by a third party and have a number of limitations and, furthermore, our methodologies for tracking these metrics may change over time, for example, the industry breakdown of our customer revenue by government, pharma/bio and academia sales. Accordingly, investors should not place undue reliance on these metrics.

We may be required to record a significant charge to earnings if our goodwill and other intangible assets, or other investments become impaired.

We are required under GAAP to test goodwill and indefinite lived intangibles for impairment at least annually and to review our goodwill, intangible assets and other assets acquired through merger and acquisition activity for impairment when events or changes in circumstance indicate the carrying value may not be recoverable. Factors that could lead to impairment of goodwill, intangible assets and other assets acquired via acquisitions include significant adverse changes in the business climate and actual or projected operating results (affecting our company as a whole or affecting any particular segment) and declines in the financial condition of our business. As of December 31, 2020 and 2019, goodwill and intangible assets represented approximately 58% and 64%, respectively, of our total assets. If we determine that there has been impairment, our financial results for the relevant period would be reduced by the amount of the impairment, net of tax effects, if any. We may be required in the future to record charges to earnings if our goodwill, intangible assets or other investments become impaired. Any such charge would adversely impact our financial results.

Changes in accounting principles and guidance could result in unfavorable accounting charges or effects.

We prepare our financial statements in accordance with GAAP. These principles are subject to interpretation by the SEC and various bodies formed to create and interpret appropriate accounting principles and guidance. The adoption of new or revised accounting principles may require us to make changes to our systems, processes and internal controls, which could have a significant effect on our reported financial results and internal controls, cause unexpected financial reporting fluctuations, retroactively affect previously reported results or require us to make costly changes to our operational processes and accounting systems upon our following the adoption of these standards.

For example, during February 2016, the Financial Accounting Standards Board issued Accounting Standards Update ("ASU") 2016-02 (Topic 842), *Leases*. The updated standard requires the recognition of a liability for lease obligations and a corresponding right-of-use asset on the balance sheet, and disclosures of certain information regarding leasing arrangements. We are currently assessing the timing and impact of adopting the updated provisions.

Our revenue recognition and other factors may impact our financial results in any given period and make them difficult to predict.

Under ASU No. 2014-09 (Topic 606), *Revenue from Contracts with Customers*, ("ASU 606"), we recognize revenue when our performance obligations have been satisfied in an amount that reflects the consideration that we expect to receive in exchange for those performance obligations. Our revenue includes revenue from the sale of manufactured products, including products from our catalog or available for purchase on our website and custom manufactured products (such as custom bacterial cell culture media and specialized chromatography solutions). All of our contracts contain a single performance obligation, namely the delivery of consumable products. Our application of ASU 606 with respect to the nature of future contractual arrangements could impact the forecasting of our revenue for future periods, as both the mix of products we will sell in a given period, as well as the size of contracts, is difficult to predict. We adopted the requirements of ASU 606, effective January 1, 2019, using the modified retrospective method. Under the modified retrospective method, this guidance is applied to those contracts that were not completed as of January 1, 2019, with no restatement of contracts that were commenced and completed within fiscal years prior to January 1, 2019.

Furthermore, the presentation of our financial results requires us to make estimates and assumptions that may affect revenue recognition. In some instances, we could reasonably use different estimates and assumptions, and changes in estimates may occur from period to period. See the section titled "Management's Discussion and Analysis of Financial Condition and Results of Operations—Critical Accounting Policies and Estimates—Revenue Recognition."

Given the foregoing factors, comparing our revenue and operating results on a period-to-period basis may not be meaningful, and our past results may not be indicative of our future performance.

Our ability to use net operating loss carryforwards to reduce future tax payments may be limited.

As of December 31, 2020, we had $2.0 million of U.S. federal and $4.1 million of state net operating loss ("NOL") carryforwards available to reduce taxable income in future years. Our ability to utilize those NOLs may be limited based on our operating performance and tax laws in effect. Under the Tax Cuts and Jobs Act (the "Tax Act"), as modified by the Coronavirus Aid, Relief, and Economic Security Act (the "CARES Act"), federal NOLs incurred in taxable years beginning after December 31, 2017 may be carried forward indefinitely, but the deductibility of such federal NOLs in taxable years beginning after December 31, 2020 is limited to 80% of taxable income. It is uncertain if and to what extent various states will conform to the Tax Act or the CARES Act.

Separately, under Sections 382 and 383 of the Code, and corresponding provisions of state law, if a corporation undergoes an "ownership change," which is generally defined as a greater than 50% change, by value, in its equity ownership over a three-year period, the corporation's ability to use its pre-change NOL carryforwards and other pre-change tax attributes, such as research tax credits, to offset its post-change income or taxes may be limited. We may experience ownership changes as a result of subsequent shifts in our stock ownership, some of which may be outside of our control. As a result, our ability to use our pre-change NOL carryforwards to offset U.S. federal taxable income may be subject to limitations, which could potentially result in increased future tax liability to us. In addition, at the state level, there may be periods during which the use of NOL carryforwards is suspended or otherwise limited, which could accelerate or permanently increase state taxes owed.

Our business is subject to a number of environmental risks.

Our manufacturing business involves the controlled use of hazardous materials and chemicals and is therefore subject to numerous environmental and safety laws and regulations and to periodic inspections for possible violations of these laws and regulations. The costs of compliance with environmental and safety laws and regulations are significant. Any violations, even if inadvertent or accidental, of current or future environmental and safety laws or regulations and the cost of compliance with any resulting order or fine could adversely affect our operations.

Our management has limited experience in operating a public company.

Our executive officers have limited experience in the management of a publicly traded company. Our management team may not successfully or effectively manage its transition to a public company that will be subject to significant regulatory oversight and reporting obligations under federal securities laws. Their limited experience in dealing with the increasingly complex laws pertaining to public companies could be a significant disadvantage in that it is likely that an increasing amount of their time may be devoted to these activities, which will result in less time being devoted to the management and growth of our business. We may not have adequate personnel with the appropriate level of knowledge, experience and training in the accounting policies, practices or internal controls over financial reporting required of public companies in the U.S. The development and implementation of the standards and controls necessary for us to achieve the level of accounting standards required of a public company in the U.S. may require costs greater than expected. It is possible that we will be required to expand our employee base and hire additional employees to support our operations as a public company, which will increase our operating costs in future periods.

Risks Related to Our Intellectual Property

If we are unable to obtain, maintain and enforce intellectual property protection for our current or future products, or if the scope of our intellectual property protection is not sufficiently broad, our ability to commercialize our products successfully and to compete effectively may be materially adversely affected.

Our success depends on our ability to obtain and maintain intellectual property protection in the United States and other countries with respect to our current and future proprietary products. We rely primarily upon a combination of trade secret protection and confidentiality agreements to protect our technology, manufacturing processes, and products. Our commercial success depends in part on obtaining and maintaining trade secret protection of our current and future products, if any, and the methods used to manufacture them, as well as successfully defending such trade secrets against third-party challenges. Our ability to stop third parties from making, using, selling, offering to sell or importing our products is dependent upon the extent to which we have valid and enforceable intellectual property rights that cover these activities.

Although we do not currently own any issued patents or patent applications covering our proprietary products or manufacturing processes we may, in the future, file patent applications or acquire or license intellectual property rights including patents and patent applications. The patent prosecution process is expensive and time consuming, and we may not be able to file and prosecute all necessary or desirable patent applications at a reasonable cost or in a timely manner or in all jurisdictions where protection may be commercially advantageous. It is also possible that we may fail to identify patentable aspects of our research and development output before it is too late to obtain patent protection. In addition, we or our collaborators may only pursue, obtain or maintain patent protection in a limited number of countries. Even if patents do successfully issue, such patents may not adequately protect our intellectual property, provide exclusivity for our current or future products, prevent others from designing around our claims or otherwise provide us with a competitive advantage.

Additionally, the laws of some foreign countries do not protect intellectual property rights to the same extent as the laws of the United States, and many companies have encountered significant problems in protecting and defending such rights in foreign jurisdictions. The legal systems of certain countries, particularly certain developing countries, do not favor the enforcement of intellectual property rights, particularly those relating to biotechnology, which could make it difficult for us to stop the infringement, misappropriation, or other violation of our intellectual property rights, including the unauthorized use or reproduction of our manufacturing or other trade secrets. Any of these outcomes could impair our ability to prevent competition from third parties, which may have a material adverse effect on our business, financial condition, results of operations, cash flows and prospects.

We rely primarily on trade secret laws, as well as confidentiality and non-disclosure agreements, and other contractual protections, to protect our technologies. If we are unable to protect the confidentiality of our technology, the value of our technology and products could be materially adversely affected.

We rely on trade secret protection and confidentiality agreements to protect our technology. To maintain the confidentiality of trade secrets and other proprietary information, we enter into confidentiality agreements with our employees, consultants, contractors, collaborators, CDMOs, CROs and others upon the commencement of their relationships with us. These agreements require that all confidential information developed by the individual or entity or made known to the individual or entity by us during the course of the individual's or entity's relationship with us be kept confidential and not disclosed to third parties. Our agreements with employees as well as our personnel policies also generally provide that any inventions conceived by the individual in the course of rendering services to us shall be our exclusive property or that we may obtain full rights to such inventions at our election. However, trade secrets are difficult to protect. Although we use reasonable efforts to protect our trade secrets, our employees, consultants, contractors, collaborators, CDMOs, CROs and others may unintentionally or willfully disclose our information to competitors. We also face the risk that present or former employees could continue to hold rights to intellectual property used by us, demand the registration of intellectual property rights in their name, and seek payment of damages for our use of such intellectual property.

Enforcing a claim that a third party illegally obtained or is using any of our trade secrets is expensive and time consuming, and the outcome is unpredictable. We may not have adequate remedies in the event of unauthorized use or disclosure of our trade secrets or other proprietary information in the case of a breach of any such agreements and our trade secrets and other proprietary information could be disclosed to third parties, including our competitors. Many of our partners also collaborate with our competitors and other third parties. The disclosure of our trade secrets to our competitors, or more broadly, would impair our competitive position and may materially harm our business, financial condition, results of operations, cash flows and prospects. Costly and time-consuming litigation could be necessary to enforce and determine the scope of our rights, and failure to maintain trade-secret protection could adversely affect our competitive business position. The enforceability of confidentiality agreements may vary from jurisdiction to jurisdiction. Courts outside the United States are sometimes less willing to protect trade secrets. Moreover, our competitors may independently develop substantially equivalent or superior knowledge, methods and know-how, and the existence of our own trade secrets affords no protection against such independent discovery.

If we are sued for infringing, misappropriating, or otherwise violating intellectual property rights of third parties, such litigation could be costly and time consuming and could prevent or delay us from developing or commercializing our current or future products.

Our products may infringe on, or be accused of infringing on, one or more claims of an issued patent or may fall within the scope of one or more claims in a published patent application that may be subsequently issued and to which we do not hold a license or other rights.

Because patent applications in the United States and many foreign jurisdictions typically are not published until 18 months after filing, or in some cases not at all, and publications in the scientific literature often lag behind actual discoveries, we cannot be certain whether others have filed patent applications for technology that we were the first to invent. Others, including our competitors, may have filed, and may in the future file, patent applications covering technology similar to ours. Any such patent application may have priority over any future patent applications or patents that we may file or obtain, which could further require us to obtain rights to issued patents by others covering such technologies. If another party has filed a U.S. patent application on inventions similar to ours, we may have to participate in an interference proceeding declared by the United States Patent and Trademark Office (the "USPTO") to determine priority of invention in the United States. The costs of these proceedings could be substantial, and it is possible that such efforts would be unsuccessful if, unbeknownst to us, the other party had independently arrived at the same or similar invention prior to our own invention, resulting in a loss of our U.S. patent position with respect to such inventions.

Additionally, pending patent applications that have been published can, subject to certain limitations, be later amended in a manner that could cover our current or future products or the use of our current or future products. After issuance, the scope of patent claims remains subject to construction based on interpretation of the law, the written disclosure in a patent and the patent's prosecution history. Our interpretation of the relevance or the scope of a patent or a pending application may be incorrect. In addition, third parties may obtain patents in the future and claim that use of our technologies infringes upon these patents. These third parties could bring claims against us or our collaborators that would cause us to incur substantial expenses and, if successful against us, could cause us to pay substantial damages.

The life sciences industry has produced a proliferation of patents, and it is not always clear to industry participants, including us, which patents cover various types of products or methods of use. The coverage of patents is subject to interpretation by the courts, and the interpretation is not always uniform. If we are sued for patent infringement, we would need to demonstrate that our products or methods of use either do not infringe the patent claims of the relevant patent and/or that the patent claims are invalid or unenforceable, and we may not be able to do this. Proving invalidity, in particular, is difficult since it requires a showing of clear and convincing evidence to overcome the presumption of validity enjoyed by issued patents. Third parties have, and may in the future have, U.S. and non-U.S. issued patents and pending patent applications that may cover our current or future products. Such a third party may claim that we or our manufacturing or commercialization partners are using inventions covered by the third party's patent rights and may go to court or a tribunal to stop us from engaging in our normal operations and activities, including making or selling our current or future products. In the event that any of these patent rights were asserted against us, we believe that we may have defenses against any such action, including that such patents would not be infringed by our current or future products and/or that such patents are not valid. However, if any such patent rights were to be asserted against us and our defenses to such assertion were unsuccessful, unless we obtain a license to such patents, we could be liable for damages, which could be significant and include treble damages and attorneys' fees if we are found to willfully infringe such patents, and we could be precluded from commercializing any future products that were ultimately held to infringe such patents, any of which could have a material adverse effect on our business, financial condition, results of operations, cash flows and prospects.

If we are found to infringe the patent rights of a third party, or in order to avoid potential claims, we or our collaborators may choose or be required to seek a license from a third party and be required to pay license fees or royalties or both. These licenses may not be available on reasonable terms, or at all. In particular, any of our competitors that control intellectual property that we are found to infringe may be unwilling to provide us a license under any terms. Even if we or our collaborators were able to obtain a license, the rights may be nonexclusive, which could result in our competitors gaining access

to the same intellectual property. Ultimately, we could be prevented from commercializing a product, or be forced to cease some aspect of our business operations, if, as a result of actual or threatened patent infringement claims, we or our collaborators are unable to enter into licenses on acceptable terms. In addition, we could be found liable for monetary damages, including treble damages and attorneys' fees, if we are found to have willfully infringed a patent. Further, if a patent infringement suit is brought against us or our third-party service providers and if we are unable to successfully obtain rights to required third-party intellectual property, we may be required to expend significant time and resources to redesign our current or future products, or to develop or license replacement technology, all of which may not be feasible on a technical or commercial basis, and may delay or require us to abandon our development, manufacturing or sales activities relating to our current or future products. A finding of infringement could prevent us from commercializing our future products or force us to cease some of our business operations, which could harm our business. Claims that we have misappropriated the confidential information or trade secrets of third parties could have a similar negative impact on our business. Any of the foregoing could have a material adverse effect on our business, financial condition, results of operations, cash flows and prospects.

Intellectual property litigation and other proceedings could cause us to spend substantial resources and distract our personnel from their normal responsibilities.

Even if resolved in our favor, intellectual property litigation or other legal proceedings relating to our, our licensors' or other third parties' intellectual property claims may cause us to incur significant expenses and could distract our personnel from their normal responsibilities. Patent litigation and other proceedings may also absorb significant management time. If not resolved in our favor, litigation may require us to pay any portion of our opponents' legal fees. Such litigation or proceedings could substantially increase our operating losses and reduce the resources available for development activities or any future sales, marketing, or distribution activities. We may not have sufficient financial or other resources to conduct such litigation or proceedings adequately. Our competitors or other third parties may be able to sustain the cost of such litigation and proceedings more effectively than we can because of their substantially greater resources. Uncertainties resulting from our participation in patent litigation or other proceedings could have a material adverse effect on our ability to compete in the marketplace. Furthermore, because of the substantial amount of discovery required in certain jurisdictions in connection with intellectual property litigation, there is a risk that some of our confidential information could be compromised by disclosure during this type of litigation. There could also be public announcements of the results of hearings, motions or other interim proceedings or developments. If securities analysts or investors perceive these results to be negative, the perceived value of our current or future products or intellectual property could be diminished. Accordingly, the market price of our common stock may decline. Uncertainties resulting from the initiation and continuation of patent litigation or other proceedings could have a material adverse effect on our business, financial condition, results of operations and prospects.

We may be subject to claims by third parties asserting that our employees, consultants, independent contractors or we have misappropriated their intellectual property, or claiming ownership of what we regard as our own intellectual property and proprietary technology.

We try to ensure that our employees do not use the proprietary information or know-how of others in their work for us. We may, however, be subject to claims that we or these employees have inadvertently or otherwise used or disclosed intellectual property, trade secrets or other proprietary information of any such employee's former employer or that patents and applications we have filed to protect inventions of these individuals, even those related to one or more of our current or future products, are rightfully owned by their former or concurrent employer. Litigation may be necessary to defend against these claims. Even if we are successful in defending ourselves, such litigation could result in substantial costs to us or be distracting to our management. If we fail to defend any such claims, in addition to paying monetary damages, we may lose valuable intellectual property rights or

personnel or we could be required to obtain a license from such third party to commercialize our technology or products. Such a license may not be available on an exclusive basis or on commercially reasonable terms or at all.

In addition, while we typically require our employees, consultants and independent contractors who may be involved in the development of intellectual property to execute agreements assigning such intellectual property to us, we may be unsuccessful in executing such an agreement with each party who in fact develops intellectual property that we regard as our own, or such agreements may be breached or alleged to be ineffective, and the assignment may not be self-executing, which may result in claims by or against us related to the ownership of such intellectual property or may result in such intellectual property becoming assigned to third parties. If we fail in enforcing or defending any such claims, in addition to paying monetary damages, we may lose valuable intellectual property rights. Even if we are successful in prosecuting or defending against such claims, litigation could result in substantial costs and be a distraction to our senior management and scientific personnel. Any of the foregoing could have a material adverse effect on our business, financial condition, results of operations, cash flows and prospects.

We rely on confidentiality agreements that, if breached, may be difficult to enforce and could have a material adverse effect on our business and competitive position.

Our policy is to enter agreements relating to the non-disclosure and non-use of confidential information with third parties, including our contractors, consultants, advisors and research collaborators, as well as agreements that purport to require the disclosure and assignment to us of the rights to the ideas, developments, discoveries and inventions of our employees and consultants while we employ them. However, these agreements can be difficult and costly to enforce. Moreover, to the extent that our contractors, consultants, advisors and research collaborators apply or independently develop intellectual property in connection with any of our projects, disputes may arise as to the proprietary rights to the intellectual property. If a dispute arises, a court may determine that the right belongs to a third party, and enforcement of our rights can be costly and unpredictable. In addition, we rely primarily on trade secrets and proprietary know-how that we seek to protect, in large part, by confidentiality agreements with our employees, contractors, consultants, advisors or others. Despite the protective measures we employ, we still face the risk that:

- these agreements may be breached;
- these agreements may not provide adequate remedies for the applicable type of breach; or
- our trade secrets or proprietary know-how will otherwise become known.

Any breach of our confidentiality agreements or our failure to effectively enforce such agreements would have a material adverse effect on our business and competitive position.

If our trademarks and trade names are not adequately protected, we may not be able to build name recognition in our markets of interest and our business, financial condition, results of operations, cash flows and prospects may be adversely affected.

Our trademarks or trade names may be challenged, infringed, circumvented or declared generic or determined to be infringing on other marks. We may not be able to protect our rights to these trademarks and trade names or may be forced to stop using these names or marks which we need for name recognition by potential partners or customers in our markets of interest. During trademark registration proceedings, we may receive rejections. Although we would be given an opportunity to respond to those rejections, we may be unable to overcome such rejections. In addition, in the USPTO and in comparable agencies in many foreign jurisdictions, third parties are given an opportunity to oppose pending trademark applications and to seek to cancel registered trademarks. Opposition or cancellation proceedings may be filed against our trademarks, and our trademarks may not survive

such proceedings. If we are unable to establish name recognition based on our trademarks and trade names, we may not be able to compete effectively and our business, financial condition, results of operations, cash flows and prospects may be adversely affected.

Intellectual property rights do not necessarily address all potential threats.

The degree of future protection afforded by our proprietary and intellectual property rights is uncertain because such rights offer only limited protection and may not adequately protect our rights or permit us to gain or keep our competitive advantage. For example:

- we do not currently own or license any patents, and others may be able to develop products that are similar to, or better than, our current or future products in a way that is not covered by the claims of the patents we may own or license in the future;
- the trade secret protection that we rely on to protect our proprietary information and know-how does not protect us against any third parties independently developing competing technology;
- we, or our licensing partners or current or future collaborators, might not have been the first to make the inventions covered by issued patents or pending patent applications that we may own or license in the future;
- we, or our licensing partners or current or future collaborators, might not be the first to file patent applications for certain of our or their inventions;
- we may choose not to file a patent for certain trade secrets or know-how, and a third party may subsequently file a patent covering such intellectual property;
- the patents of third parties or pending or future applications of third parties, if issued, may have an adverse effect on our business; or
- any patents that we obtain may not provide us with any competitive advantages or may ultimately be found not to be owned by us, invalid or unenforceable.

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

We may need or may choose to obtain licenses from third parties to advance our research or allow commercialization of our current or future products, and we cannot provide any assurances that we would be able to do so.

We may need or may choose to obtain licenses from third parties to advance our research or allow commercialization of our current or future products, and we cannot provide any assurances that third party patents do not exist that might be enforced against our current or future products in the absence of such a license. We may fail to obtain any of these licenses on commercially reasonable terms, if at all. Even if we are able to obtain a license, it may be non-exclusive, thereby giving our competitors access to the same technologies licensed to us. If we could not obtain a license, we may be required to expend significant time and resources to develop or license replacement technology. If we are unable to do so, we may be unable to develop or commercialize the affected products, which could materially harm our business and the third parties owning such intellectual property rights could seek either an injunction prohibiting our sales, or, with respect to our sales, an obligation on our part to pay royalties and/or other forms of compensation.

Licensing of intellectual property involves complex legal, business and scientific issues. Disputes may arise between us and our licensors regarding intellectual property subject to a license agreement, including:

- the scope of rights granted under the license agreement and other interpretation-related issues;
- whether, and the extent to which our technology and processes infringe on intellectual property of the licensor that is not subject to the licensing agreement;

- our right to sublicense patent and other rights to third parties under collaborative development relationships;
- our diligence obligations with respect to the use of the licensed technology in relation to our development and commercialization of our products, and what activities satisfy those diligence obligations; and
- the ownership of inventions and know-how resulting from the joint creation or use of intellectual property by our licensors and us and our partners.

If disputes over intellectual property that we have licensed prevent or impair our ability to maintain the licensing arrangements on acceptable terms, we may be unable to successfully develop and commercialize the affected product, or the dispute may have an adverse effect on our results of operation.

We may, in the future, grant licenses under our intellectual property. Like in licenses, out licenses are complex, and disputes may arise between us and our licensees, such as the types of disputes described above. Moreover, our licensees may breach their obligations, or we may be exposed to liability due to our failure or alleged failure to satisfy our obligations. Any such occurrence could have an adverse effect on our business.

Risks Related to Our Indebtedness

Our existing indebtedness could adversely affect our business and growth prospects.

In March 2021, we entered into the Credit Agreement which provides for loan commitments in an aggregate amount of up to $27.0 million. Our indebtedness, including any indebtedness we may incur under the Credit Agreement or otherwise, could require us to divert funds identified for other purposes for debt service and impair our liquidity position. If we cannot generate sufficient cash flow from operations to service our debt, we may need to refinance our debt, dispose of assets or issue equity to obtain necessary funds. We do not know whether we will be able to take any of these actions on a timely basis, on terms satisfactory to us or at all.

Our indebtedness, the cash flow needed to satisfy our debt and the covenants contained in the Credit Agreement may have important consequences, including:

- limiting funds otherwise available for financing our capital expenditures by requiring us to dedicate a portion of our cash flows from operations to the repayment of debt and the interest on this debt;
- limiting our ability to incur or prepay existing indebtedness, pay dividends or distributions, dispose of assets, engage in mergers and consolidations, make acquisitions or other investments and make changes in the nature of the business, among other things;
- making us more vulnerable to rising interest rates, as certain of our borrowings, including borrowings under the Credit Agreement, bear variable rates of interest; and
- making us more vulnerable in the event of a downturn in our business.

Fluctuations in interest rates can increase borrowing costs. Increases in interest rates may directly impact the amount of interest we are required to pay and reduce earnings accordingly. In addition, tax laws, including the disallowance or deferral of tax deductions for interest paid on outstanding indebtedness, could have an adverse effect on our liquidity and our business, financial condition, results of operations, cash flows and prospects. Further, our Credit Agreement contains customary affirmative and negative covenants and certain restrictions on operations that could impose operating and financial limitations and restrictions on us, including restrictions on our ability to enter into particular transactions and to engage in other actions that we may believe are advisable or necessary for our business.

We expect to use cash flow from operations to meet current and future financial obligations, including funding our operations, debt service requirements and capital expenditures. The ability to make these payments depends on our financial and operating performance, which is subject to prevailing economic, industry and competitive conditions and to certain financial, business, economic and other factors beyond our control.

Despite current indebtedness levels, we may incur substantially more indebtedness, which could further exacerbate the risks associated with our substantial indebtedness.

We may incur significant additional indebtedness in the future. We may also consider investments in joint ventures or acquisitions, which may increase our indebtedness. If new debt is added to our current indebtedness levels, the related risks that we face could intensify.

The phase-out of the London Interbank Offered Rate ("LIBOR"), or the replacement of LIBOR with a different reference rate, may adversely affect interest rates.

Borrowings under our Credit Agreement bear interest at rates determined using LIBOR as the reference rate. On July 27, 2017, the Financial Conduct Authority (the authority that regulates LIBOR) announced that it would phase out LIBOR by the end of 2021. It is unclear whether new methods of calculating LIBOR will be established such that it continues to exist after 2021, or if alternative rates or benchmarks will be adopted, and currently it appears highly likely that LIBOR will be discontinued or substantially modified by 2021. Changes in the method of calculating LIBOR, or the replacement of LIBOR with an alternative rate or benchmark, may adversely affect interest rates and result in higher borrowing costs. This could have a material adverse effect on our business, financial condition, results of operations, cash flows and prospects. We cannot predict the effect of the potential changes to LIBOR or the establishment and use of alternative rates or benchmarks. Furthermore, we may need to renegotiate our Credit Agreement or incur other indebtedness, and changes in the method of calculating LIBOR, or the use of an alternative rate or benchmark, may negatively impact the terms of such indebtedness.

The terms of the Credit Agreement may restrict our current and future operations, particularly our ability to respond to changes or to take certain actions. If we fail to comply with the covenants and other obligations under the Credit Agreement, the lender may be able to accelerate amounts owed under the facilities and may foreclose upon the assets securing our obligations.

The Credit Agreement contains a number of restrictive covenants that impose significant operating and financial restrictions on us and may, unless waived by the lender, limit our ability to engage in acts that may be in our long-term best interests, including restrictions on our ability to:

- incur additional indebtedness;
- incur liens;
- merge, dissolve, liquidate, amalgamate, consolidate or sell all or substantially all of our assets;
- declare or pay certain dividends, payments or distribution or repurchase or redeem certain capital stock; and
- make certain investments.

These restrictions could limit, potentially significantly, our operational flexibility and affect our ability to finance our future operations or capital needs or to execute our business strategy. Our indebtedness under the Credit Agreement is secured by substantially all of our assets. If we fail to comply with the covenants and our other obligations under the Credit Agreement, the lender would be able to accelerate the required repayment of amounts due and, if they are not repaid, could foreclose upon the assets securing our obligations with respect to such indebtedness.

Risks Related to Our Common Stock and This Offering

THP controls us, and its interests may conflict with ours or yours in the future.

Immediately following this offering, THP will control approximately % of the voting power of our outstanding common stock, or % if the underwriters exercise in full their option to purchase additional shares, which means that, based on its percentage voting power controlled after the offering, THP will control the vote of all matters submitted to a vote of our stockholders. This control will enable THP to control the election of the members of our board of directors and all other corporate decisions. In particular, for so long as THP continues to own a majority of our common stock, THP will be able to cause or prevent a change of control of us or a change in the composition of our board of directors and could preclude any unsolicited acquisition of us. Pursuant to our investors' rights agreement and our amended and restated certificate of incorporation, which will take effect immediately prior to the closing of this offering, THP will have certain rights, and the ability to take certain actions, that are not otherwise available to all stockholders. For example, our investors' rights agreement provides THP the right, following the closing of this offering and subject to certain conditions, to demand that we file a registration statement or request that their shares of our common stock be covered by a registration statement that we are otherwise filing. See the section titled "Description of Capital Stock—Registration Rights" for additional information regarding these rights. In addition, our amended and restated certificate of incorporation will, until such time as THP first ceases to own greater than 50% of the outstanding voting power of our common stock, effectively provide THP with the ability to fill vacancies on the board, remove directors (with or without cause), call a special meeting of our stockholders, amend our certificate of incorporation (subject to approval of our board of directors) and amend our bylaws. See the section titled "Description of Capital Stock—Anti-Takeover Matters in our Governing Documents and Under Delaware Law" for additional information regarding THP's ability to take such actions. Even when THP ceases to control a majority of the total voting power, for so long as THP continues to own a significant percentage of our common stock, THP will still be able to significantly influence the composition of our board of directors and the approval of actions requiring stockholder approval. Accordingly, for such period of time, THP will have significant influence with respect to our management, business plans and policies. The concentration of ownership and availability of the foregoing rights could deprive you of an opportunity to receive a premium for your shares of common stock as part of a sale of us and ultimately might affect the market price of our common stock.

THP and its affiliates engage in a broad spectrum of activities, including investments in our industry generally. In the ordinary course of their business activities, THP and its affiliates may engage in activities where their interests conflict with our interests or those of our other stockholders, such as investing in or advising businesses that directly or indirectly compete with certain portions of our business or are suppliers or customers of ours. Our amended and restated certificate of incorporation to be effective at or prior to the closing of this offering will provide that none of THP and its affiliates and any person or entity who, while a stockholder, director, officer or agent of the company or any of its affiliates, is a director, officer, principal, partner, member, manager, employee, agent and/or other representative of THP and its affiliates (each, an "Identified Person") will have any duty to refrain from (i) engaging in a corporate opportunity in the same or similar business activities or lines of business in which we or our affiliates are engaged or that are deemed to be competing with us or any of our affiliates or (ii) otherwise investing in or providing services to any person that competes with us or our affiliates engaging, directly or indirectly, in the same business activities or similar business activities or lines of business in which we operate. In addition, to the fullest extent permitted by law, no Identified Person will have any obligation to offer to us or our subsidiaries or affiliates the right to participate in any corporate opportunity in the same or similar business activities or lines of business in which we or our affiliates are engaged or that are deemed to be competing with us or any of our affiliates. This means that THP may pursue acquisition opportunities that may be complementary to our business, and, as a result, those acquisition opportunities may not be available to us. In addition, THP may have an interest in pursuing acquisitions, divestitures and other

transactions that, in its judgment, could enhance its investment, even though such transactions might involve risks to you or may not prove beneficial.

Upon the listing of our shares of common stock on the Nasdaq Global Market, we will be a "controlled company" within the meaning of the Nasdaq Rules and, as a result, we will qualify for, and intend to rely on, exemptions from certain corporate governance requirements. You will not have the same protections as those afforded to stockholders of companies that are subject to such governance requirements.

After the closing of this offering, THP will continue to control a majority of the voting power of our outstanding common stock. As a result, we will be a "controlled company" within the meaning of the corporate governance standards of Nasdaq. Under these corporate governance standards, a company of which more than 50% of the voting power for the election of directors is held by an individual, group or another company is a "controlled company" and may elect not to comply with certain corporate governance requirements. For example, controlled companies, within one year of the date of the listing of their common stock:

- are not required to have a board that is composed of a majority of "independent directors," as defined under the Nasdaq Rules;
- are not required to have a compensation committee that is composed entirely of independent directors or have a written charter addressing the committee's purpose and responsibilities; and
- are not required to have director nominations be made, or recommended to the full board of directors, by its independent directors or by a nominations committee that is composed entirely of independent directors, and to adopt a written charter or a board resolution addressing the nominations process.

For at least some period following this offering, we intend to utilize these exemptions. As a result, immediately following this offering, we do not expect a majority of our directors will have been affirmatively determined to be independent or that our compensation committee or nominating and corporate governance committee of the board will be comprised entirely of directors who have been determined to be independent. Accordingly, you will not have the same protections afforded to stockholders of companies that are subject to all of the Nasdaq corporate governance requirements.

We may allocate the net proceeds from this offering in ways with which you and other stockholders may disagree.

Our management will have broad discretion in the application of the net proceeds from this offering, including for any of the purposes described in the section titled "Use of Proceeds." Because of the number and variability of factors that will determine our use of the net proceeds from this offering, their ultimate use may vary substantially from their currently intended use. Our management might not apply our net proceeds in ways that ultimately increase the value of your investment, and the failure by our management to apply these funds effectively could harm our business. Pending their use, we may invest the net proceeds from this offering in short- and intermediate-term interest-bearing obligations, investment-grade instruments, certificates of deposit or direct or guaranteed obligations of the United States government. These investments may not yield a favorable return to our stockholders. If we do not invest or apply the net proceeds from this offering in ways that enhance stockholder value, we may fail to achieve expected results, which could cause our stock price to decline.

As a result of becoming a public company, we will be obligated to develop and maintain proper and effective internal control over financial reporting in order to comply with Section 404 of the Sarbanes-Oxley Act of 2002 (the "Sarbanes-Oxley Act"). We may not complete our analysis of our internal control over financial reporting in a timely manner, or these internal controls may not be determined to be effective, which may adversely affect investor confidence in us and, as a result, the value of our common stock.

Our management is responsible for establishing and maintaining adequate internal control over financial reporting. Internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements in accordance with GAAP. We are in the very early stages of the costly and challenging process of compiling the system and processing documentation necessary to perform the evaluation needed to comply with Section 404 of the Sarbanes-Oxley Act. We may not be able to complete our evaluation, testing and any required remediation prior to becoming a public company or in a timely manner thereafter. If we are unable to assert that our internal control over financial reporting is effective, we could lose investor confidence in the accuracy and completeness of our financial reports, which would cause the price of our common stock to decline, and we may be subject to investigation or sanctions by the SEC.

We will be required, pursuant to Section 404 of the Sarbanes-Oxley Act, to furnish a report by management on, among other things, the effectiveness of our internal control over financial reporting as of the end of the fiscal year that coincides with the filing of our second annual report on Form 10-K. This assessment will need to include disclosure of any material weaknesses identified by our management in our internal control over financial reporting. We will also be required to disclose changes made in our internal control and procedures on a quarterly basis. However, our independent registered public accounting firm will not be required to report on the effectiveness of our internal control over financial reporting pursuant to Section 404 of the Sarbanes-Oxley Act until the later of the year following our first annual report required to be filed with the SEC, or the date we are no longer an "emerging growth company" as defined in the JOBS Act if we take advantage of the exemptions contained in the JOBS Act. At such time, our independent registered public accounting firm may issue a report that is adverse in the event it is not satisfied with the level at which our controls are documented, designed or operating.

Additionally, the existence of any material weakness or significant deficiency would require management to devote significant time and incur significant expense to remediate any such material weaknesses or significant deficiencies and management may not be able to remediate any such material weaknesses or significant deficiencies in a timely manner. The existence of any material weakness in our internal control over financial reporting could also result in errors in our financial statements that could require us to restate our financial statements, cause us to fail to meet our reporting obligations and cause stockholders to lose confidence in our reported financial information, all of which could materially and adversely affect our business and stock price.

To comply with the requirements of being a public company, we may need to undertake various costly and time-consuming actions, such as implementing new internal controls and procedures and hiring accounting or internal audit staff, which may adversely affect our business, financial condition, results of operations, cash flows and prospects.

Material weaknesses in our internal control over financial reporting may cause us to fail to timely and accurately report our financial results or result in a material misstatement of our financial statements.

In connection with the audit of our financial statements included elsewhere in this prospectus, we identified a material weakness in our internal control over financial reporting. A material weakness is a deficiency, or combination of deficiencies, in internal control over financial reporting such that there is a

reasonable possibility that a material misstatement of our financial statements will not be prevented or detected on a timely basis. The material weakness resulted from not having internal controls that were designed, documented and executed to support the accurate and timely analysis and reporting of financial results associated with accounting for complex, non-routine transactions under GAAP. Consequently, we inappropriately accounted for the THP Transaction in 2019, including as to certain tax benefits and the allocation of transaction costs across periods. See the section titled "Management's Discussion and Analysis of Financial Condition and Results of Operations—Internal Control Over Financial Reporting."

We are implementing additional procedures to remediate this material weakness, however, we cannot assure you that these or other measures will fully remediate the material weakness in a timely manner or prevent future material weaknesses from occurring. As part of our remediation plan to address the material weakness identified above, we are working to hire accounting employees and/or consultants with the specific technical accounting experience necessary to assist with complex, non-routine transactions. We believe that the measures we are implementing will remediate the material weakness and strengthen our internal control over financial reporting.

While we are implementing our plan to remediate the material weakness, we can give no assurance that this implementation will remediate the material weakness in internal control over financial reporting or that additional material weaknesses in our internal control over financial reporting will not be identified in the future. If we identify future material weaknesses in our internal control over financial reporting, the accuracy and timing of our financial reporting may be adversely affected. If additional material weaknesses exist or are discovered in the future, and we are unable to remediate any such material weaknesses, our reputation, financial condition, and operating results could suffer. Moreover, we could become subject to investigations by regulatory authorities, which could require additional financial and management resources.

We are an "emerging growth company" and a "smaller reporting company," and the reduced disclosure requirements applicable to emerging growth companies and smaller reporting companies may make our common stock less attractive to investors.

We are an "emerging growth company," as defined in the JOBS Act. We intend to take advantage of certain exemptions and relief from various public reporting requirements, including the requirement that our internal control over financial reporting be audited by our independent registered public accounting firm pursuant to Section 404 of the Sarbanes-Oxley Act. We will be exempt from any rules that could be adopted by the Public Company Accounting Oversight Board requiring mandatory audit firm rotations or a supplement to the auditor's report on financial statements; we will be subject to reduced disclosure obligations regarding executive compensation in our periodic reports and proxy statements; and we will not be required to hold nonbinding advisory votes on executive compensation or stockholder approval of any golden parachute payments not previously approved.

Section 107 of the JOBS Act provides that an "emerging growth company" can take advantage of the extended transition period provided in Section 7(a)(2)(B) of the Securities Act, for complying with new or revised accounting standards. In other words, an "emerging growth company" can delay the adoption of certain accounting standards until those standards would otherwise apply to private companies.

We have elected to take advantage of the extended transition period to comply with new or revised accounting standards and to adopt certain of the reduced disclosure requirements available to emerging growth companies. As a result of the accounting standards election, we will not be subject to the same implementation timing for new or revised accounting standards as other public companies that are not emerging growth companies, which may make comparison of our financials to those of other public companies more difficult. Additionally, because we have taken advantage of certain

reduced reporting requirements, the information contained herein may be different from the information you receive from other public companies in which you hold stock.

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

We are also a “smaller reporting company” as defined in Item 10(f)(1) of Regulation S-K. Smaller reporting companies may take advantage of certain reduced disclosure obligations, including, among other things, providing only two years of audited financial statements. We will remain a smaller reporting company for so long as either (i) the market value of our common shares held by non-affiliates is less than $250.0 million as of the end of our second fiscal quarter or (ii) we have annual revenues of less than $100.0 million and the market value of our common shares held by non-affiliates is less than $700.0 million as of the end of our second fiscal quarter. To the extent we take advantage of such reduced disclosure obligations, it may also make comparison of our financial statements with other public companies difficult or impossible.

Investors may find our common stock less attractive to the extent we rely on the exemptions and relief granted by the JOBS Act. If some investors find our common stock less attractive as a result, there may be a less active trading market for our common stock and our stock price may decline or become more volatile.

The requirements of being a public company may strain our resources and distract our management, which could make it difficult to manage our business, particularly after we are no longer an “emerging growth company.”

As a public company, we will incur legal, accounting and other expenses that we did not previously incur. We will become subject to the reporting requirements of the Exchange Act and the Sarbanes-Oxley Act, the listing requirements of Nasdaq and other applicable securities rules and regulations. Compliance with these rules and regulations will increase our legal and financial compliance costs, make some activities more difficult, time-consuming or costly and increase demand on our systems and resources, particularly after we are no longer an “emerging growth company.” The Exchange Act requires that we file annual, quarterly and current reports with respect to our business, financial condition, results of operations, cash flows and prospects. The Sarbanes-Oxley Act requires, among other things, that we establish and maintain effective internal controls and procedures for financial reporting. Furthermore, the need to establish the corporate infrastructure demanded of a public company may divert our management’s attention from implementing our growth strategy, which could prevent us from improving our business, financial condition, results of operations, cash flows and prospects. We have made, and will continue to make, changes to our internal controls and procedures for financial reporting and accounting systems to meet our reporting obligations as a public company. However, the measures we take may not be sufficient to satisfy our obligations as a public company. In addition, these rules and regulations will increase our legal and financial compliance costs and will make some activities more time-consuming and costly. For example, we expect these rules and regulations to make it more difficult and more expensive for us to obtain director and officer liability insurance, and we may be required to incur substantial costs to maintain the same or similar coverage. These additional obligations could have a material adverse effect on our business, financial condition, results of operations, cash flows and prospects.

In addition, changing laws, regulations and standards relating to corporate governance and public disclosure are creating uncertainty for public companies, increasing legal and financial compliance costs and making some activities more time consuming. These laws, regulations and standards are

subject to varying interpretations, in many cases due to their lack of specificity, and, as a result, their application in practice may evolve over time as new guidance is provided by regulatory and governing bodies. This could result in continuing uncertainty regarding compliance matters and higher costs necessitated by ongoing revisions to disclosure and governance practices. We intend to invest resources to comply with evolving laws, regulations and standards, and this investment may result in increased general and administrative expenses and a diversion of our management's time and attention from revenue-generating activities to compliance activities. If our efforts to comply with new laws, regulations and standards differ from the activities intended by regulatory or governing bodies due to ambiguities related to their application and practice, regulatory authorities may initiate legal proceedings against us and there could be a material adverse effect on our business, financial condition, results of operations, cash flows and prospects.

Provisions of our corporate governance documents could make an acquisition of us more difficult and may prevent attempts by our stockholders to replace or remove our current management, even if beneficial to our stockholders.

Our amended and restated certificate of incorporation and amended and restated bylaws, each of which will be effective at or prior to the closing of this offering and the DGCL contain provisions that could make it more difficult for a third party to acquire us, even if doing so might be beneficial to our stockholders. Among other things, these provisions:

- allow us to authorize the issuance of undesignated preferred stock, the terms of which may be established and the shares of which may be issued without stockholder approval, and which may include supermajority voting, special approval, dividend, or other rights or preferences superior to the rights of other stockholders;
- provide for a classified board of directors with staggered three-year terms;
- provide that, at any time after THP first ceases to beneficially own more than % in voting power of the outstanding shares of our common stock entitled to vote generally in the election of directors (the "THP Trigger Event"), directors may only be removed for cause, and only by the affirmative vote of holders of at least 66 2/3% in voting power of all the then-outstanding shares of our stock entitled to vote thereon, voting together as a single class;
- prohibit stockholder action by written consent from and after the THP Trigger Event;
- provide that, at any time after the THP Trigger Event, special meetings may only be called by or at the direction of the Chairman of our board of directors, our board of directors or our Chief Executive Officer;
- provide that, at any time after the THP Trigger Event, any alteration, amendment or repeal, in whole or in part, of any provision of our bylaws by our stockholders will require the affirmative vote of the holders of at least 66 2/3% in voting power of all the then-outstanding shares of our stock entitled to vote thereon, voting together as a single class; and
- establish advance notice requirements for nominations for elections to our board of directors and for proposing matters that can be acted upon by stockholders at stockholder meetings.

Section 203 of the DGCL generally prohibits a Delaware corporation from engaging in any of a broad range of business combinations with any interested stockholder for a period of three years following the date on which the stockholder became an interested stockholder. We have expressly elected not to be governed by Section 203 of the DGCL, until such time as THP beneficially owns, in the aggregate, less than a majority of the total voting power of all outstanding shares of our common stock entitled to vote generally in the election of directors. At that time, such election shall be automatically withdrawn and we will thereafter be governed by Section 203 of the DGCL, except that THP will not be deemed to be an interested stockholder under Section 203 of the DGCL regardless of its percentage ownership of our common stock. These provisions could discourage, delay or prevent a transaction involving a change in control of our company. These provisions could also discourage proxy contests and make it more difficult for you and other stockholders to elect directors of your

choosing and cause us to take other corporate actions you desire, including actions that you may deem advantageous, or negatively affect the trading price of our common stock. In addition, because our board of directors is responsible for appointing the members of our management team, these provisions could in turn affect any attempt by our stockholders to replace current members of our management team.

These and other provisions in our amended and restated certificate of incorporation, amended and restated bylaws and Delaware law could make it more difficult for stockholders or potential acquirers to obtain control of our board of directors or initiate actions that are opposed by our then-current board of directors, including actions to delay or impede a merger, tender offer or proxy contest involving our company. The existence of these provisions could negatively affect the price of our common stock and limit opportunities for you to realize value in a corporate transaction. For information regarding these and other provisions, see the section titled "Description of Capital Stock."

Our amended and restated certificate of incorporation will designate the Court of Chancery of the State of Delaware as the exclusive forum for certain litigation that may be initiated by our stockholders and the federal district courts of the United States as the exclusive forum for litigation arising under the Securities Act, which could limit our stockholders' ability to obtain a favorable judicial forum for disputes with us.

Pursuant to our amended and restated certificate of incorporation, which we will adopt at or prior to the closing of this offering, unless we consent in writing to the selection of an alternative forum, the Court of Chancery of the State of Delaware (or, if and only if the Court of Chancery of the State of Delaware lacks subject matter jurisdiction, any state court located within the State of Delaware or, if and only if all such state courts lack subject matter jurisdiction, the federal district court for the District of Delaware) will be the sole and exclusive forum for (1) any derivative action or proceeding brought on our behalf, (2) any action asserting a claim of breach of a fiduciary duty owed by any of our current or former directors, officers, employees or stockholders to us or our stockholders, (3) any action asserting a claim against us, or any of our current or former directors, officers, employees or stockholders arising pursuant to any provision of the DGCL, our amended and restated certificate of incorporation or our amended and restated bylaws, (4) any claim or cause of action seeking to interpret, apply, enforce or determine the validity of our amended and restated certificate of incorporation or our amended and restated bylaws, (5) any action or proceeding asserting a claim against us or any of our current or former directors, officers, employees or stockholders as to which the DGCL confers jurisdiction to the Court of Chancery of the State of Delaware, and (6) any action asserting a claim governed by the internal affairs doctrine of the law of the State of Delaware; *provided* that, for the avoidance of doubt, the foregoing forum selection provision will not apply to claims arising under the Exchange Act or any other claim for which the federal courts have exclusive jurisdiction. Our amended and restated certificate of incorporation will also provide that, unless we consent in writing to the selection of an alternative forum, the federal district courts of the United States shall be the exclusive forum for the resolution of any complaint asserting a cause of action arising under the Securities Act. Our amended and restated certificate of incorporation will further provide that any person or entity purchasing or otherwise acquiring any interest in shares of our capital stock is deemed to have notice of and consented to the provisions of our amended and restated certificate of incorporation described above. See the section titled "Description of Capital Stock—Anti-Takeover Measures in our Governing Documents and Under Delaware Law—Exclusive Forum."

The forum selection provisions in our amended and restated certificate of incorporation may have the effect of discouraging lawsuits against our directors and officers. The enforceability of similar choice of forum provisions in other companies' certificates of incorporation has been challenged in legal proceedings and there is uncertainty as to whether a court would enforce such provisions. In addition, investors cannot waive compliance with the federal securities laws and the rules and regulations thereunder. If the enforceability of our forum selection provisions were to be challenged, we

may incur additional costs associated with resolving such challenge. While we currently have no basis to expect any such challenge would be successful, if a court were to find our forum selection provisions to be inapplicable or unenforceable with respect to one or more of these specified types of actions or proceedings, we may incur additional costs associated with having to litigate in other jurisdictions, which could have an adverse effect on our business, financial condition, results of operations, cash flows and prospects and result in a diversion of the time and resources of our employees, management and board of directors.

If you purchase shares of common stock in this offering, you will suffer immediate and substantial dilution of your investment.

The initial public offering price of our common stock is substantially higher than the net tangible book value per share of our common stock. Therefore, if you purchase shares of our common stock in this offering, you will pay a price per share that substantially exceeds our net tangible book value per share after this offering. Based on an assumed initial public offering price of $ per share, the mid-point of the price range set forth on the cover page of this prospectus, you will experience immediate dilution of $ per share, representing the difference between our pro forma net tangible book value per share at December 31, 2020 after giving effect to this offering and the initial public offering price. We also have a significant number of outstanding options to purchase shares of our common stock with exercise prices that are below the assumed initial public offering price of our common stock. To the extent these options are exercised, you will experience further dilution. For more information on the dilution you may suffer as a result of investing in this offering, see the section of this prospectus titled “Dilution.”

This dilution is due to the substantially lower price paid by our investors who purchased shares prior to this offering as compared to the price offered to the public in this offering. It is also due to the conversion of our preferred stock into shares of our common stock upon the closing of this offering and the exercise of stock options granted to our employees as the conversion and exercise prices of such securities and options are substantially below the price offered to the public in this offering.

An active, liquid trading market for our common stock may not develop, which may limit your ability to sell your shares.

Prior to this offering, there was no public market for our common stock. Although we have applied to list our common stock on the Nasdaq Global Market under the trading symbol “TKNO,” an active trading market for our common stock may never develop or be sustained following this offering. The initial public offering price will be determined by negotiations between us and the underwriters and may not be indicative of market prices of our common stock that will prevail in the open market after the offering. A public trading market having the desirable characteristics of depth, liquidity and orderliness depends upon the existence of willing buyers and sellers at any given time, such existence being dependent upon the individual decisions of buyers and sellers over which neither we nor any market maker has control. The failure of an active and liquid trading market to develop and continue would likely have a material adverse effect on the value of our common stock. The market price of our common stock may decline below the initial public offering price, and you may not be able to sell your shares of our common stock at or above the price you paid in this offering, or at all. An inactive market may also impair our ability to raise capital to continue to fund operations by issuing additional shares of our common stock or other equity or equity-linked securities and may impair our ability to acquire other companies or technologies by using any such securities as consideration.

A significant portion of our total outstanding shares of common stock are restricted from immediate resale but may be sold into the market in the near future. This could cause the market price of our common stock to drop significantly, even if our business is doing well.

Sales of a substantial number of shares of our common stock in the public market could occur at any time. These sales, or the perception in the market that the holders of a large number of shares of

common stock intend to sell shares, could reduce the market price of our common stock. After this offering, we will have outstanding shares of common stock based on the number of shares outstanding as of December 31, 2020, which includes 9,342,092 shares of our common stock issuable upon the conversion of all outstanding shares of our Series A preferred stock as of December 31, 2020. All shares sold in this offering will be freely tradable without restriction or further registration under the Securities Act, except for any shares held by our affiliates, as that term is defined under Rule 144 of the Securities Act ("Rule 144"), including our directors, executive officers and other affiliates (including THP), which may be sold only in compliance with the limitations described in "Shares Eligible for Future Sale."

Following the closing of this offering, substantially all of the shares that are not being sold in this offering will be subject to a 180-day lock-up period provided under lock-up agreements executed in connection with this offering described in "Underwriters" and restricted from immediate resale under the federal securities laws as described in "Shares Eligible for Future Sale." Upon the expiration of the contractual lock-up period pertaining to this offering, an additional 11,262,092 shares will be eligible for sale in the public market, substantially all of which are held by directors, executive officers and other affiliates and will be subject to volume, manner of sale and other limitations under Rule 144. Following the closing of this offering, shares covered by registration rights would represent approximately % of our outstanding common stock, or % if the underwriters' option to purchase additional shares is exercised in full. Registration of any of these outstanding shares of common stock would result in such shares becoming freely tradable without compliance with Rule 144 upon effectiveness of the registration statement. See the section titled "Shares Eligible for Future Sale."

As restrictions on resale end, the market price of our stock could decline if the holders of currently restricted shares of common stock sell them or are perceived by the market as intending to sell them. These factors could also make it more difficult for us to raise additional funds through future offerings of our shares of common stock or other securities. In addition, shares of our common stock that are issued pursuant to our equity incentive plans and our ESPP will become eligible for sale in the public market, subject to provisions relating to various vesting agreements, lock-up agreements and Rule 144, as applicable. As of December 31, 2020, there were 171,863 and 1,026,551 shares of common stock reserved for issuance pursuant to outstanding stock option awards under the 2016 Plan and the 2020 Plan, respectively. In addition, a total of and shares of common stock have been reserved for future issuance under the 2021 Plan and our ESPP, respectively. In addition, the 2021 Plan and the ESPP provide for annual automatic increases in the number of shares reserved thereunder. In the future, we may also issue our securities in connection with investments or acquisitions. The amount of shares of our common stock issued in connection with an investment or acquisition could constitute a material portion of our then-outstanding shares of our common stock. Any issuance of additional securities in connection with investments or acquisitions may result in additional dilution to you.

Because we have no current plans to pay regular cash dividends on our common stock following this offering, and are prohibited from paying cash dividends under the Credit Agreement, you may not receive any return on investment unless you sell your common stock for a price higher than you paid for it.

We do not anticipate paying any regular cash dividends on our common stock following this offering. Any decision to declare and pay dividends in the future will be made at the discretion of our board of directors and will depend on, among other things, our results of operations, financial condition, cash requirements, contractual restrictions and other factors that our board of directors may deem relevant. In addition, the terms of the Credit Agreement prohibit us from paying dividends, other than dividends payable in our stock, without the prior written consent of the lender. Our future ability to pay cash dividends on our common stock may also be limited by the terms of any future debt or preferred securities we may issue or any future credit facilities we may enter into. Therefore, any return on

investment in our common stock is solely dependent upon the appreciation of the price of our common stock on the open market, which may not occur.

We may issue shares of preferred stock in the future, which could make it difficult for another company to acquire us or could otherwise adversely affect holders of our common stock, which could depress the price of our common stock.

Our amended and restated certificate of incorporation will authorize us to issue one or more series of preferred stock. Our board of directors will have the authority to determine the preferences, limitations and relative rights of the shares of preferred stock and to fix the number of shares constituting any series and the designation of such series, without any further vote or action by our stockholders. Our preferred stock could be issued with voting, liquidation, dividend and other rights superior to the rights of our common stock. The potential issuance of preferred stock may delay or prevent a change in control of us, discouraging bids for our common stock at a premium to the market price, and materially adversely affect the market price and the voting and other rights of the holders of our common stock.

Our future capital needs are uncertain and we may need to raise additional funds in the future.

We believe that our existing cash and cash equivalents as of December 31, 2020, together with the cash generated from this offering and the MidCap Credit Facility entered into on March 26, 2021, will enable us to fund our operating expenses and capital expenditure requirements for at least the next 24 months. However, we may need to raise substantial additional capital to:

- expand the commercialization of our products;
- fund our operations;
- further our research and development; and
- pursue strategic transactions, such as acquisitions.

Our future funding requirements will depend on many factors, including:

- market acceptance of our products;
- the cost and timing of establishing additional sales, marketing and distribution capabilities;
- revenue and cash flow derived from existing or future collaborations;
- the cost of our research and development activities;
- the cost and timing of regulatory clearances or approvals;
- the effect of competing technological and market developments; and
- the extent to which we engage in strategic transactions, such as the acquisition of, investment in or disposal of businesses, assets, products and technologies, including inbound or outbound licensing arrangements.

We cannot assure you that we will be able to obtain additional funds on acceptable terms, or at all. If we raise additional funds by issuing equity or equity-linked securities, our stockholders may experience dilution. Future debt financing, if available, may involve covenants restricting our operations or our ability to incur additional debt. Any debt or equity financing may contain terms that are not favorable to us or our stockholders. If we raise additional funds through collaboration and licensing arrangements with third parties, it may be necessary to relinquish some rights to our technologies or our products, or grant licenses on terms that are not favorable to us. If we do not have, or are not able to obtain, sufficient funds, we may have to delay development or commercialization of our products. We also may have to reduce marketing, customer support or other resources devoted to our products or cease operations. Any of these factors could have a material adverse effect on our business, financial condition, results of operations, cash flows and prospects.

Claims for indemnification by our directors and officers may reduce our available funds to satisfy successful third-party claims against us and may reduce the amount of money available to us.

Our amended and restated certificate of incorporation and amended and restated bylaws will provide that we will indemnify our directors and officers, in each case to the fullest extent permitted by Delaware law. In addition, as permitted by Section 145 of the DGCL, our amended and restated bylaws, to be effective immediately prior to the closing of this offering, and the indemnification agreements that we have entered into with our directors and officers, will provide that:

- we will indemnify our directors and officers for serving us in those capacities or for serving other business enterprises at our request, to the fullest extent permitted by Delaware law. Delaware law provides that a corporation may indemnify such person if such person acted in good faith and in a manner such person reasonably believed to be in or not opposed to the best interests of the company and, with respect to any criminal proceeding, had no reasonable cause to believe such person's conduct was unlawful;
- we may, in our discretion, indemnify employees and agents in those circumstances where indemnification is permitted by applicable law;
- we may, in our discretion, advance expenses incurred by our directors and officers in connection with defending or participating in a proceeding, except that such directors or officers shall undertake to repay such advances if it is ultimately determined that such person is not entitled to indemnification;
- we will not be obligated pursuant to our amended and restated bylaws to indemnify a person with respect to proceedings initiated by that person against us or our other indemnitees, except with respect to proceedings authorized by our board of directors or brought to enforce a right to indemnification; and
- the rights conferred in our amended and restated bylaws are not exclusive, and we are authorized to enter into indemnification agreements with our directors, officers, employees and agents and to obtain insurance to indemnify such persons.

While we maintain a directors' and officers' insurance policy, such insurance may not be adequate to cover all liabilities that we may incur, which may reduce our available funds to satisfy third-party claims and may adversely impact our cash position.

General Risk Factors

We are subject to export and import control laws and regulations that could impair our ability to compete in international markets or subject us to liability if we violate such laws and regulations.

We are subject to U.S. export controls and sanctions regulations that restrict the shipment or provision of certain products to certain countries, governments and persons. While we take precautions to prevent our products from being exported in violation of these laws, we cannot guarantee that the precautions we take will prevent violations of export control and sanctions laws. If we are found to be in violation of U.S. sanctions or export control laws, it could result in substantial fines and penalties for us and for the individuals working for us. We may also be adversely affected through other penalties, reputational harm, loss of access to certain markets, or otherwise. Complying with export control and sanctions regulations may be time consuming and may result in the delay or loss of sales opportunities or impose other costs. Any change in export or import regulations; economic sanctions or related legislation; or change in the countries, governments, persons or technologies targeted by such regulations could result in our decreased ability to export or sell certain products and services to existing or potential customers in affected jurisdictions.

Fluctuations in our effective tax rate may adversely affect our results of operations and cash flows.

We are subject to a variety of tax liabilities, including federal, state and other taxes such as income, sales/use, payroll, withholding, and *ad valorem* taxes. Changes in tax laws or their interpretations could decrease our net income, the value of any tax loss carryforwards, the value of any tax credits recorded on our balance sheet and our cash flows, and accordingly could have a material adverse effect on our business, financial condition, results of operations, cash flows and prospects. In addition, some of our tax liabilities are subject to periodic audits by the relevant taxing authority, which could increase our tax liabilities.

Unanticipated changes in effective tax rates or adverse outcomes resulting from examination of our income or other tax returns could adversely affect our operating results and financial condition.

We are currently subject to income taxes in the United States only, but our future tax liabilities may be subject to the allocation of expenses in differing jurisdictions. Our future effective tax rates could be subject to volatility or adversely affected by a number of factors, including:

- changes in the valuation of our deferred tax assets and liabilities;
- expected timing and amount of the release of any tax valuation allowances;
- expansion into foreign jurisdictions that require us to pay local income taxes;
- expiration of, or detrimental changes in, research and development tax credit laws; or
- changes in tax laws, regulations or interpretations thereof.

In addition, we may be subject to audits of our income, sales and other transaction taxes. Outcomes from these audits could have an adverse effect on our operating results and financial condition.

If our estimates or judgments relating to our critical accounting policies are based on assumptions that change or prove to be incorrect, our operating results could fall below the expectations of securities analysts and investors, resulting in a decline in the market price of our common stock.

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the amounts reported in our financial statements and accompanying notes. We base our estimates on historical experience and on various other assumptions that we believe to be reasonable under the circumstances, the results of which form the basis for making judgments about the carrying values of assets, liabilities, equity, revenue and expenses that are not readily apparent from other sources. It is possible that interpretation, industry practice and guidance may evolve over time. If our assumptions change or if actual circumstances differ from our assumptions, our operating results may be adversely affected and could fall below the expectations of securities analysts and investors, resulting in a decline in the market price of our common stock.

Our disclosure controls and procedures may not prevent or detect all errors or acts of fraud.

Upon the closing of this offering, we will become subject to the periodic reporting requirements of the Exchange Act. We have designed our disclosure controls and procedures to provide reasonable assurance that information we must disclose in reports we file or submit under the Exchange Act is accumulated and communicated to management, and recorded, processed, summarized and reported within the time periods specified in the rules and forms of the SEC. We believe that any disclosure controls and procedures, no matter how well conceived and operated, can provide only reasonable, not absolute, assurance that the objectives of the control system are met. These inherent limitations

include the realities that judgments in decision-making can be faulty, and that breakdowns can occur because of simple error or mistake. Additionally, controls can be circumvented by the individual acts of some persons, by collusion of two or more people or by an unauthorized override of the controls. Accordingly, because of the inherent limitations in our control system, misstatements due to error or fraud may occur and not be detected.

Our employees, consultants, distributors and commercial partners may engage in misconduct or other improper activities, including non-compliance with regulatory standards and requirements, and insider trading.

We are exposed to the risk of fraud or other misconduct by our employees, consultants, distributors and commercial partners. Misconduct by these parties could include intentional failures to comply with the applicable laws and regulations in the United States and abroad, report financial information or data accurately or disclose unauthorized activities to us. These laws and regulations may restrict or prohibit a wide range of pricing, discounting and other business arrangements. Such misconduct could result in legal or regulatory sanctions and cause serious harm to our reputation. It is not always possible to identify and deter employee misconduct, and any other precautions we take to detect and prevent this activity may not be effective in controlling unknown or unmanaged risks or losses, or in protecting us from governmental investigations or other actions or lawsuits stemming from a failure to comply with these laws or regulations. If any such actions are instituted against us, and we are not successful in defending ourselves or asserting our rights, those actions could result in the imposition of significant civil, criminal and administrative penalties, which could have a significant impact on our business. Whether or not we are successful in defending against such actions or investigations, we could incur substantial costs, including legal fees and divert the attention of management in defending ourselves against any of these claims or investigations.

Our operating results and stock price may be volatile, and the market price of our common stock after this offering may drop below the price you pay.

Our quarterly operating results are likely to fluctuate in the future. In addition, securities markets worldwide have experienced, and are likely to continue to experience, significant price and volume fluctuations, including as a result of the COVID-19 pandemic. This market volatility, as well as general economic, market or political conditions, could subject the market price of our common stock to wide price fluctuations regardless of our operating performance. Our operating results and the trading price of our common stock may fluctuate in response to various factors, including:

- market conditions in our industry or the broader stock market;
- actual or anticipated fluctuations in our quarterly financial and operating results;
- introduction of new products or services by us or our competitors;
- issuance of new or changed securities analysts' reports or recommendations;
- sales, or anticipated sales, of large blocks of our stock;
- additions or departures of key personnel;
- regulatory or political developments;
- litigation and governmental investigations;
- changing economic conditions;
- investors' perception of us;
- events beyond our control such as weather, war and health crises such as the COVID-19 pandemic; and
- any default on our indebtedness.

These and other factors, many of which are beyond our control, may cause our operating results and the market price and demand for our common stock to fluctuate substantially. Fluctuations in our quarterly operating results could limit or prevent investors from readily selling their shares of common stock and may otherwise negatively affect the market price and liquidity of our shares of common stock. In addition, in the past, when the market price of a stock has been volatile, holders of that stock have sometimes instituted securities class action litigation against the company that issued the stock. If any of our stockholders brought a lawsuit against us, we could incur substantial costs defending the lawsuit. Such a lawsuit could also divert the time and attention of our management from our business, which could significantly harm our profitability and reputation.

If securities or industry analysts do not publish research or reports about our business, if they publish unfavorable research or reports, or adversely change their recommendations regarding our common stock or if our results of operations do not meet their expectations, our stock price and trading volume could decline.

If a trading market for our common stock develops, the trading market will be influenced by the research and reports that industry or securities analysts publish about us or our business. We do not have any control over these analysts. As a newly public company, we may be slow to attract research coverage. In the event we obtain securities or industry analyst coverage, if any of the analysts who cover us provide inaccurate or unfavorable research, issue an adverse opinion regarding our stock price or if our results of operations do not meet their expectations, our stock price could decline. Moreover, if one or more of these analysts cease coverage of us or fail to publish reports on us regularly, we could lose visibility in the financial markets, which in turn could cause our stock price or trading volume to decline.

CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS

This prospectus contains forward-looking statements that involve substantial risks and uncertainties. All statements other than statements of historical facts contained in this prospectus, including statements relating to our financial condition, results of operations, plans, objectives, future performance and business, are forward-looking statements. In some cases, you can identify forward-looking statements because they contain words such as “may,” “will,” “should,” “expects,” “plans,” “anticipates,” “could,” “intends,” “target,” “projects,” “contemplates,” “believes,” “estimates,” “predicts,” “would,” “potential,” “likely,” or “continue” or the negative of these terms or other similar expressions. Forward-looking statements contained in this prospectus include, but are not limited to, statements about:

- our future financial performance, including our revenue, costs of revenue and operating expenses;
- our ability to achieve and grow profitability;
- our ability to consistently deliver high-quality, custom, made-to-order products meeting our customers’ expectations and quality requirements, as they scale over time;
- the continued adaptability and versatility of our proprietary manufacturing processes;
- the longevity of our customer relationships and the likelihood of customers to substitute our components with alternatives;
- the promising nature of cell and gene therapy research, the size and growth of our potential markets and our ability to capture market share;
- the impact COVID-19 or any pandemic, epidemic or outbreak of infectious disease, natural disasters, geopolitical unrest, war, terrorism, public health issues or other catastrophic events may have on our business;
- the ability of our products and services to perform as expected and the reliability of the technology on which our products and services are based;
- the suitability of our products to meet customers’ growing needs and our ability to collaborate with our customers to meet their demands;
- the increasing use of mRNA vaccines and therapies and the resulting demand for more customized, GMP bacterial cell culture media and associated formulations over the short- and long-term;
- our ability to make the investments required to maintain our operational excellence, including through extending our rapid custom production capabilities;
- our ability to continue to expand our total manufacturing capabilities;
- our future investments to strengthen our marketing, sales, R&D and technical support organizations;
- our ability to onboard new gene therapy and mRNA therapeutic customers and migrate our current customer base from research to GMP-grade products;
- our ability to continue to hire and retain skilled personnel;
- the accuracy of our estimates of market opportunity and forecasts of market growth, including our estimated total addressable market;
- regulatory developments in the United States and other foreign countries;
- the impact of revenue recognition and other factors on our financial results;
- our expectations regarding the period during which we qualify as an emerging growth company under the JOBS Act;
- our ability to obtain, maintain and enforce intellectual property protection for our current and future products, including our ability to protect our trademarks and trade names;
- the increased expenses associated with being a public company; and
- our anticipated use of the net proceeds from this offering.

We have based the forward-looking statements contained in this prospectus primarily on our current expectations and projections about future events and trends that we believe may affect our business, financial condition, results of operations, prospects, business strategy and financial needs. The outcome of the events described in these forward-looking statements is subject to risks, uncertainties, assumptions and other factors described in the section titled “Risk Factors” and elsewhere in this prospectus. These risks are not exhaustive. Other sections of this prospectus include additional factors that could adversely impact our business and financial performance. Furthermore, new risks and uncertainties emerge from time to time and it is not possible for us to predict all risks and uncertainties that could have an impact on the forward-looking statements contained in this prospectus. We cannot assure you that the results, events and circumstances reflected in the forward-looking statements will be achieved or occur, and actual results, events or circumstances could differ materially from those described in the forward-looking statements.

In addition, statements that “we believe” and similar statements reflect our beliefs and opinions on the relevant subject. These statements are based upon information available to us as of the date of this prospectus, and while we believe such information forms a reasonable basis for such statements, such information may be limited or incomplete, and our statements should not be read to indicate that we have conducted an exhaustive inquiry into, or review of, all potentially available relevant information. These statements are inherently uncertain and investors are cautioned not to unduly rely upon these statements.

The forward-looking statements made in this prospectus relate only to events as of the date on which such statements are made. We undertake no obligation to update any forward-looking statements after the date of this prospectus or to conform such statements to actual results or revised expectations, except as required by law.

You should read this prospectus and the documents that we reference in this prospectus and have filed as exhibits to the registration statement, of which this prospectus forms a part, completely and with the understanding that our actual future results, levels of activity, performance and achievements may be materially different from what we expect. We qualify all of our forward-looking statements by these cautionary statements.

MARKET, INDUSTRY AND OTHER DATA

We use market and industry data, forecasts and projections throughout this prospectus. We have obtained certain market and industry data from publicly available industry publications and from certain sources that are not publicly available. These sources generally state that the information they provide has been obtained from sources believed to be reliable, but that the accuracy and completeness of the information are not guaranteed. The forecasts and projections are based on historical market data, and there is no assurance that any of the forecasts or projected amounts will be achieved. The market and industry data used in this prospectus involve risks and uncertainties that are subject to change based on various factors, including the COVID-19 pandemic and those discussed in the section titled “Risk Factors.” These and other factors could cause results to differ materially from those expressed in, or implied by, the estimates made by independent parties and by us. Furthermore, we cannot assure you that a third party using different methods to assemble, analyze or compute industry and market data would obtain the same results.

USE OF PROCEEDS

We estimate that the net proceeds to us from the sale of shares of our common stock in this offering will be approximately $ million, based upon the assumed initial public offering price of $ per share, which is the midpoint of the estimated offering price range set forth on the cover page of this prospectus, after deducting the estimated underwriting discounts and commissions and estimated offering expenses payable by us. If the underwriters' option to purchase additional shares is exercised in full, we estimate that the net proceeds to be received by us will be approximately $ million, after deducting the estimated underwriting discounts and commissions and estimated offering expenses payable by us.

A $1.00 increase (decrease) in the assumed initial public offering price of $ per share, which is the midpoint of the estimated public offering price range set forth on the cover page of this prospectus, would increase (decrease) the net proceeds that we receive from this offering by approximately $ million, assuming that the number of shares offered by us, as set forth on the cover page of this prospectus, remains the same, and after deducting the estimated underwriting discounts and commissions and estimated offering expenses payable by us. Similarly, each increase (decrease) of 1.0 million in the number of shares offered by us would increase (decrease) the net proceeds that we receive from this offering by approximately $ million, assuming that the initial public offering price remains $ per share, which is the midpoint of the estimated public offering price range set forth on the cover page of this prospectus, and after deducting the estimated underwriting discounts and commissions and estimated offering expenses payable by us.

The principal purposes of this offering are to increase our capitalization and financial flexibility and create a public market for our common stock and thereby enable us to access the public equity markets.

We intend to use the net proceeds from this offering to increase our manufacturing capacity and capabilities, improve operating efficiency, scale up our marketing, sales and R&D staff, increase brand awareness, develop new products and services and attract new customers, pursue acquisition opportunities and for other general corporate purposes. Although we intend to use the proceeds of this offering for the foregoing purposes, we are not able to quantify the approximate amount of the proceeds that will be devoted to particular uses because we have not made specific determinations regarding the amount or type of any such expenditures, and we do not have agreements or commitments for any material acquisitions or investments at this time.

This expected use of net proceeds from this offering represents our intentions based on our current plans and business conditions, which could change in the future as our plans and business conditions evolve. As a result, our management will have broad discretion over the uses of the net proceeds from this offering and investors will be relying on the judgement of our management regarding the application of the net proceeds from this offering.

Pending the use of the proceeds from this offering as described above, we intend to invest the net proceeds from the offering that are not used as described above in investment-grade, interest-bearing instruments such as money market accounts, certificates of deposit, commercial paper and guaranteed obligations of the U.S. government.

DIVIDEND POLICY

We have not paid any dividends since our inception. We currently intend to retain all available funds and any future earnings to support operations and to finance the growth and development of our business. We do not currently intend to declare or pay any cash dividends on our common stock in the foreseeable future. Any future determination to pay dividends on our capital stock will be at the discretion of our board of directors, subject to applicable laws, and will depend on our financial condition, results of operations, capital requirements and other factors that our board of directors considers relevant. In particular, unless waived, the terms of the Credit Agreement prohibit us from paying dividends, other than dividends payable in our stock, without the prior written consent of the lender. Our future ability to pay cash dividends on our common stock may also be limited by the terms of any future debt or preferred securities we may issue or any future credit facilities we may enter into.

CAPITALIZATION

The following table sets forth our cash, cash equivalents and short-term investments and our capitalization as of March 31, 2021:

- on an actual basis;
- on a pro forma basis to reflect (i) the conversion of all outstanding shares of our Series A preferred stock as of March 31, 2021 into 9,342,092 shares of common stock immediately prior to the closing of this offering, and (ii) the filing and effectiveness of our amended and restated certificate of incorporation immediately prior to the closing of this offering; and
- on a pro forma as adjusted basis to give effect to (i) the pro forma items described immediately above, and (ii) our issuance and sale of shares of common stock in this offering at an assumed initial public offering price of $ per share, the midpoint of the price range set forth on the cover page of this prospectus, after deducting the estimated underwriting discounts and commissions and estimated offering expenses payable by us.

The pro forma and pro forma as adjusted information below is illustrative only, and our capitalization following the closing of this offering will be adjusted based on the actual initial public offering price and other terms of this offering determined at pricing. You should read this information in conjunction with our financial statements and the related notes included elsewhere in this prospectus, the section titled “Management’s Discussion and Analysis of Financial Condition and Results of Operations” and other financial information contained in this prospectus.

	As of March 31, 2021		
(in thousands, except shares and per share data)	**Actual (unaudited)**	**Pro forma (unaudited)**	**Pro forma, as adjusted(1) (unaudited)**
Cash and cash equivalents	$ 14,466	$ 14,466	
Long-term debt(2)	11,736	11,736	
Series A preferred stock, $0.00001 par value per share; 9,600,000 shares authorized, 9,342,092 shares issued and outstanding, actual; no shares authorized, no shares issued and outstanding, pro forma and pro forma as adjusted	35,638	–	
Stockholders’ equity:			
Preferred stock, $0.00001 par value per share; no shares authorized, issued or outstanding, actual; shares authorized, no shares issued and outstanding, pro forma and pro forma as adjusted	–	–	
Common stock, $0.00001 par value, 30,000,000 shares authorized, 1,920,000 shares issued and outstanding, actual; shares authorized, 11,262,092 shares issued and outstanding, pro forma; shares authorized, shares issued and outstanding, pro forma as adjusted	–	–	
Additional paid-in capital	14,678	50,316	
Retained earnings	1,610	1,610	
Total stockholders’ equity	16,288	51,926	
Total capitalization	$ 63,662	$ 63,662	$

(1) A $1.00 increase (decrease) in the assumed initial public offering price of our common stock of $ per share, which is the midpoint of the estimated offering price range set forth on the cover page of this prospectus, would increase (decrease) the as adjusted amount of cash, and cash equivalents, additional paid-in capital, total stockholders' deficit and total capitalization by approximately $ million, assuming that the number of shares offered by us, as set forth on the cover page of this prospectus, remains the same and after deducting underwriting discounts and commissions and estimated offering expenses payable by us. We may also increase or decrease the number of shares we are offering. Each increase (decrease) of 1.0 million in the number of shares offered by us would increase (decrease) the as adjusted amount of additional paid-in capital, total stockholders' deficit and total capitalization by approximately $ million, assuming that the assumed initial public offering price remains the same and after deducting underwriting discounts and commissions and estimated offering expenses payable by us.

(2) On March 26, 2021, we closed on a $27.0 million credit facility with MidCap Financial Trust, pursuant to the terms of the Credit Agreement. The outstanding balance on the credit facility as of March 31, 2021 was $12.0 million ($11.7 million net of deferred fees). See the section titled "Management's Discussion and Analysis of Financial Condition and Results of Operations—MidCap Credit Facility" for more details.

The outstanding share information in the table above is based on 11,262,092 shares of our common stock outstanding as of March 31, 2021, which includes 9,342,092 shares of our common stock issuable upon the conversion of all outstanding shares of our Series A preferred stock as of March 31, 2021, and excludes:

- 171,863 shares of common stock issuable upon the exercise of stock options outstanding as of March 31, 2021 under the 2016 Plan, at a weighted average exercise price of $0.79 per share;
- 1,126,551 shares of common stock issuable upon the exercise of stock options outstanding as of March 31, 2021 under our 2020 Plan, at a weighted average exercise price of $2.72 per share;
- 550,526 shares of common stock available for future issuance as of March 31, 2021 under our 2020 Plan, which will no longer be available for issuance thereunder at the time our 2021 Plan becomes effective;
- shares of our common stock reserved for future issuance under our 2021 Plan, which will become effective once the registration statement of which this prospectus forms a part is declared effective, as well as any future automatic annual increases in the number of shares of common stock reserved for issuance under our 2021 Plan and any shares underlying outstanding stock awards granted under our 2020 Plan that expire or are repurchased, forfeited, cancelled or withheld, as more fully described in the section titled "Executive Compensation—Actions Taken in 2021 or in Connection with This Offering—2021 Equity Incentive Plan"; and
- shares of our common stock reserved for issuance under our ESPP, which will become effective once the registration statement of which this prospectus forms a part is declared effective, as well as any future automatic annual increases in the number of shares of common stock reserved for future issuance under our ESPP.

See the section titled "Executive Compensation—Actions Taken in 2021 or in Connection with This Offering" for additional information.

DILUTION

If you invest in our common stock in this offering, your interest will be immediately diluted to the extent of the difference between the initial public offering price per share of our common stock in this offering and the pro forma as adjusted net tangible book value per share of our common stock after this offering. As of March 31, 2021, we had a historical net tangible book value of $15.7 million, or $8.20 per share of common stock. Our net tangible book value represents total tangible assets less total liabilities, all divided by the number of shares of common stock outstanding on such date. Our pro forma net tangible book value as of March 31, 2021 was $15.7 million, or $1.40 per share. Pro forma net tangible book value per share represents the amount of our net tangible book value divided by the number of shares of our common stock outstanding as of March 31, 2021, after giving effect to (i) the conversion of all outstanding shares of our Series A preferred stock as of March 31, 2021 into 9,342,092 shares of common stock immediately prior to the closing of this offering, and (ii) the filing of our amended and restated certificate of incorporation immediately prior to the closing of this offering.

After giving further effect to the sale of shares of common stock in this offering at an assumed initial public offering price of $ per share, the midpoint of the price range set forth on the cover page of this prospectus, and after deducting the estimated underwriting discounts and commissions and estimated offering expenses payable by us, our pro forma as adjusted net tangible book value as of March 31, 2021 would have been approximately $ million, or approximately $ per share. This represents an immediate increase in pro forma net tangible book value of $ per share to existing stockholders and an immediate dilution in pro forma net tangible book value of $ per share to new investors purchasing shares of common stock in this offering. Dilution per share to new investors is determined by subtracting pro forma as adjusted net tangible book value per share after this offering from the initial public offering price per share paid by new investors. The following table illustrates this per share dilution:

Assumed initial public offering price per share		$
Historical net tangible book value per share as of March 31, 2021	$ 8.20	
Decrease per share attributable to the pro forma adjustments described above	(6.80)	
Pro forma net tangible book value per share as of March 31, 2021	$ 1.40	
Increase in pro forma net tangible book value per share attributable to this offering		
Pro forma as adjusted net tangible book value per share after this offering		
Dilution per share to new investors in this offering		$

A $1.00 increase (decrease) in the assumed initial public offering price of $ per share, the midpoint of the price range set forth on the cover page of this prospectus, would increase (decrease), our pro forma as adjusted net tangible book value per share after this offering by $, and would increase (decrease) dilution per share to new investors in this offering by $, in each case assuming that the number of shares offered by us, as set forth on the cover page of this prospectus, remains the same and after deducting the estimated underwriting discounts and commissions and estimated offering expenses payable by us. Similarly, each increase (decrease) of 1.0 million shares in the number of shares offered by us would increase (decrease) our pro forma as adjusted net tangible book value per share after this offering by approximately $ per share and decrease (increase) the dilution to new investors by approximately $ per share, in each case assuming that the assumed initial public offering price remains the same, and after deducting the estimated underwriting discounts and commissions and estimated offering expenses payable by us.

Except as otherwise indicated, the above discussion and tables assume no exercise of the underwriters' option to purchase additional shares. If the underwriters' option to purchase additional shares is exercised in full, pro forma as adjusted net tangible book value after this offering would be approximately $ per share, the increase in pro forma net tangible book value per share to existing stockholders would be $ per share and the dilution per share to new investors would be $ per share, in each case assuming an initial public offering price of $ per share, the midpoint of the price range set forth on the cover page of this prospectus, and after deducting the estimated underwriting discounts and commissions and estimated offering expenses payable by us.

The following table summarizes, on a pro forma as adjusted basis as of March 31, 2021, the differences between the number of shares of common stock purchased from us, the total consideration paid and the average price per share paid by existing stockholders and to be paid by the new investors purchasing shares of common stock in this offering, at the assumed initial public offering price of common stock of $ per share, the midpoint of the price range set forth on the cover page of this prospectus, before deducting the estimated underwriting discounts and commissions and estimated offering expenses payable by us.

	Shares purchased		Total consideration		Average price per share
	Number	Percent	Amount	Percent	
Existing investors	11,262,092	%	$36,710,276	%	$ 3.26
New investors in this offering		%		%	
Total		100%		100%	

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

The number of shares of our common stock that will be outstanding after this offering is based on 11,262,092 shares of our common stock outstanding as of March 31, 2021, which includes 9,342,092 shares of our common stock issuable upon the conversion of all outstanding shares of our Series A preferred stock as of March 31, 2021, and excludes:

- 171,863 shares of common stock issuable upon the exercise of stock options outstanding as of March 31, 2021 under the 2016 Plan, at a weighted average exercise price of $0.79 per share;
- 1,126,551 shares of common stock issuable upon the exercise of stock options outstanding as of March 31, 2021 under our 2020 Plan, at a weighted average exercise price of $2.72 per share;
- 550,526 shares of common stock available for future issuance as of March 31, 2021 under our 2020 Plan, which will no longer be available for issuance thereunder at the time our 2021 Plan becomes effective;
- shares of our common stock reserved for future issuance under our 2021 Plan, which will become effective once the registration statement of which this prospectus forms a part is declared effective, as well as any future automatic annual increases in the number of shares of common stock reserved for issuance under our 2021 Plan and any shares underlying outstanding stock awards granted under our 2020 Plan that expire or are repurchased, forfeited, cancelled or withheld, as more fully described in the section titled "Executive Compensation—Actions Taken in 2021 or in Connection with this Offering—2021 Equity Incentive Plan"; and

- shares of our common stock reserved for issuance under our ESPP, which will become effective once the registration statement of which this prospectus forms a part is declared effective, as well as any future automatic annual increases in the number of shares of common stock reserved for future issuance under our ESPP.

See the section titled “Executive Compensation—Actions Taken in 2021 or in Connection with This Offering” for additional information.

To the extent any of the outstanding options are exercised or new options or other securities are issued under our equity incentive plans, you will experience further dilution as a new investor in this offering. In addition, we may choose to raise additional capital due to market conditions or strategic considerations even if we believe we have sufficient funds for our current or future operating plans. Furthermore, we may choose to issue common stock as part or all of the consideration in acquisitions as part of our planned growth strategy. To the extent that we raise additional capital through the sale of equity or convertible debt securities, the issuance of these securities could result in further dilution to our stockholders.

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

The following discussion and analysis of Teknova's financial condition and results of operations should be read in conjunction with Teknova's financial statements and the notes thereto contained elsewhere in this prospectus. This discussion contains forward-looking statements reflecting Teknova's current expectations, estimates and assumptions concerning events and financial trends that may affect its future operating results or financial position. Actual results and the timing of events may differ materially from those contained in these forward-looking statements due to a number of factors, including those discussed in the sections titled "Risk Factors" and "Cautionary Note Regarding Forward-Looking Statements" appearing elsewhere in this prospectus. Unless the context otherwise requires, references in this "Management's Discussion and Analysis of Financial Condition and Results of Operations" to "we," "us," and "our" are intended to mean the business and operations of Alpha Teknova, Inc.

Overview

Since our founding in 1996, we have been providing critical reagents that enable the discovery, research, development and production of biopharmaceutical products such as drug therapies, novel vaccines, and molecular diagnostics. Our 3,000 active customers span the entire continuum of the life sciences market, including leading pharmaceutical and biotechnology companies, contract development and manufacturing organizations, *in vitro* diagnostics franchises, and academic and government research institutions. We offer three primary product types: pre-poured media plates for cell growth and cloning, liquid cell culture media and supplements for cellular expansion, and molecular biology reagents for sample manipulation, resuspension, and purification.

In 2017, we achieved ISO 13485:2016 certification, enabling us to manufacture products for use in diagnostic and therapeutic applications. Our certification allows us to offer solutions across the entire customer product development workflow, supporting their need for materials in greater volume and that meet increasingly stringent regulatory requirements.

On January 14, 2019, we entered into the THP Transaction, pursuant to which THP acquired majority control of the company. As of March 31, 2021, THP owned 83% of our outstanding voting stock. The change of control effected by the THP Transaction resulted in a new basis of accounting beginning on January 14, 2019 and the financial reporting periods are presented as follows:

- the "2019 Predecessor Period" means the period from January 1, 2019 through January 13, 2019;
- the "2019 Successor Period" means the period from January 14, 2019 through December 31, 2019;
- the "2020 Successor Period" means the year ended December 31, 2020;
- the "2020 Interim Successor Period" means the three months ended March 31, 2020; and
- the "2021 Interim Successor Period" means the three months ended March 31, 2021.

We manufacture our products at our Hollister, California headquarters and stock inventory of raw materials, components and finished goods at that location. We rely on a limited number of suppliers for certain raw materials, and we have no long-term supply arrangements with our suppliers, as we order on a purchase order basis. We ship our products directly from our warehouses in Hollister, California and Mansfield, Massachusetts to our customers and distributors pursuant to purchase orders. We typically recognize revenue when products are shipped.

We sell our products to pharmaceutical and biotechnology companies, contract development and manufacturing organizations, *in vitro* diagnostics franchises, and academic and government research

institutions. Approximately 77% and 69% of our revenue for the three months ended March 31, 2021 and 2020, respectively, was generated from sales through direct channels and a limited salesforce, with the remainder generated through distributor sales. Approximately 77% of our revenue for the year ended December 31, 2020 was generated from sales through direct channels and a limited salesforce, with the remainder generated through distributor sales.

During the three months ended March 31, 2021, we generated revenue of $9.1 million, which represents an increase from $6.1 million in revenue during the three months ended March 31, 2020. During the year ended December 31, 2020, we generated revenue of $31.3 million, which represents an increase from $20.1 million in revenue during the period from January 14, 2019 to December 31, 2019 and $0.7 million in revenue in the period from January 1, 2019 to January 13, 2019. During the three months ended March 31, 2021, we reported $0.8 million of operating loss as compared to an operating income of $1.0 million during the three months ended March 31, 2020. During the year ended December 31, 2020, we had $4.7 million of operating income as compared to an operating loss of $1.8 million during the period from January 14, 2019 to December 31, 2019 and an operating loss of $2.7 million in the period from January 1, 2019 to January 13, 2019. For the three months ended March 31, 2021 and 2020, only 4.0% and 4.8%, respectively, of our revenue was generated from customers located outside of the United States and for the year ended December 31, 2020, only 3.7% of our revenue was generated from customers located outside of the United States. Our sales outside of the United States are denominated in U.S. Dollars.

We expect our expenses will increase substantially in future periods in connection with our ongoing activities as we:

- attract, hire and retain qualified personnel;
- invest in processes and infrastructure to enable manufacturing automation and expand capacity;
- build R&D to introduce new products and services and create intellectual property;
- market and sell new and existing products and services;
- potentially acquire businesses or technologies to accelerate the growth of our business; and
- function as a public company.

Key Factors Affecting Our Results of Operations and Future Performance

We believe that our financial performance has been, and in the foreseeable future will continue to be, primarily driven by a number of factors as described below, each of which presents growth opportunities for our business. These factors also pose important challenges that we must successfully address in order to sustain our growth and improve our results of operations. Our ability to successfully address these challenges is subject to various risks and uncertainties, including those described in the section titled “Risk Factors.”

Favorable R&D Funding

Investment in R&D activities in the life sciences sector is rapidly increasing. As a supplier of critical reagents that enable the discovery, research, development and production of biopharmaceutical products such as drug therapies, novel vaccines and molecular diagnostics, we expect to benefit from these favorable R&D dynamics.

Development of New Therapeutic Modalities

Increased innovation and R&D activity in our addressable markets is driving the development of a plethora of new therapeutic modalities. Further, we expect much of the R&D activity geared toward COVID-19 to shift more broadly over time to other vaccines and therapeutic areas.

Favorable Demographic Trends

We believe the global demand for healthcare is significantly increasing due to factors such as aging populations, better access to healthcare systems and care, and an increased occurrence of chronic illness.

Rapid Growth in Cell and Gene Therapy

The investment capital raised by companies developing and commercializing cell and gene therapies increased from $9.8 billion in 2019 to $19.9 billion in 2020, according to the Alliance for Regenerative Medicine. Based on third party research, the global market for cell and gene therapies is expected to grow from $2.3 billion in 2020 to $45.4 billion by 2026. Factors expected to drive this growth include an increasing incidence of cancer and other chronic diseases, a rising number of clinical trials, increased funding and investments in cell and gene therapy, a favorable regulatory environment and additional FDA approvals for cell and gene therapy products.

Increasing Use of mRNA Vaccines and Therapies

As a leader in bacterial cell culture media and supplements, we are a supplier to this market today and are well positioned to benefit from the increasing use of mRNA vaccines and therapies. We believe the demand for mRNA will continue to increase and therefore drive the need for more customized, GMP bacterial cell culture media and associated formulations. The short development timeline and proven effectiveness of the COVID-19 mRNA vaccines have demonstrated the promise of mRNA therapies.

Basis of Presentation

In connection with the change of control effected by the THP Transaction, we elected to apply “pushdown” accounting by applying the guidance in ASC Topic 805, *Business Combinations.* Our assets and liabilities were recognized at fair value as of January 14, 2019. Additionally, the excess of the portion of the total purchase price of the THP Transaction attributable to the purchase of assets and liabilities over their estimated fair value as of the closing date of the THP Transaction was allocated to goodwill. The new basis of accounting primarily impacted the values of our long-lived and indefinite-lived intangible assets and resulted in increased depreciation and amortization expense due to the increased carrying value of our assets. Accordingly, our financial statements for periods before and after January 14, 2019 reflect different bases of accounting, and the financial positions and results of operations of those periods are not comparable.

COVID-19 Impacts

In March 2020, the World Health Organization declared that the outbreak of COVID-19 was a global pandemic. The COVID-19 pandemic has and continues to significantly affect the United States and global economies. Because our business is categorized as being a part of the country’s critical infrastructure, we were able to continue operations during the COVID-19 pandemic. We have mobilized our operations to support the global COVID-19 response with products that help analyze, diagnose and protect from the virus. It is not possible to exactly predict the total impact of the global COVID-19 outbreak; however, the company has seen an increase in demand for certain products that are used in COVID-19 testing and COVID-19 vaccine development. The COVID-19 pandemic continues to be dynamic, and near-term challenges across the economy remain. Although vaccines are currently being distributed, we expect continued volatility and unpredictability related to the impact of COVID-19 on our business, financial condition, and results of operations. We continue to actively monitor the pandemic and we will continue to take appropriate steps to mitigate the adverse impacts on our business posed by the ongoing spread of COVID-19.

The extent of the impact of the COVID-19 pandemic on our ability to raise sufficient additional capital on acceptable terms, if at all, and the future value of and market for our common stock will depend on future developments that are highly uncertain and cannot be predicted with confidence at this time, such as the ultimate duration of the pandemic, travel restrictions, quarantines, social distancing and business closure requirements in the U.S. and in other countries, and the effectiveness of actions taken globally to contain and treat COVID-19. For additional information about risks and uncertainties related to the COVID-19 pandemic that may impact our business, financial condition, and results of operations. See the section titled “Risk Factors” for additional information.

Components of Results of Operations

Revenue

We support customers in pharmaceutical and biotechnology industries, contract development and manufacturing organizations, *in vitro* diagnostics franchises, and academic and government research institutions. Our product offerings include pre-poured media plates, liquid cell culture media and supplements, and molecular biology reagents for the life sciences and healthcare communities. We recognize revenue when control of the product has transferred to the customer at the time of shipment. Revenue is recognized in an amount that reflects the consideration we expect to be entitled to in exchange for the products.

Our products are manufactured under RUO or GMP regulatory standards, the latter of which refers to a more stringent level of quality standards supported by additional levels of documentation, testing, and traceability to meet our and our customers’ desire to receive products suitable for use in diagnostic and therapeutic applications. We expect GMP products to be an increasing portion of our overall revenue in the future. Because of the increased liquid volume needed and more stringent quality standards of GMP products, they typically have a higher average selling price compared to similar RUO products.

Cost of Sales

Cost of sales includes salaries, wages and benefits, raw materials consumption, including direct and indirect material, payroll taxes, product testing and analytics expense, repairs and maintenance of equipment, scrap, inbound freight charges, depreciation, and other production overhead. We are continually making investments in our production capabilities and facilities to be flexible and meet growing customer demand for custom products. In addition, we are making investments in production automation to be able to scale capacity with limited incremental costs. Capital investments result in additional depreciation charges which increase the fixed costs of our operation.

Operating Expenses

Research and Development Expenses

Our research and development expenses primarily consist of employee-related expenses, including salaries, benefits and stock-based compensation expense for personnel in process engineering and product development functions; expenses related to occupancy costs, laboratory supplies, consulting fees and depreciation associated with various assets used in the research and development of our products.

We have recently increased our level of investment in research and new product development activities. In December 2020, we hired our Chief Scientific Officer with the goal of developing new products, services and related intellectual property that may assist us in attracting and retaining customers as well as expanding into new market segments. We expect these types of expenses will be higher in the future.

Sales and Marketing Expenses

Our sales and marketing expenses primarily consist of employee-related expenses, including salaries and benefits, commissions, advertising, occupancy costs and stock-based compensation expense for sales and marketing employees. We continue to increase headcount to drive commercial activity and provide support to our growing operational activity in areas such as sales and marketing and expect these types of expenses will be higher in the future.

General and Administrative Expenses

Our general and administrative expenses primarily consist of executive and administrative staff, and other expenses such as shipping charges, professional service fees, occupancy, IT systems, insurance, depreciation, and stock-based compensation expense for executive and administrative staff.

We expect our general and administrative expenses to increase as we expand our operations. Additionally, we expect to incur increased expenses related to headcount, professional service fees, facilities, insurance, IT systems, quality and regulatory, and other infrastructure related to operating as a public company. In late 2020 and early 2021, we made several additions to our executive staff, which have significantly increased our general and administrative costs that will be reflected in our 2021 results.

In 2019, we incurred certain non-recurring general and administrative expenses related to the THP Transaction, which include one-time bonuses to certain employees, advisory, legal, accounting, valuation, and other professional and consulting fees.

Provision for (benefit from) Income Taxes

Our provision for (benefit from) income taxes consists primarily of federal and state taxes in the United States. Tax laws are complex and subject to different interpretations by management and the respective governmental taxing authorities, and require us to exercise judgment in determining our income tax provision, our deferred tax assets and deferred tax liabilities and the potential valuation allowance recorded against our net deferred tax assets. Deferred tax assets and liabilities are determined using the enacted tax rates in effect for the years in which those tax assets are expected to be realized. A valuation allowance is established when it is more likely than not that the future realization of all or some of the deferred tax assets will not be achieved.

Results of Operations

The accompanying results of operations are presented for three periods: Predecessor and Successor, which relate to the periods preceding and succeeding the THP Transaction, respectively.

The following tables set forth our results of operations for the periods presented (in thousands, except for percentages):

	Successor		Successor		Predecessor
	For the Three Months Ended March 31, 2021	For the Three Months Ended March 31, 2020	For the Year Ended December 31, 2020	For the Period from January 14, 2019 through December 31, 2019	For the Period from January 1, 2019 through January 13, 2019
Revenue	$ 9,078	$ 6,112	$ 31,297	$ 20,094	$ 686
Cost of sales	4,053	2,483	13,542	11,520	461
Gross profit	5,025	3,629	17,755	8,574	225
Operating expenses:					
Research and development	700	326	1,507	769	21
Sales and marketing	705	349	2,229	928	30
General and administrative	4,161	1,655	8,208	7,633	2,910
Amortization of intangible assets	287	287	1,148	1,100	–
Total operating expenses	5,853	2,617	13,092	10,430	2,961
(Loss) income from operations	(828)	1,012	4,663	(1,856)	(2,736)
Other income (expenses), net					
Interest income	7	32	87	66	–
Other income (expense), net	1	(21)	(24)	(10)	–
Total other income (expense), net	8	11	63	56	–
(Loss) income before income taxes	(820)	1,023	4,726	(1,800)	(2,736)
(Benefit from) provision for income taxes	(165)	75	1,156	(495)	(2,601)
Net (loss) income	(655)	948	3,570	(1,305)	(135)
Change in unrealized (loss) gain on available-for-sale securities, net of tax	(7)	(34)	(13)	20	–
Comprehensive (loss) income	$ (648)	$ 914	$ 3,557	$ (1,285)	$ (135)
Net (loss) income available to common stockholders					
Net (loss) income	(655)	948	3,570	(1,305)	(135)
Less: undistributed income attributable to preferred stockholders	–	(787)	(2,962)	–	–
Net (loss) income attributable to common stockholders	$ (655)	$ 161	$ 608	$ (1,305)	$ (135)
Net income (loss) per share attributable to common stockholders[1]					
Basic	$ (0.34)	$ 0.08	$ 0.32	$ (0.69)	$ (0.02)
Diluted	$ (0.34)	$ 0.08	$ 0.30	$ (0.69)	$ (0.02)
Weighted average shares used in computing net income (loss) per share attributable to common stockholders[1]					
Basic	1,920,000	1,920,000	1,920,000	1,879,294	6,080,714
Diluted	1,920,000	1,940,000	11,712,919	1,879,294	6,080,714
Net income (loss) per share attributable to common stockholders (unaudited)[2]					
Pro forma net income per share—Basic					
Pro forma net income per share—Diluted					
Weighted average shares used to compute the pro forma net income per share (unaudited)[2]					
Pro forma—Basic					
Pro forma—Diluted					

(1) See Note 13 to our audited financial statements appearing elsewhere in this prospectus for an explanation of the method used to calculate the historical net income (loss) per share, basic and diluted, and the number of shares used in the computation of the per share amounts.

(2) The pro forma income per share data gives effect to the conversion of all outstanding shares of our Series A preferred stock into an aggregate of 9,342,092 shares of our common stock which will occur immediately prior to the closing of this offering, resulting in an aggregate of 11,262,092 outstanding shares of our common stock.

Comparison of 2021 Interim Successor Period and 2020 Interim Successor Period

Our revenue disaggregated by product category, for the 2021 Interim Successor Period and the 2020 Interim Successor Period was as follows (in thousands):

	Successor	
	For the Three Months Ended March 31,	
	2021	2020
	(unaudited)	
Lab Essentials	$6,790	$5,249
Clinical Solutions	1,071	579
Sample Transport	924	—
Other	293	284
Total Revenue	$9,078	$6,112

Total revenue was $9.1 million for the 2021 Interim Successor Period and $6.1 million for the 2020 Interim Successor Period.

Lab Essentials revenue was $6.8 million for the 2021 Interim Successor Period and $5.2 million for the 2020 Interim Successor Period. The increase in Lab Essentials revenue was primarily driven by higher average revenue per customer and, to a lesser extent, increased number of customers.

Clinical Solutions revenue was $1.0 million for the 2021 Interim Successor Period and $0.6 million for the 2020 Interim Successor Period. The increase in Clinical Solutions revenue was attributable, in roughly equal measure, to an increased volume of customers and higher average revenue per customer. Clinical Solutions products were introduced beginning in 2017.

Revenue from Sample Transport products commenced during the second quarter of 2020 and generated $0.9 million of revenue in the 2021 Interim Successor Period. The increase in Sample Transport products revenue was primarily attributable to the fact that this product line was not available in the first quarter of 2020.

COVID-19 provided an increase to revenue of approximately $1.5 million in the 2021 Interim Successor Period inclusive of $0.9 million in Sample Transport revenue. There was no COVID-19 impact in the 2020 Interim Successor Period.

Revenue by Geographic Area

Our revenue disaggregated by geographic region, for the 2021 Interim Successor Period and the 2020 Interim Successor Period was as follows (in thousands):

	Successor	
	For the Three Months Ended March 31,	
	2021	2020
United States	$8,715	$5,821
International	363	291
Total Revenue	$9,078	$6,112

Revenue from sales to customers in the United States was $8.7 million in the 2021 Interim Successor Period and $5.8 million in the 2020 Interim Successor Period. Revenue from U.S. sales

represented 96.0% and 95.2% of our total revenue in the 2021 Interim Successor Period and 2020 Interim Successor Period, respectively. We experienced significant U.S. growth due to strong performance in our core Lab Essentials products and a net benefit of sales attributable to COVID-19.

Revenue from sales to customers in markets outside of the U.S. was $0.4 million in the 2021 Interim Successor Period and $0.3 million in the 2020 Interim Successor Period. Revenue from international sales represented 4.0% and 4.8% of our total revenue in the 2021 Interim Successor Period and 2020 Interim Successor Period, respectively. The increase in such revenue was attributable to COVID-19-related product demand from a customer's facilities located outside of the U.S.

Gross Profit

Our gross profit for the 2021 Interim Successor Period and the 2020 Interim Successor Period was as follows (in thousands, except percentages):

	Successor	
	For the Three Months Ended March 31,	
	2021	2020
Cost of sales	$4,053	$2,483
Gross profit	5,025	3,629
Gross profit %	55.4%	59.4%

Gross profit percentage was 55.4% in the 2021 Interim Successor Period and 59.4% in the 2020 Interim Successor Period. The decrease in gross profit percentage was primarily driven by higher depreciation and labor costs.

Operating Expenses

Research and Development Expenses

Our research and development expenses for the 2021 Interim Successor Period and the 2020 Interim Successor Period were as follows (in thousands):

	Successor	
	For the Three Months Ended March 31,	
	2021	2020
Research and development expenses	$700	326

Research and development expenses were $0.7 million in the 2021 Interim Successor Period and $0.3 million in the 2020 Interim Successor Period. The increase was primarily driven by an increase in headcount and spending on outside services.

Sales and Marketing Expenses

Our sales and marketing expenses for the 2021 Interim Successor Period and the 2020 Interim Successor Period were as follows (in thousands):

	Successor	
	For the Three Months Ended March 31,	
	2021	2020
Sales and marketing expenses	$705	$349

Sales and marketing expenses were $0.7 million in the 2021 Interim Successor Period and $0.3 million in the 2020 Interim Successor Period. The increase was primarily driven by an increase in sales and marketing headcount.

General and Administrative Expenses

Our general and administrative expenses for the 2021 Interim Successor Period and the 2020 Interim Successor Period were as follows (in thousands):

	Successor	
	For the Three Months Ended March 31,	
	2021	2020
General and administrative expense	$4,161	$1,655

General and administrative expenses were $4.2 million in the 2021 Interim Successor Period and $1.7 million in the 2020 Interim Successor Period. The increase was primarily driven by an increase in headcount and spending on professional services, stock based compensation, depreciation and information technology. For the 2021 Interim Successor Period and 2020 Interim Successor Period, general and administrative expenses as a percentage of revenue was 45.8% and 27.1%, respectively.

(Benefit from) provision for Income Taxes

Our (benefit from) provision for income taxes for the three months ended March 31, 2021 and 2020 was as follows (in thousands, except percentages):

	Successor	
	For the Three Months Ended March 31,	
	2021	2020
(Benefit from) provision for income taxes	$(165)	$ 75
Effective tax rate	20.1%	7.3%

Our benefit from income taxes was $0.2 million in the 2021 Interim Successor Period, which was primarily due to deferred tax benefit from federal loss. The effective tax rate for the 2021 Interim Successor Period being lower than the statutory rate was primarily due to the impact from stock-based compensation.

Our provision for income taxes was $0.1 million in the 2020 Interim Successor Period, which was primarily due to an increase in our deferred tax liabilities net of a $0.2 million discrete tax benefit as a result of our ability under the CARES Act to carry back NOLs incurred to certain years when the U.S. federal income tax rate was 34% versus the current rate of 21%. The effective tax rate for the 2020 Interim Successor Period being lower than the statutory rate was primarily due to the impact from the NOL carryback discussed above.

Comparison of 2020 Successor Period and 2019 Successor and Predecessor Periods

(in thousands)	2020 Successor Period	2019 Successor Period	2019 Predecessor Period
Lab Essentials	$ 21,240	$ 17,479	$ 626
Clinical Solutions	4,807	1,336	24
Sample Transport	4,297	—	—
Other	953	1,279	36
Total Sales	$ 31,297	$ 20,094	$ 686

Total revenue was $31.3 million for the 2020 Successor Period, $20.1 million for the 2019 Successor Period, and $0.7 million for the 2019 Predecessor Period.

Lab Essentials revenue was $21.2 million for the 2020 Successor Period, $17.5 million for the 2019 Successor Period, and $0.6 million for the 2019 Predecessor Period. The increase in Lab Essentials revenue was driven by higher average revenue per customer.

Clinical Solutions revenue was $4.8 million for the 2020 Successor Period, $1.3 million for the 2019 Successor Period, and minimal for the 2019 Predecessor Period. The increase in Clinical Solutions revenue was primarily attributable, in roughly equal measure, to an increased volume of customers and higher average revenue per customer. Clinical Solutions products were introduced beginning in 2017.

Revenue from Sample Transport products commenced in 2020, generating $4.3 million of revenue in the 2020 Successor Period. We launched this product line to support the demand for transport of viral samples associated with a surge of COVID-19 testing in 2020. Sample Transport products are manufactured under GMP standards; however, due to the uncertainty and fluctuations associated with this market, which is different than our other GMP products, we elected to show revenue from this product line separately. While this is not a strategic product line for us, the opportunity allowed us to develop new production capabilities that support future growth in our Lab Essentials and Clinical Solutions product lines.

COVID-19 impacted our business in several different ways. When the pandemic began, orders for Lab Essentials products declined because many research labs temporarily closed and we estimate that the resulting negative impact to our revenue was $1.7 million, primarily in the second quarter of 2020. This negative impact was offset by the launch of our Sample Transport product line, which generated revenue of $4.3 million in 2020. In addition, we experienced COVID-19-related growth in the second half of 2020 from a large customer that was supplying COVID-19 test kits with one of our GMP products included and another large customer that was supplying COVID-19 vaccines into the market, the result of which we estimate was an approximate $3.0 million increase in revenue. In total, we estimate that we realized a net increase of approximately $5.6 million in revenue attributable to conditions created by the COVID-19 pandemic, which we expect may significantly decline in the future as the COVID-19 pandemic eases.

Revenue by Geographic Area

Our revenue disaggregated by geographic region, for the 2020 Successor Period, the 2019 Successor Period, and the 2019 Predecessor Period was as follows (in thousands):

	Successor		Predecessor
	For the Year Ended December 31, 2020	For the Period from January 14, 2019 through December 31, 2019	For the Period from January 1, 2019 through January 13, 2019
United States	$ 30,138	$ 19,146	$ 668
International	1,159	948	18
Total Revenue	$ 31,297	$ 20,094	$ 686

Revenue from sales to customers in the United States was $30.1 million in the 2020 Successor Period, $19.1 million in the 2019 Successor Period and $0.7 million in the 2019 Predecessor Period. Revenue from U.S. sales represented 96.3%, 95.3% and 97.4% of our total revenue in the 2020 Successor Period, 2019 Successor Period, and 2019 Predecessor Period, respectively. We experienced significant U.S. growth in 2020 due to strong performance in our core Lab Essentials and Clinical Solutions products and a net benefit of sales attributable to COVID-19, somewhat offset by reduced revenue from shipping charges.

Revenue from sales to customers in markets outside of the U.S. was $1.2 million in the 2020 Successor Period, $0.9 million in the 2019 Successor Period and minimal in the 2019 Predecessor Period. Revenue from such sales represented 3.7%, 4.7% and 2.6% of our total revenue in the 2020 Successor Period, 2019 Successor Period, and 2019 Predecessor Period, respectively. The increase in such revenue was attributable to COVID-19-related product demand from a customer's facilities located outside of the U.S. We do not currently have international sales representatives or otherwise actively market to customers outside of the U.S.

Gross Profit

Our gross profit for the 2020 Successor Period, the 2019 Successor Period, and the 2019 Predecessor Period was as follows (in thousands, except percentages):

	Successor		Predecessor
	For the Year Ended December 31, 2020	For the Period from January 14, 2019 through December 31, 2019	For the Period from January 1, 2019 through January 13, 2019
Cost of sales	$ 13,542	$ 11,520	$ 461
Gross profit	17,755	8,574	225
Gross profit %	56.7%	42.7%	32.8%

Gross profit percentage was 56.7% in the 2020 Successor Period, 42.7% in the 2019 Successor Period and 32.8% in the 2019 Predecessor Period. The increase in gross profit was primarily driven by the strong revenue growth and volume increases experienced in 2020 compared to 2019. In addition, gross profit in 2019 was significantly impacted by purchase accounting write up of inventory to fair value related to the THP Transaction, which resulted in an additional $1.5 million in cost of sales during the 2019 Successor Period. Excluding this, gross profit percentage would have been 50.3% during the 2019 Successor Period. Most of our cost of sales are of a fixed nature so volume increases lead to better cost utilization improving our gross margins. In addition, product mix plays an important role in gross margin development. Specifically, the increase in GMP product revenue as a percentage of total revenue contributes to higher gross margins due to the premium average selling prices of these products.

Operating Expenses

Research and Development Expenses

Our research and development expenses for the 2020 Successor Period, the 2019 Successor Period and the 2019 Predecessor Period were as follows (in thousands):

	Successor		Predecessor
	For the Year Ended December 31, 2020	For the Period from January 14, 2019 through December 31, 2019	For the Period from January 1, 2019 through January 13, 2019
Research and development expenses	$ 1,507	$ 769	$ 21

Research and development expenses were $1.5 million in the 2020 Successor Period, $0.8 million in the 2019 Successor Period and insignificant in the 2019 Predecessor Period. The increase was primarily driven by increased headcount in Process Engineering and Product Development to support business growth.

Sales and Marketing Expenses

Our sales and marketing expenses for the 2020 Successor Period, the 2019 Successor Period and the 2019 Predecessor Period were as follows (in thousands):

	Successor		Predecessor
	For the Year Ended December 31, 2020	For the Period from January 14, 2019 through December 31, 2019	For the Period from January 1, 2019 through January 13, 2019
Sales and marketing expenses	$ 2,229	$ 928	$ 30

Sales and marketing expenses were $2.2 million in the 2020 Successor Period, $0.9 million in the 2019 Successor Period, and insignificant in the 2019 Predecessor Period. The increase was primarily driven by increased headcount in functional areas, including Sales and Marketing. Additionally, we spent significantly more in 2020 compared to 2019 on marketing and advertising.

General and Administrative Expenses

Our general and administrative expenses for the 2020 Successor Period, the 2019 Successor Period and the 2019 Predecessor Period were as follows (in thousands):

	Successor		Predecessor
	For the Year Ended December 31, 2020	For the Period from January 14, 2019 through December 31, 2019	For the Period from January 1, 2019 through January 13, 2019
General and administrative expenses	$ 8,208	$ 7,633	$ 2,910

General and administrative expenses were $8.2 million in the 2020 Successor Period, $7.6 million in the 2019 Successor Period, and $3.0 million in the 2019 Predecessor Period. The 2019 Predecessor Period included $2.6 million of transaction expenses related to the THP Transaction and the 2019 Successor Period included $1.8 million in non-recurring bonuses. Excluding these expenses related to the THP Transaction, general and administrative expenses as a percentage of revenue would have been 28.8% and 39.5% for the 2019 Successor and Predecessor Periods, respectively. In 2020, we increased our headcount in a few functional areas, including Quality Assurance and Administration. Additionally, we spent more in 2020 compared to 2019 on professional fees, recruiting fees, and information technology. For the 2020 Successor Period, general and administrative expenses as a percentage of revenue was 26.2%.

Provision for (benefit from) Income Taxes

Our provision for (benefit from) income taxes for the 2020 Successor Period, the 2019 Successor Period, and the 2019 Predecessor Period was as follows (in thousands, except percentages):

	Successor		Predecessor
	For the Year Ended December 31, 2020	For the Period from January 14, 2019 through December 31, 2019	For the Period from January 1, 2019 through January 13, 2019
Provision for (benefit from) income taxes	$ 1,156	$ (495)	$ (2,601)
Effective tax rate	24.5%	27.5%	95.1%

Our provision for income taxes was $1.2 million in the 2020 Successor Period, which was due to an increase in our deferred tax liabilities net of current tax benefit. The effective tax rate for the 2020 Successor Period being higher than the statutory rate was primarily due to state taxes but somewhat offset by refund claims under the CARES Act as prior tax losses were allowed to be carried back to periods where the corporate tax rate was higher.

Our benefit from income taxes was $0.5 million in the 2019 Successor Period and $2.6 million in the 2019 Predecessor Period, which was primarily due to the company generating future tax benefits from operating losses arising from non-recurring expenses as a result of the THP Transaction. The effective tax rate for the 2019 Successor Period being higher than the statutory rate was primarily due to state taxes. The effective tax rate for the 2019 Predecessor Period being higher than the statutory rate was primarily attributable to deductions for repurchased stock options.

Quarterly Results of Operations and Other Data

The following table sets forth selected unaudited consolidated quarterly statements of operations data for the quarter ended March 31, 2021 and the four fiscal quarters ended December 31, 2020. The information for each of these quarters has been prepared on the same basis as the audited annual consolidated financial statements included elsewhere in this prospectus and, in the opinion of management, includes all adjustments, which consist only of normal recurring adjustments, necessary for the fair presentation of this information in accordance with GAAP. This data should be read in conjunction with our audited consolidated financial statements and related notes included elsewhere in this prospectus. These quarterly results are not necessarily indicative of our results of operations to be expected for any future period.

	For the Three Months Ended (unaudited)				
(in thousands)	March 31, 2021	December 31, 2020	September 30, 2020	June 30, 2020	March 31, 2020
Revenue	$ 9,078	$ 10,157	$ 8,984	$ 6,044	$ 6,112
Cost of sales	4,053	4,588	3,896	2,575	2,483
Gross profit	5,025	5,569	5,088	3,469	3,629
Operating expenses:					
Research and development	700	482	358	341	326
Sales and marketing	705	840	558	481	349
General and administrative	4,161	3,165	1,733	1,656	1,655
Amortization of intangible assets	287	287	287	287	287
Total operating expenses	5,853	4,774	2,936	2,765	2,617
(Loss) income from operations	(828)	795	2,152	704	1,012
Other income (expenses), net					
Interest income	7	13	19	23	32
Other income (expense), net	1	3	(2)	(4)	(21)
Total other income, net	8	16	17	19	11
(Loss) income before income taxes	(820)	811	2,169	723	1,023
(Benefit from) provision for income taxes	(165)	234	636	211	75
Net (loss) income	(655)	577	1,533	512	948
Change in unrealized (loss) gain on available-for-sale securities, net of tax	(7)	(12)	(10)	43	(34)
Comprehensive (loss) income	$ (648)	565	$ 1,523	$ 555	$ 914
Net (loss) income available to common stockholders					
Net (loss) income	(655)	577	1,533	512	948
Less: undistributed income attributable to preferred stockholders	–	(479)	(1,271)	(425)	(787)
Net (loss) income attributable to common stockholders	$ (655)	$ 98	$ 262	$ 87	$ 161

Quarterly Revenue Trends

Our quarterly revenue increased in each period presented, with the exception of the two quarters ended June 30, 2020 and March 31, 2021. Revenue, in particular from our Lab Essentials products, was negatively impacted in the three months ended June 30, 2020 as the onset of COVID-19 forced

the closure of many research labs in the U.S., which resulted in a sequential revenue decline. Conversely, with the launch of our Sample Transport products used to aid in the fight against the pandemic, and demand from two large customers for COVID-19 related products, there were strong sequential increases in revenue in the three months ended September 30, 2020 and December 31, 2020. Additionally, our revenue declined sequentially in the three months ended March 31, 2021 because of reduced demand for our Sample Transport products attributable to a substantial decline in the volume of COVID-19 diagnostic testing. Historically, there has not been seasonality to our revenue.

Quarterly Gross Profit Trends

Our gross profit as a percentage of revenue declined sequentially in each period presented, with the exception of the three months ended March 31, 2021. During the time periods presented, the company increased its production workforce and capital expenditures to grow capacity and expand manufacturing capabilities, respectively, which resulted in higher fixed costs, including the impact of additional depreciation. During the three months ended March 31, 2021, the company experienced better absorption of production overhead relative to revenue growth, which led to slightly higher sequential gross profit as a percentage of revenue in the period.

Quarterly Operating Expense Trends

Our operating expenses have increased each quarter to support our growth, primarily driven by personnel related expenses.

Research and development expenses increased primarily driven by increased headcount in Process Engineering and Product Development to support business growth.

Sales and marketing expenses were primarily driven by increased headcount in functional areas, including Sales and Marketing as well as increased spend in marketing and advertising.

Increases in general and administrative expenses were driven by additions to headcount in a few functional areas, including Quality Assurance and Administration. Additionally, we spent more on professional fees, recruiting fees, and information technology as the company continued to grow and prepare itself for a potential public offering of its common stock.

Non-GAAP Financial Measures

We consider a variety of financial and operating measures in assessing the performance of our business. The key measures we use to determine how our business is performing are revenue and Adjusted EBITDA.

Adjusted EBITDA is a non-GAAP financial measure that we define as net income (loss) adjusted for interest expense, provision for income taxes, depreciation, amortization and stock-based compensation expenses. Adjusted EBITDA reflects further adjustments to eliminate the impact of certain items, including certain non-cash and other items, that we do not consider representative of our ongoing operating performance.

We also present Adjusted Free Cash Flow, which is a non-GAAP measure that we define as Adjusted EBITDA less capital expenditures. Management uses Adjusted EBITDA to evaluate the financial performance of our business and the effectiveness of our business strategies. We present Adjusted EBITDA and Adjusted Free Cash Flow because we believe they are frequently used by analysts, investors and other interested parties to evaluate companies in our industry and they facilitate comparisons on a consistent basis across reporting periods. Further, we believe they are helpful in highlighting trends in our operating results because they exclude items that are not indicative of our core operating performance.

Adjusted EBITDA and Adjusted Free Cash Flow have limitations as analytical tools and you should not consider them in isolation, or as substitutes for analysis of our results as reported under GAAP. We may in the future incur expenses similar to the adjustments in the presentation of Adjusted EBITDA. In particular, we expect to incur meaningful share-based compensation expense in the future. Other limitations include the following that Adjusted EBITDA and Adjusted Free Cash Flow do not reflect:

- all expenditures or future requirements for capital expenditures or contractual commitments;
- changes in our working capital needs;
- provision for income taxes, which may be a necessary element of our costs and ability to operate;
- the costs of replacing the assets being depreciated, which will often have to be replaced in the future;
- the non-cash component of employee compensation expense; and
- the impact of earnings or charges resulting from matters we consider not to be reflective, on a recurring basis, of our ongoing operations.

In addition, Adjusted EBITDA and Adjusted Free Cash Flow may not be comparable to similarly titled measures used by other companies in our industry or across different industries.

The following is a reconciliation of net income (loss) to EBITDA, Adjusted EBITDA, and Adjusted Free Cash Flow, which are non-GAAP financial measures (in thousands):

	Successor		Successor		Predecessor
(in thousands)	**For the Three Months Ended March 31, 2021**	**For the Three Months Ended March 31, 2020**	**For the Year Ended December 31, 2020**	**For the Period from January 14, 2019 through December 31, 2019**	**For the Period from January 1, 2019 through January 13, 2019**
Net (loss) income – as reported	$ (655)	$ 948	$ 3,570	$ (1,305)	$ (135)
Add back:					
Interest income, net	(7)	(32)	(87)	(66)	–
(Benefit from) provision for income taxes	(165)	75	1,156	(495)	(2,601)
Depreciation expense	365	170	897	523	16
Amortization of intangible assets	287	287	1,147	1,100	–
EBITDA	**(175)**	**1,448**	**6,683**	**(243)**	**(2,720)**
Other and one-time expenses:					
Stock-based compensation expense	183	–	300	–	75
Acquisition transaction expenses	–	–	–	–	2,639
Pushdown accounting adjustments	–	–	–	1,540	–
Non-recurring bonus to founder	–	–	–	1,853	–
Adjusted EBITDA	**8**	**1,448**	**6,983**	**3,150**	**(6)**
Less: capital expenditures	(3,884)	(359)	(5,466)	(2,649)	(201)
Adjusted Free Cash Flow	**(3,876)**	**1,089**	**1,517**	**501**	**(207)**
Add back: capital expenditures	3,884	359	5,466	2,649	201
Less: total other and one time expenses	183	–	300	3,393	2,714

(in thousands)	Successor For the Three Months Ended March 31, 2021	Successor For the Three Months Ended March 31, 2020	Successor For the Year Ended December 31, 2020	Successor For the Period from January 14, 2019 through December 31, 2019	Predecessor For the Period from January 1, 2019 through January 13, 2019
Less: total interest, taxes, depreciation and amortization expenses	$ 480	$ 500	$ 3,113	$ 1,062	$ (2,585)
Net (loss) income – as reported	**(655)**	**948**	**3,570**	**(1,305)**	**(135)**
Adjustments to reconcile net (loss) income to net cash provided by operating activities, net[1]	571	1,683	4,441	1,178	(2,422)
Changes in operating assets and liabilities, net[1]	2,485	(2,713)	(5,506)	2,299	2,795
Cash provided by (used in) operating activities	**2,401**	**(82)**	**$ 2,505**	**$ 2,172**	**$ 238**

(1) See the Statements of cash flows to our audited financial statements appearing elsewhere in this prospectus for detailed balances used to calculate the net adjustments to reconcile net income (loss) to cash provided by operating activities and net changes in operating assets and liabilities.

Liquidity and Capital Resources

Since inception we have financed our operations primarily through sales of our products and, more recently, the sale of our Series A preferred stock. As of March 31, 2021, we had $20.3 million in working capital, which included $14.5 million in cash and cash equivalents. As of December 31, 2020, we had $12.5 million in working capital, which included $3.3 million in cash and cash equivalents and $1.8 million in marketable securities.

In January 2019, we entered into a stock purchase agreement with THP, pursuant to which THP acquired 9,342,092 shares of our Series A preferred stock, representing 80.6% of the then-outstanding voting power of the company, and we received an aggregate of $35.9 million, net from the issuance of such shares to THP. We used $26.5 million of the proceeds from the THP Transaction to repurchase shares of our common stock and options to acquire shares of our common stock with the remainder being used for general corporate purposes, including working capital, capital investment and continued development of our products.

In addition to our existing cash and cash equivalents balance, our principal source of liquidity is our new credit facility as described below in the section titled “Management’s Discussion and Analysis of Financial Condition and Results of Operations—MidCap Credit Facility.” To facilitate our expected growth, we may also lease or purchase additional facilities. We expect to continue to make investments as we expand our operations.

MidCap Credit Facility

On March 26, 2021, we entered into a Credit Agreement with MidCap Financial Trust, as administrative agent, and the additional lenders from time to time party thereto (collectively, the “Lenders”). The Credit Agreement provides for a $27.0 million credit facility (the “Facility”) consisting of a $22.0 million senior, secured term loan (the “Term Loan”), and a $5.0 million working capital facility (the “Revolver”). The proceeds from the Credit Facility will be used for working capital and general corporate purposes. Borrowings on the Revolver are limited to a borrowing base calculation and initial borrowing is subject to completion of an initial field exam with respect to such borrowing base assets.

The Term Loan is available in three tranches: Tranche 1 – $12.0 million funded at close; Tranche 2 – $5.0 million available from September 30, 2021 to December 31, 2021, and Tranche 3 – $5.0 million available from January 1, 2022 to September 30, 2022 based on us generating a trailing 12 month net revenue of at least $37.0 million if Tranche 3 amount is drawn between January 1, 2022 to June 30, 2022 and $38.5 million if drawn between July 1, 2022 and September 30, 2022, together with a positive trailing six month EBITDA. Interest on the outstanding balance of the Term Loan will be payable monthly in arrears at an annual rate of one-month LIBOR plus 6.45%, subject to a LIBOR floor of 1.50%. The term of the Term Loan will be 60 months, with us being liable to interest only for 36 months. Interest on the outstanding balance of the Revolver will be payable monthly in arrears at an annual rate of one-month LIBOR plus 3.75%, subject to a LIBOR floor of 1.50%. The term of the Revolver will be co-terminus with the Term Loan. If any advance under the Term Loan is prepaid at any time, the prepayment fee is based on the amount being prepaid and an applicable percentage amount, such as 3%, 2%, or 1%, based on the date the prepayment is made after the closing date of the Term Loan. At the end of the Term Loan, we will pay an exit fee of $0.6 million, which represents 5% of the $12.0 million in borrowings made available immediately on March 26, 2021. Such fee is being accreted to interest expense over the life of the Term Loan.

The maximum loan amount under the Revolver (the “Revolver Commitment Amount”) will be $5.0 million which we may request the Lenders to increase up to $15.0 million. The amount available to us under the Revolver at any one time shall be based upon an amount equal to: (i) 85% of the net collectable value of our domestic accounts receivable; plus (ii) 50% of domestic eligible finished goods inventory that does not exceed $1.0 million. Additionally, availability from finished goods inventory cannot exceed 25% of the total borrowing base availability. Interest on the outstanding balance of the Revolver will be payable monthly in arrears at an annual rate of one-month LIBOR plus 3.75%, subject to a LIBOR floor of 1.50%.

The Credit Agreement includes a financial covenant that requires us to maintain certain minimum revenue, tested monthly based on trailing 12 months net revenue. Calendar year-end net revenue covenants are a minimum of $32.0 million at December 31, 2021, $37.5 million at December 31, 2022, $42.0 million at December 31, 2023, $46.5 million at December 31, 2024 and $51.5 million at December 31, 2025. In connection with the Facility, the Lenders will receive a perfected first priority security interest in all existing and after-acquired assets of the company.

The outstanding balance on the Facility as of March 31, 2021 was $12.0 million ($11.7 million net of deferred fees) and is presented as long-term debt on the condensed balance sheets, included elsewhere in this prospectus.

We believe these sources of liquidity, in addition to the net proceeds of this offering, will be sufficient to fund our liquidity requirements for at least the next 24 months. Our principal liquidity requirements are to fund our operations, expand manufacturing operations which includes, but is not limited to, maintaining sufficient levels of inventory to meet the anticipated demand of our customers, and fund our capital expenditures. We may, however, require or elect to secure additional financing as we continue to execute our business strategy. If we require or elect to raise additional funds, we may do so through equity or debt financing, which may not be available on favorable terms and could require us to agree to covenants that limit our operating flexibility.

The following table sets forth, for the periods indicated, net cash flows provided by operating activities, used in investing activities and (used in) provided by financing activities (in thousands):

	Successor		Successor		Predecessor
	For the Three Months Ended March 31, 2021	For the Three Months Ended March 31, 2020	For the Year Ended December 31, 2020	For the Period from January 14, 2019 through December 31, 2019	For the Period from January 1, 2019 through January 13, 2019
Net cash provided by (used in) operating activities	$ 2,401	$ (82)	$ 2,505	$ 2,172	$ 238
Net cash (used in) provided by investing activities	(1,528)	1,384	(1,735)	(8,156)	(201)
Net cash provided by (used in) financing activities	10,278	(45)	(1,599)	8,570	(18)
Net increase (decrease) in cash and cash equivalents	$ 11,151	$ 1,257	$ (829)	$ 2,586	$ 19

Operating Activities

Net cash provided by operating activities consists primarily of net income adjusted for certain non-cash items (including depreciation and amortization, amortization of premium on marketable securities, provision for doubtful accounts, deferred taxes, loss on disposal of property, plant and equipment, and stock-based compensation expense), and the effect of changes in working capital and other activities.

Net cash provided by operating activities was $2.4 million for the 2021 Interim Successor Period, which primarily consisted of net loss of $0.7 million, offset by net adjustments for non-cash charges of $0.6 million and net changes in operating assets and liabilities of $2.5 million. The primary non-cash adjustments to net loss included $0.7 million of depreciation and amortization, partially offset by $0.2 million of deferred taxes. Net cash provided by changes in operating assets and liabilities consisted primarily of a $2.1 million increase in accounts payable and accrued expenses and $0.4 million decrease in accounts receivable, partially offset by a $0.3 million increase in inventories.

Net cash used in operating activities was $0.1 million for the 2020 Interim Successor Period, which primarily consisted of net income of $0.9 million plus net adjustments for non-cash charges of $1.7 million, offset by net changes in operating assets and liabilities of $2.7 million. The primary non-cash adjustments to net income included $1.2 million of deferred taxes and $0.5 million of depreciation and amortization. Net cash used in changes in operating assets and liabilities consisted primarily of a $1.2 million increase in prepaid expenses and other assets, a $0.9 million increase in accounts receivable and a $0.4 million increase in inventories.

Net cash provided by operating activities was $2.5 million for the 2020 Successor Period, which primarily consisted of net income of $3.6 million plus net adjustments for non-cash charges of $4.4 million, partially offset by net changes in operating assets and liabilities of $5.5 million. The primary non-cash adjustments to net income are $2.0 million of depreciation and amortization and $2.1 million of deferred taxes. The significant impact from changes in net operating assets and liabilities was primarily driven by a $2.4 million increase in accounts receivable, a $2.2 million increase in prepaid expenses and other current assets, and a $1.0 million increase in inventories.

Net cash provided by operating activities was $2.2 million for the 2019 Successor Period, which primarily consisted of net loss of $1.3 million plus net adjustments for non-cash charges of $1.2 million, partially offset by net changes in operating assets and liabilities of $2.3 million. The primary non-cash adjustments to net loss included $1.6 million of depreciation and amortization, partially offset by $0.5 million of deferred taxes. Net cash provided by changes in operating assets and liabilities consisted primarily of a $1.0 million decrease in inventories and a $1.2 million increase in accounts payable and accrued expenses.

Net cash provided by operating activities was $0.2 million for the 2019 Predecessor Period, which primarily consisted of net loss of $0.1 million plus net adjustments for non-cash charges of $2.4 million and net changes in operating assets and liabilities of $2.8 million. The primary non-cash adjustments to net loss included $2.5 million of deferred taxes. Net cash provided by changes in operating assets and liabilities consisted primarily of a $2.7 million increase in accounts payable and accrued expenses.

Investing Activities

Net cash used in investing activities relates primarily to purchases of marketable securities and capital expenditures, partially offset by proceeds from maturities and sales of marketable investments.

Net cash used in investing activities was $1.5 million for the 2021 Interim Successor Period, which primarily consisted of purchases of property, plant and equipment of $3.9 million. This was partially offset by receipt of proceeds from a loan to a related party of $0.5 million, and proceeds from sales and maturities of short-term marketable securities of $1.1 million and $0.7 million, respectively.

Net cash provided by investing activities was $1.4 million for the 2020 Interim Successor Period, which primarily consisted of proceeds from sales and maturities of short-term marketable securities of $1.7 million and $1.8 million, respectively. This was partially offset by purchases of short-term marketable securities of $1.8 million, and purchases of property, plant and equipment of $0.4 million.

Net cash used in investing activities was $1.7 million for the 2020 Successor Period, which primarily consisted of purchase of property, plant and equipment of $5.5 million and purchase of short-term marketable securities of $1.8 million. This was partially offset by proceeds from sales and maturities of short-term marketable securities of $1.7 million and $3.7 million, respectively.

Net cash used in investing activities was $8.2 million for the 2019 Successor Period, which primarily consisted of purchase of property, plant and equipment of $2.6 million and purchase of short-term marketable securities of $6.7 million. This was partially offset by proceeds from sales of short-term marketable securities of $1.1 million.

Net cash used in investing activities for the 2019 Predecessor Period was $0.2 million, which was attributable to the purchase of property, plant and equipment.

Financing Activities

Net cash (used in) provided by financing activities primarily relates to proceeds from the issuance of Series A preferred stock and proceeds from exercises of stock options and repurchases of common stock.

Net cash provided by financing activities was $10.3 million for the 2021 Interim Successor Period, which was primarily attributable to proceeds from long-term debt pursuant to the MidCap Credit Facility of $11.9 million, partially offset by payment of costs related to the company’s planned initial public offering of $1.5 million.

Net cash used in financing activities was $0.1 million for the 2020 Interim Successor Period, which was primarily attributable to repayment of outstanding long-term debt.

Net cash used in financing activities was $1.6 million for the 2020 Successor Period, which was primarily attributable to pushdown accounting adjustments.

Net cash provided by financing activities was $8.6 million for the 2019 Successor Period, which consisted of $35.6 million in net proceeds from the issuance of our Series A preferred stock to THP in connection with the THP Transaction and $0.3 million in proceeds from the exercise of stock options, partially offset by payments of $19.5 million for the repurchase of shares of our common stock, $7.0 million for cancellation of stock options and $0.8 million for repayment of our long-term debt.

Net cash used in financing activities for the 2019 Predecessor Period was minimal and attributable to the repayment of long-term debt.

Contractual Obligations and Commitments

We have various non-cancelable operating leases for commercial, office, manufacturing, and warehouse space, as well as vacant land in Hollister, California. The leases have terms with varying expiration dates ranging from June 30, 2021 to December 31, 2025 and include options to extend such leases. As of March 31, 2021, these leases represented a remaining contractual obligation of $6.6 million. As of December 31, 2020, these leases represented a remaining contractual obligation of $7.0 million.

Additionally, we lease our warehouse in Mansfield, Massachusetts. This lease expires in August 2024, and, as of March 31, 2021 and December 31, 2020, represented a remaining contractual obligation of $0.9 million and $1.0 million, respectively.

On March 26, 2021, we entered into a Credit Agreement with MidCap Financial Trust. The Credit Agreement provides for a $27.0 million credit facility consisting of a $22.0 million senior, secured term loan, and a $5.0 million working capital facility. On March 26, 2021, $12.0 million of the Term Loan funded at close. We are obligated to pay interest on the outstanding balance of the Term Loan at an annual rate of one-month LIBOR plus 6.45%, subject to a LIBOR floor of 1.50%. The outstanding balance of the Term Loan is due in full on March 1, 2026. The Revolver will be available once we meet the borrowing conditions set forth in the Credit Agreement, which we expect to occur by June 30, 2021.

Off-Balance Sheet Arrangements

We do not have any off-balance sheet arrangements or holdings in variable interest entities.

Critical Accounting Policies and Estimates

Our financial statements have been prepared in accordance with GAAP. The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets, liabilities and contingencies as of the date of the financial statements and reported amounts of revenues and expenses during the reporting periods. We evaluate our estimates on an ongoing basis. We base our estimates on historical experience and on other assumptions that are believed to be reasonable under the circumstances, the results of which form the basis for making judgments about the carrying values of assets and liabilities that are not readily apparent from other sources. However, future events may cause us to change our assumptions and estimates, which may require adjustment. Actual results could differ from these estimates.

We believe the following critical accounting policies involve significant areas where management applies judgments and estimates in the preparation of our financial statements.

Revenue Recognition

We adopted ASU 606 on January 1, 2019 and accordingly we recognize revenue to depict the transfer of promised goods to our customers in an amount that reflects the consideration we expect to be entitled to receive from our customers in exchange for those goods. This process involves identifying the contract with a customer, determining the performance obligations in the contract, determining the contract price, allocating the contract price to the distinct performance obligations in the contract, and recognizing revenue when the performance obligations have been satisfied.

We recognize revenue from the sale of ready-to-use pre-poured media plates and broths for growth of bacterial, yeast and microbiological applications, and buffers and reagents for purification and analysis of proteins, DNA and mRNA. Revenue is recognized when performance obligations under the terms of a contract with a customer are satisfied. All of our contracts with customers contain a single performance obligation, delivery of consumable products (e.g., pre-poured media plates, broths, buffers, reagents, etc.). Accordingly, we recognize revenue at a point in time when control of the product has been transferred to the customers, which is at the time of shipment. Revenue is recognized in an amount that reflects the consideration we expect to be entitled to in exchange for the products.

ASU 606 requires an entity to estimate the amount of variable consideration included in the contract to which the entity will be entitled in exchange for transferring the promised goods to a customer.

Goodwill

Goodwill is the excess of the fair value of the company above the fair value accounting basis of the net assets and liabilities of the company under pushdown accounting. Goodwill is not amortized, but is tested for impairment annually as of October 1, or more frequently if events or circumstances indicate the carrying value may no longer be recoverable and that an impairment loss may have occurred. We operate as one segment and one reporting unit, and therefore goodwill is tested for impairment at the entity level.

We first consider qualitative factors that indicate impairment may have occurred. Such indicators may include macro-economic conditions such as adverse industry or market conditions; entity-specific events such as increasing costs, declining financial performance, or loss of key personnel. If the qualitative assessment indicates a reduction in the carrying value is more likely than not to have occurred, we perform a quantitative assessment, comparing the fair value of the reporting unit to its carrying value, including goodwill. If the carrying value of the reporting unit exceeds the fair value, an impairment has occurred, and an impairment loss is recognized for the difference up to the carrying value of the reporting unit’s goodwill. The fair value of the reporting unit is primarily determined based on the income approach. The income approach is a valuation technique in which fair value is based on forecasted future cash flows, discounted at the appropriate rate of return commensurate with the risk as well as current rates of return for equity and debt capital as of the valuation date.

We completed our qualitative assessment in the fourth quarter of 2020 and determined that it is not more likely than not that the fair value of the entity is less than its carrying amount and concluded that a quantitative goodwill impairment test was not required.

Application of the goodwill impairment test requires judgments, including a qualitative assessment to determine whether there are any impairment indicators, and determining the fair value of the reporting unit. A number of significant assumptions and estimates are involved in the application of the income approach to forecast future cash flows, including revenue and operating income growth rates, discount rates and other factors. While we believe that our estimates of current value are reasonable, if actual results differ from the estimates and judgments used including such items as future cash flows

and the volatility inherent in markets which we serve, impairment charges against the carrying value of those assets could be required in the future.

Intangible Assets and Other Long-Lived Assets

We review our definite-lived intangible assets and other long-lived assets for impairment whenever events or changes in circumstances indicate the carrying amount of our long-lived assets may not be recoverable. Recoverability of assets to be held and used is measured by a comparison of the carrying amount of the assets to future undiscounted net cash flows expected to be generated. Significant judgment is required to estimate the amount and timing of future cash flows and the relative risk of achieving those cash flows. The key assumptions that we use in our discounted cash flow model are the amount and timing of estimated future cash flows to be generated by the asset over an extended period of time and a rate of return that considers the relative risk of achieving the cash flows, the time value of money, and other factors that a willing market participant would consider.

Indefinite-lived intangible assets are also subject to an impairment test at least annually, as of October 1, or more frequently if events or circumstances indicate that it is more likely than not that the asset is impaired. If the fair value of the asset is less than the carrying amount, an impairment loss would be recognized in an amount equal to the difference between the carrying amount and the fair value. We completed our qualitative assessment in the fourth quarter of 2020 and determined that it is not more likely than not that the fair value of our indefinite-lived intangible assets is less than the carrying amount and a quantitative impairment test was not required.

Assumptions and estimates about future values and remaining useful lives are complex and often subjective. They can be affected by a variety of factors, including external factors such as industry and economic trends, and internal factors such as changes in our business strategy and our internal forecasts.

Income Taxes

The asset and liability method is used in accounting for deferred income taxes. Under this method, deferred income taxes are provided for differences between the carrying amounts of assets and liabilities for financial reporting and tax purposes using the enacted tax rates and laws that will be in effect when the differences are expected to reverse. Accordingly, our tax provision contemplates tax rates currently in effect to determine our current tax provision as well as enacted tax rates expected to apply to taxable income in the fiscal years in which those temporary differences are expected to be recovered or settled to determine our deferred tax provision. Any significant fluctuation in rates or changes in tax laws could lead to either increases or decreases in our effective tax rate.

Our provision for income taxes, deferred tax assets and liabilities, and reserves for unrecognized tax benefits reflect our best assessment of estimated future taxes to be paid. Significant judgments and estimates based on interpretations of existing tax laws or regulations are required in determining our provision for income taxes. Changes in tax laws, statutory tax rates, and estimates of our future taxable income could impact the deferred tax assets and liabilities provided for in the financial statements and would require an adjustment to the provision for income taxes.

Stock-Based Compensation

Stock-based compensation expense is recognized based on the fair value and is expensed on a straight-line basis over the requisite service periods of the award, which generally represents the scheduled vesting period. Forfeitures are recognized as they occur. The company accounts for stock-based compensation expense based on the estimated grant date fair value, using the Black-Scholes option-pricing model which requires the company to make a number of assumptions, including expected volatility, the expected risk-free interest rate, the expected term and the expected dividend.

These inputs are subjective and generally require significant analysis and judgment to develop. Changes in the assumptions can materially affect the fair value and ultimately how much stock-based compensation is recognized.

- *Expected volatility*. Since we are not a publicly traded entity and therefore have limited historical data on volatility of our stock, expected volatility is based on the volatility of the stock of similar publicly traded entities. In evaluating similarity, we considered factors such as industry, stage of life cycle, size, and financial leverage.
- *Expected risk-free interest rate.* The risk-free interest rate is based on the implied yield currently available on US Treasury zero-coupon issues with remaining terms equivalent to the expected term of a stock award.
- *Expected term.* As the company does not have sufficient historical exercise activity to estimate expected life, the expected life of options granted was determined using the simplified method. The simplified method is based on the vesting period and the contractual term for each grant or for each vesting tranche for awards with graded vesting. The midpoint of the vesting date and the maximum contractual expiration date is used as the expected term under this method.
- *Expected dividend*. The company has never declared or paid any cash dividends and does not plan to pay cash dividends in the foreseeable future. Accordingly, the company estimated the dividend yield to be 0%.

Prior to our initial public offering, the fair value of our common stock was determined by the board of directors with assistance from management and, in part, on input from an independent third-party valuation firm. The board of directors determines the fair value of common stock by considering a number of objective and subjective factors, including valuations of comparable companies, operating and financial performance, the lack of liquidity our common stock and the general and industry-specific economic outlook.

Beginning September 30, 2020, in valuing our common stock, the fair value of our business, or enterprise value, was determined using the market approach. The market approach involves identifying and evaluating comparable public companies and acquisition targets that operate in the same industry or which have similar operating characteristics as the subject company. From the comparable companies, publicly available information is used to extrapolate market-based valuation multiples that are applied to historical or prospective financial information in order to derive an indication of value.

The resulting equity value was then allocated to each share class using an Option Pricing Model (“OPM”). The OPM allocates the overall company value to the various share classes based on differences in liquidation preferences, participation rights, dividend policy, and conversion rights, using a series of call options. After the common stock share value was determined, a discount for lack of marketability (“DLOM”) was applied to arrive at the fair value of the common stock shares on a non-marketable, minority basis. A DLOM is applied in order to reflect the lack of a recognized market for a closely held interest.

For valuations after the completion of our IPO, the fair value of each share of underlying common stock will be determined based on the closing price as reported on the date of grant on the primary stock exchange on which our common stock is traded.

JOBS Act

The JOBS Act permits an “emerging growth company” such as us to take advantage of an extended transition period to comply with new or revised accounting standards applicable to public companies. We have elected to use this extended transition period under the JOBS Act until the earlier

of the date we (i) are no longer an emerging growth company or (ii) affirmatively and irrevocably opt out of the extended transition period provided in the JOBS Act. As a result, our financial statements may not be comparable to companies that comply with new or revised accounting pronouncements as of public company effective dates.

We will remain an emerging growth company until the earliest to occur of: (i) the last day of the fiscal year in which we have total annual gross revenues of $1.07 billion or more; (ii) the last day of our fiscal year following the fifth anniversary of the date of the closing of this offering; (iii) the date on which we have issued more than $1.0 billion in nonconvertible debt during the previous three years; and (iv) the date on which we are deemed to be a “large accelerated filer” under the Exchange Act (i.e., the first day of the fiscal year after we have (a) more than $700.0 million in outstanding common equity held by our non-affiliates, measured each year on the last business day of our most recently completed second fiscal quarter, and (b) been public for at least 12 months).

Internal Control Over Financial Reporting

Our management is responsible for establishing and maintaining adequate internal control over financial reporting. Internal control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements in accordance with GAAP. Because of its inherent limitations, internal control over financial reporting may not prevent or detect misstatements.

During the audit of our financial statements, we identified a material weakness in our financial close and reporting process. Specifically, that process was not adequately designed, documented, and executed to support the accurate and timely reporting of the company’s financial results with respect to complex, non-routine transactions, such as business combinations. Consequently, we inappropriately accounted for the THP Transaction in 2019, including as to certain tax benefits and the allocation of transaction costs across periods. Our audited financial statements that are a part of this prospectus, now present the THP Transaction in accordance with GAAP.

Under standards established by the Public Company Accounting Oversight Board, a material weakness is a deficiency, or combination of deficiencies, in internal control over financial reporting such that there is a reasonable possibility that a material misstatement of our annual or interim financial statements will not be prevented or detected and corrected on a timely basis. We are working to remediate the material weakness and are taking steps to strengthen our internal control over financial reporting by working to hire accounting employees and/or consultants with specific technical accounting experience necessary to assist with complex, non-routine transactions. However, we cannot assure you that these measures will significantly improve or remediate the material weakness identified. As of March 31, 2021, the material weakness had not been remediated.

The actions that we are taking are subject to ongoing executive management review and will also be subject to audit committee oversight. If we are unable to successfully remediate the material weakness, or if in the future, we identify further material weaknesses in our internal control over financial reporting, we may not detect errors on a timely basis and our financial statements may be materially misstated.

Recent Accounting Pronouncements

A description of recent accounting pronouncements that may potentially impact our financial position, results of operations or cash flows is disclosed in Note 2 to our financial statements included elsewhere in this prospectus.

Qualitative and Quantitative Disclosures About Market Risk

We are a smaller reporting company, as defined by Rule 12b-2 of the Exchange Act, and therefore are not required to provide this information.

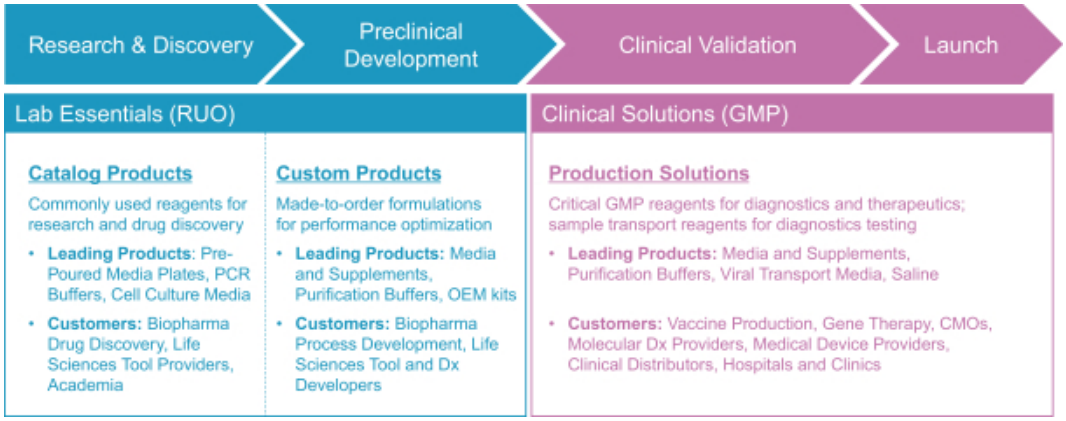
BUSINESS

Overview

We are a leading provider of critical reagents that enable the discovery, development and production of biopharmaceutical products such as drug therapies, novel vaccines, and molecular diagnostics. Our 3,000 active customers span the continuum of the life sciences market, including leading pharmaceutical and biotechnology companies, contract development and manufacturing organizations, *in vitro* diagnostics franchises, and academic and government research institutions. Our company is built around proprietary development and manufacturing processes that are highly adaptable and versatile. These proprietary processes enable us to manufacture and deliver high quality, custom, made-to-order products on a short turnaround time and at scale, across all stages of our customers' product development, including commercialization.

We have substantial expertise in manufacturing customer-specified formulations and have demonstrated the ability to manufacture and deliver our products to customers quickly. Due to our expertise in supply chain management, chemical formulation, and QC, developed over more than two decades, we are typically able to move a new custom product into production in less than one week from order receipt. This allows our customers to potentially receive their products in weeks as compared to months from alternative suppliers employing traditional production environments. Our processes are designed to handle a diverse array of customer-requested inputs, which vary by volume, chemical formulation, quality specifications, container types, and transportation requirements, enabling broad use of our products across the full scope of the life sciences market.

Our proprietary capabilities and products underpin the value we provide to customers across their product development and commercialization activities, allowing us to scale with our clients as they grow, supporting their need for materials in greater volume and increasingly stringent regulatory requirements. We offer three primary product types: pre-poured media plates for cell growth and cloning, liquid cell culture media and supplements for cellular expansion, and molecular biology reagents for sample manipulation, resuspension, and purification. Our products are typically introduced to customers in the discovery phase of development, where off-the-shelf (stock) formulations are used for initial experimentation. As customers' product development progresses and they advance to requiring products with improved performance, increased volumes, and that are capable of meeting certain GMP regulatory requirements, they routinely go on to order high value, made-to-order and GMP-grade products. We believe the highly bespoke nature of our portfolio makes us a critical, trusted supplier to our customers.



Due to the extensive validation required for these custom products, our customers frequently integrate them as components into the lifecycle of their own products and, we believe, are therefore unlikely to substitute Teknova's components with alternatives. As a result, our customer relationships typically span many years and help drive recurring business. Moreover, we are committed to delivering high levels of customer satisfaction through continued investment in our customer service, infrastructure, quality systems and manufacturing processes. Since 2018, we have achieved an annual customer retention rate of approximately 97% for customers purchasing more than $10,000 yearly, which customers account for just over 12% of our customer base and more than 88% of our average annual revenue during that period. We believe the Teknova brand is well established in the life sciences industry as a result of our track record of delivering high quality, custom products and providing superior customer service.

We participate in multiple market segments because customers use our products across the life sciences, including in high growth areas like cell and gene therapy research, development, and production. We believe our prospects for growth will also benefit from developments in other fields, including the validation of mRNA vaccines and their possible use in therapies, continued significant investment in synthetic biology, and growing interest in molecular diagnostics and genomics. Based on industry consultants and our internal estimates, we believe our TAM opportunity in 2020 was approximately $8.2 billion and expect that our addressable market to grow at a 9.7% CAGR to $11.9 billion by 2024. Our internal estimates reflect our judgments about, among other things, future economic, competitive, regulatory and market conditions, and our future business decisions, all of which are inherently subject to significant uncertainties and contingencies, including, among others, the risks and uncertainties described under the sections entitled "Risk Factors" and "Cautionary Note Regarding Forward-Looking Statements."

The investment capital raised by companies developing and commercializing cell and gene therapies increased from $9.8 billion in 2019 to $19.9 billion in 2020, according to the Alliance for Regenerative Medicine. Based on third party research, the global market for cell and gene therapies is expected to grow from $2.3 billion in 2020 to $45.4 billion by 2026. As a supplier to more than 65 leading cell and gene therapy organizations, we are well positioned to benefit from the rapid growth in this market through our high quality, custom, made-to-order products.

Unlike conventional small molecule or protein drugs such as antibodies, many cell and gene therapies require bacterially produced DNA plasmids for their production. Nucleic acid therapeutics, such as the mRNA vaccines recently introduced to prevent coronavirus infections, are another category of products requiring bacterial production. While sharing some similarities with mammalian bioproduction used for antibodies and other protein therapeutics, bacterial production relies on different processes, reagents and knowhow. Teknova is a leading provider of research and GMP-grade bacterial cell culture media and specialized chromatography solutions, which we believe positions us especially well to capture share in the high-growth cell and gene therapy markets.

We believe the key industry factors that will drive our growth include:

- the central role that bacterial cell culture plays in producing plasmids, an essential ingredient in cell and gene therapy bioproduction;
- the complexity of, rapidly evolving, and customer-proprietary methods for viral purification, which require new, customized research and GMP-grade chromatography formulations to increase viral production efficiency, yield and purity;
- the growing demand for a single, adaptable, end-to-end provider that can offer both RUO as well as GMP-grade, custom, made-to-order products with short turnaround times;

- the importance of GMP-grade products in a highly scrutinized development and manufacturing process, with a variety of complex and stringent regulatory requirements; and
- the need for suppliers capable of scaling the volume of product up and down, readily shifting with customers' needs.

The nature of many of our products and their uses require that they be manufactured by highly trained personnel in contamination-controlled environments, following exacting procedures to ensure quality. We manufacture our products at our facilities in Hollister, California, which were purpose-built to address our customers' needs for custom-made, research or GMP-grade input components.

We recorded net sales of $9.1 million, a net loss of $0.7 million, and Adjusted EBITDA of $0.0 million for the three months ended March 31, 2021. We generated revenue growth of approximately 49% for the three months ended March 31, 2021 as compared to the same period in the prior year. During the twelve months ended December 31, 2020 we recorded net sales of $31.3 million, net income of $3.6 million, and Adjusted EBITDA of $7.0 million. Also during that period, our revenue grew approximately 51% compared to the twelve months in the combined predecessor and successor periods of 2019. Revenue of approximately $0.9 million and $4.3 million in the quarter ended March 31, 2021 and the year ended December 31, 2020, respectively, from sales of our sample transport medium, a product used to aid in the transport of COVID-19 test samples, contributed to our growth in each such period and helped to offset decreased spending by some of our customers during the early stages of the pandemic. For the definitions of Adjusted EBITDA, and a reconciliation of Adjusted EBITDA to net income or loss, see the sections titled "—Summary Historical Financial and Other Data" and "Management's Discussion and Analysis of Financial Condition and Results of Operations—Non-GAAP Financial Measures."

Our Portfolio

Our products are used across all stages of biopharmaceutical and diagnostic development workflows from discovery to commercialization. Our products include essential formulations for common research applications and highly customized formulations for customer-specific applications in genomics and bioproduction. Our customers also use our GMP-grade products as components in diagnostic kits and in the production of therapeutics. In addition, in 2020, we developed and commercialized a suite of sample collection and transport reagents to aid in sample processing for COVID-19 testing.

Business Lines

We have three primary business lines: Lab Essentials, Clinical Solutions, and Sample Transport. Our products across all stages of development, from early research through commercialization.

Lab Essentials

We are a leader in providing highly complex chemical formulations for use in biological research and drug discovery. Our core research products consist of commonly used made-to-stock solutions and customer-specified formulations. During discovery, our products are used regularly in small, bench-scale experiments. As customers optimize their processes and begin to scale up in volume, they tend to order more custom products. The Lab Essentials portion of our business includes: pre-poured media plates for cell growth and cloning, liquid cell culture media and supplements for cellular expansion, and molecular biology reagents for sample manipulation, resuspension, and purification. Our research products include essential formulations for common research applications and highly customized formulations for customer-specific applications in genomics and bioproduction. For the year ended December 31, 2020, our Lab Essentials business contributed approximately 70% of our total revenue.

GMP-Grade Products: Clinical Solutions and Sample Transport

We have two product lines manufactured under GMP: Clinical Solutions, which are custom clinical products for bioproduction and molecular diagnostics; and Sample Transport, which are products developed for sample collection and transport.

Clinical Solutions

In 2017, we achieved ISO 13485:2016 certification, enabling us to meet the QSR of products for use in diagnostic and therapeutic applications. We believe our Clinical Solutions products are used in the production of mRNA vaccines, protein therapies, gene therapies and diagnostic kits. Since offering GMP-grade products, we have achieved substantial growth in the number of customers seeking these products annually. For the year ended December 31, 2020, our Clinical Solutions business contributed approximately 15% of our total revenue.

Sample Transport

During 2020, due to the onset of the COVID-19 pandemic and the resulting increase in global demand for transport medium, we developed and commercialized sample transport medium for use in COVID-19 sample collection and transport. In 2020, over the course of four months, we designed and implemented custom automation to manufacture Sample Transport products in high throughput under GMP quality standards, producing more than 200,000 units of transport medium per week. Our end-to-end manufacturing automation developed in 2020 provides us with a new capability for high volume GMP-grade production, which we expect will be useful in molecular diagnostics and bioproduction in the future. For the year ended December 31, 2020, our Sample Transport business contributed approximately 14% of our total revenue.

Product Types

We have three primary product types: pre-poured media plates for cell growth and cloning, liquid cell culture media and supplements for cellular expansion, and molecular biology reagents for sample manipulation, resuspension, and purification.

Pre-poured Media Plates

We have an extensive selection of standard and specialty pre-poured media plates for a wide variety of applications including bacteria, fungi, and nematode growth. Pre-poured media plates, also referred to as agar plates, are the industry standard for growing microorganisms. The agar contains nutrients for the microorganism to grow and often contains compounds, such as antibiotics, to identify and select for microorganisms of interest. Microbes are spread on agar media to produce colonies, which are identical sets or clones of the original microorganism. The use of media plates is essential in the drug development process as it enables scientists to perform discovery experiments, express proteins, or select cells for further expansion, and monitor the sterility of a bioproduction environment. Our ability to manufacture specialty pre-poured media plates across a wide range of formulations and plate formats makes them suitable for the most complex biological experiments and high throughput robotic applications. We manufacture and QC an average of approximately 8,000 standard and specialty plates per day through our proprietary automation dispensing technologies, processes for contamination control, and enhanced QC tests for measuring sterility and performance. As a result of our ability to produce high performance pre-poured media plates in a number of different formats and formulations, we believe we are a leading provider of pre-poured media plates for academic research and drug development.

Cell Culture Medium and Supplements

Cell culture media and supplements are used to expand, or grow, a particular cell of interest under controlled conditions. Cell culture medium is composed of essential nutrients, such as amino acids and carbohydrates, growth factors, and hormones. To maintain the cells in culture, supplements (such as growth factors and sugars) are added to the culture over time. Expansion of cell lines is fundamental to production of enzymes, antibodies, vaccines, and protein therapeutics. Different cells, based on species of origin or cell type, differ in the nutrients required for efficient growth. The ability to customize cell culture media and supplements for a specific cell line is necessary to optimize bioproduction purity and yield. Given our customers' desire to optimize cell culture processes early in development, combined with our ability to offer low production volumes for custom formulations and readily scale in production volume over time, we believe we are a critical supplier for cell culture development and optimization. In addition, we are a leader in providing bacterial cell culture media and supplements, which are a critical input into mRNA vaccine and gene therapy production processes.

Molecular Biology Reagents

Molecular biology reagents are a cornerstone of biological research, molecular diagnostics, drug development, and bioproduction. Molecular biology reagents are used routinely for a wide variety of applications, including, but not limited to: washing samples; resuspending samples; purifying nucleic acids or proteins; analyzing samples, cell lysis, and sample management. We offer thousands of Stock Keeping Units (SKUs) in varying packaging sizes, simplifying widely used biological protocols for our customers. As customers begin to scale production volumes and require increased manufacturing precision, customers frequently seek to specify formulations and product packaging requirements—areas we specialize in providing—to achieve their goals of increasing product performance and realizing manufacturing efficiencies.

Competitive Strengths

Expertise in Complex Custom Chemical Formulation Manufacturing

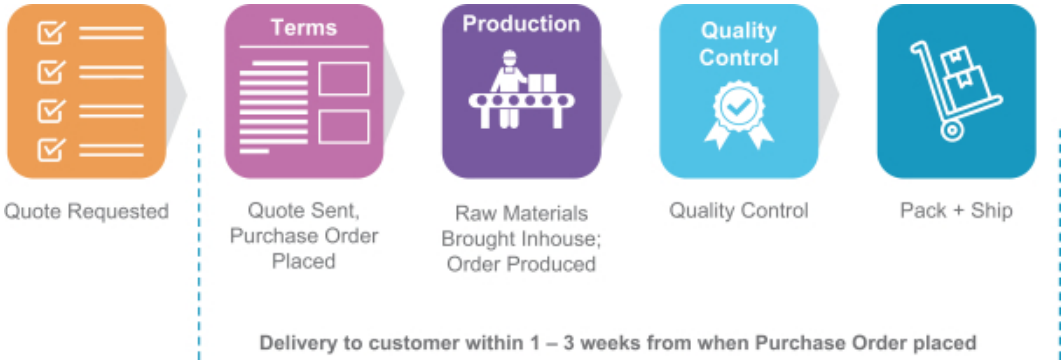
We work closely with our customers to provide highly customized formulations across a variety of workflows. Our customers routinely specify the raw material source, chemical composition, packaging, labeling, and QC specifications required for their desired product. Through two decades of capital investment and process optimization, we have created a production system designed to develop and manufacture customer-specified formulations, which we believe enables us to produce and QC custom products faster than our competitors. We utilize our proprietary chemical formulation and production knowhow, supported by a product database consisting of the formulations of thousands of previously made products. This database, along with our tenured staff, allows us to quickly determine the optimal production process and meet the associated complexity requirements for custom orders. We believe our ability to rapidly customize has led to significant adoption of our products.

Quality and Regulatory Expertise Drives Deep Customer Relationships

The life sciences industry is subject to rigorous regulatory scrutiny in areas such as quality, reliability, and performance. Our customers rely on us to meet these high standards while also facilitating the development of novel, innovative products. During the early stages of product development, we manufacture formulations specified by our customers to aid in the optimization of therapeutic or diagnostic production processes. Our customers frequently validate these custom-made research and GMP-grade components into their production processes. Our extension of these processes through GMP production allows our customers to remain with us as a single supplier, as they scale up from research to commercial production. As a result of the extensive validation and regulatory requirements required for these therapeutic and diagnostic products, we believe these components are often used for the life of a product, as evidenced by our customer retention rates. We are focused on developing and fostering long-term relationships with our customers, which has resulted in increased purchasing volumes from our customers over time.

Industry Leading Delivery Time for Custom Products

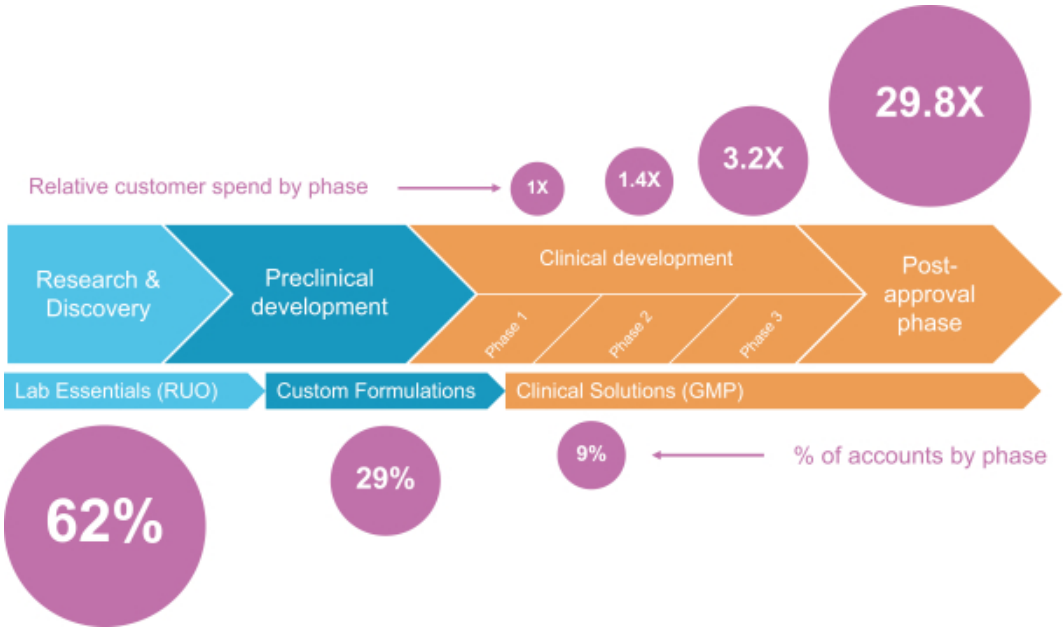
Our operations, built upon our proprietary manufacturing processes developed over the past 20 years, enables adaptable, versatile, and rapid production of complex chemical formulations. Our production process is designed to handle diverse inputs in volume and product type, allowing us to deliver custom, made-to-order products for our clients broadly across the life sciences industry. We seek to collaborate with our customers to gain visibility into their product development and purchasing requirements and are positioned to react quickly to meet their needs. Due to our expertise in supply chain management, product creation, chemical formulation, and QC, developed over more than two decades, we are typically able to move a new custom product into production in less than one week from order receipt. In addition, we can provide custom solutions at low minimum volumes and increase in scale by 100-fold within the same production environment. This allows our customers to potentially receive their products in weeks rather than months compared to other suppliers employing traditional production environments. We ship 90% of our custom products less than three weeks from order placement.



Well Positioned in Rapidly Evolving Cell and Gene Therapy Market

We work closely with our cell and gene therapy customers to provide customized, made-to-order formulations across a variety of workflows. Our products are critical components frequently used in the research and development of cell and gene therapy derived pharmaceuticals and vaccines. In particular, we are a leading provider of research and GMP-grade bacterial cell culture media and specialized chromatography solutions—reagents required for plasmid and therapeutic nucleic acid production—which we believe positions us especially well to capture share in these growing markets.

A report commissioned by us predicts that, compared to their spending during phase 1 clinical trials, average spend by customers developing cell and gene therapies will increase by 1.4 times during phase 2 trials, 3.2 times during phase 3 trials and 29.8 times during commercial production, following FDA approval. Our data shows that in calendar year 2020, of the more than 65 of our customers who are active in cell and gene therapy development, 62% of them purchased solely catalog products from us, 29% purchased at least one custom product, and 9% purchased at least one GMP-grade product. We therefore believe that we are well-positioned to increase our average revenue per-customer attributable to organizations active in cell and gene therapy development as their therapies move through the FDA approval process and they purchase more GMP-grade products from suppliers such as Teknova. Combined with our existing strengths and planned investments in areas valued by developers of cell and gene therapies, which we discuss elsewhere in this prospectus, we will therefore aim to significantly increase our overall revenue from sales to customers active in cell and gene therapy in the years ahead.



Source: Fletcher Spaght Growth Report, a report commissioned by us

Experienced Leadership and Talented Workforce

Our senior management team has deep experience across the life sciences, diagnostics and biopharmaceutical market segments and has more than 80 years of collective experience in these segments. Our senior management team has served in numerous leadership roles at both large, multinational organizations, and small growth companies. Our employees, a number of whom have been with us for over a decade, provide tailored support, guidance and service for our customers. We believe the quality of our personnel is critical to our ability to maintain collaborative, long-standing relationships with our customers.

Our Markets

We participate in multiple market segments, because customers use our products across the life sciences, including in high growth areas like cell and gene therapy research, development, and production. We believe our prospects for growth will also benefit from developments in other fields, including the validation of mRNA vaccines and their possible use in therapies, continued significant investment in

synthetic biology, and growing interest in molecular diagnostics and genomics. Based on industry consultants and our internal estimates, we believe our TAM opportunity in 2020 was approximately $8.2 billion and expect that addressable market to grow at a 9.7% CAGR to $11.9 billion by 2024. While our primary addressable market is life sciences, our TAM opportunity does include some adjacencies, which we support, including food, agriculture, environmental sciences and synthetic biology. This market opportunity is split between pre-poured media plates, liquid cell culture media and supplements, and molecular biology reagents. Within these market segments, we benefit from favorable industry dynamics placing a premium on customized products, high quality and short turnaround times. The key factors driving the growth in our market opportunity include the rapid growth in cell and gene therapy, an increase in use of mRNA vaccines and therapies, and an increase in molecular diagnostics and genomics.

The following are some of the other factors benefiting our core markets:

- **Favorable R&D Funding.** Investment in R&D activities in the life sciences sector is rapidly increasing. Further, we expect pharmaceutical companies to continue to outsource R&D activities as they focus on process efficiency. As a supplier of critical reagents that enable the discovery, research, development and production of biopharmaceutical products such as drug therapies, novel vaccines, and molecular diagnostics, we expect to benefit from these favorable R&D dynamics.
- **Development of New Therapeutic Modalities.** Increased innovation and R&D activity in our addressable markets is driving the development of a plethora of new therapeutic modalities. Further, we expect much of the R&D activity geared toward COVID-19 to shift more broadly over time to other vaccines and therapeutic areas.
- **Favorable Demographic Trends.** We believe the global demand for healthcare is significantly increasing due to factors such as aging populations, better access to healthcare systems and care, and an increased occurrence of chronic illness.
- **Global Expansion Opportunities.** We expect favorable R&D funding, the development of new therapeutic modalities, and favorable demographic trends to apply globally. We believe this presents attractive expansion opportunities in the global market. For example, according to industry consultants and management estimates, we believe our TAM opportunity in Europe will grow from $2.7 billion in 2020 to $3.7 billion by 2024.

Total Addressable Market Opportunity by Segment

	2020 Size ($B)	2024 Size ($B)	2020 – 2024 CAGR
Drug Discovery	$ 1.3	$ 1.8	8.7%
Bioprocessing	$ 4.3	$ 6.6	11.2%
Academic & Government Research	$ 1.9	$ 2.6	8.0%
Other	$ 0.6	$ 0.8	6.7%
Total	**$ 8.2**	**$ 11.9**	**9.7%**

Source: March 2020 SDI (“Strategic Directions International”) Research Report, a report commissioned by us.

In addition to our core markets, we believe there are additional factors driving our key growth markets, including:

Rapid Growth in Cell and Gene Therapy

As a supplier to more than 65 leading cell and gene therapy organizations, we are well positioned to benefit from the rapid growth in this market through our high quality, custom, and made-to-order products. The investment capital raised by companies developing and commercializing cell and gene therapies increased from $9.8 billion in 2019 to $19.9 billion in 2020, according to the Alliance for

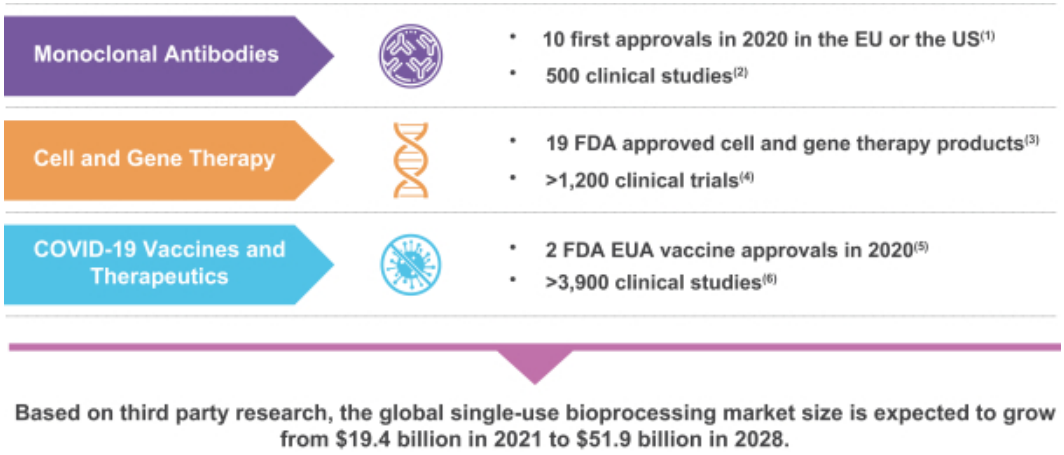
Regenerative Medicine. Further, based on third party research, the global cell and gene therapy market is expected to grow from $2.3 billion in 2020 to $45.4 billion by 2026. Factors driving this growth include an increasing incidence of cancer and other chronic diseases, a rising number of clinical trials, increased funding and investments in cell and gene therapy, a favorable regulatory environment and FDA approvals for cell and gene therapy products.

We support the development of these therapies by providing customer-specified chemical formulations for bioprocessing, scale-up, and commercialization. Bacterial cell culture and supplements are used early in the product development cycle. We believe our product portfolio and our expertise in custom formulations allows us to work closely with our customers at their early stages of development to optimize production processes for their particular therapy, and then readily scale as the customer's needs evolve, allows us to play an integral role in therapeutic development and, ultimately, commercialization. We believe that because our products are often customized for a specific therapy and validated, it is unlikely these customers would switch suppliers once the therapy enters clinical trials.

Increasing Use of mRNA Vaccines and Therapies

According to third party research, the global mRNA vaccines and therapeutics market is expected to grow from $1.9 billion in 2019 to $6.2 billion by 2025. As a leader in bacterial cell culture media and supplements, we are a supplier to this market today and are well positioned to benefit from the increasing use of mRNA vaccines and therapies. We believe the demand for mRNA will continue to increase and therefore drive the need for more customized, research and GMP-grade bacterial cell culture media and associated formulations. The short development timeline and proven effectiveness of the COVID-19 mRNA vaccines have demonstrated the promise of mRNA therapies. The production process for mRNA requires the use of bacteria for plasmid production and a substantial number of chemical formulations for producing, purifying, and re-suspending nucleic acid sequences.

Further, the below graphic illustrates the momentum in key bioprocessing technology end markets that we believe will continue to remain robust. As a provider of customer-specified chemical formulations for bioprocessing, we expect to benefit from this momentum.



Increase in Molecular Diagnostics and Genomics

According to third party research, the global molecular diagnostics market is estimated to grow from $14.1 billion in 2020 to $18.0 billion by 2024, while the global genomics market is expected to

grow from $23.5 billion in 2021 to $62.9 billion by 2028. The size of the diagnostics market segment increased significantly in 2020 due in part to the demand for COVID-19 testing kits. This growth drove demand for our GMP-grade molecular biology reagents for inclusion as components in these testing kits. In addition, high growth diagnostics and genomic market leaders use our formulations as components in their kits and leading providers in market segments such as spatial transcriptomics, single cell sequencing, and liquid biopsy use our products routinely.

Our Strategy

Our goal is to provide our customers the products necessary to accelerate their therapeutic development efforts, from basic research to commercialization of drugs that improve human health. The key elements of our business strategy to achieve this goal include:

Increase Integration of Our Products into Our Customers' Workflows

Building long-term partnerships and embedding our products within our customers' key workflows are at the core of our strategy. During the early stages of product development, we manufacture formulations specified by our customers to aid in the optimization of therapeutic or diagnostic production processes. Our customers validate these custom-made research and GMP-grade components into their production processes, and because of the extensive validation required for these therapeutic and diagnostic products, we believe these components are often used for the life of a product, as evidenced by our customer retention rates. As customers move from stock to custom and, ultimately, to clinical production, their total expenditure increases. Based on our cumulative purchase data from 2018 to 2020, excluding purchase data relating to sample transport medium, our customers that purchased our custom products, which represented approximately 9% of our total customers over the period, spent approximately 19 times more on average per account with us than those that solely purchased catalog products, which represented approximately 90% of our total customers over the period. Over the same period, our customers that purchased our GMP-grade products, which represented fewer than 1% of our total customers over the period purchased 262 times more per account with us than those that solely purchased catalog products and approximately 14 times more than those that purchased catalog and custom research-grade products.

Provide Superior Customer Service Through Operational Excellence

We are committed to providing superior customer service and fulfilling the expectations of our customers by making the investments required to develop our existing operational excellence. For example, we designed and implemented a high throughput, flexible fill and finish line for transport medium and other diagnostics products in less than four months, with the ability to increase GMP production volume from 200,000 units per week to approximately one million units per week. We intend to extend our rapid custom production capability by further investing in automation, facilities and infrastructure to substantially increase the manufacturing capacity at our facilities, improve operating efficiency, and reduce delivery time for our custom research and GMP-grade products. We have recently expanded our footprint from 64,000 square feet to approximately 137,000 square feet and expect to expand our total production capacity by five-fold over the course of the next two years. We believe these investments will allow us to continue to exceed our customers' expectations in quality and delivery time and enable us to maintain lasting relationships with our customers as they advance their products through key phases of product development.

Expand R&D and Commercial Scale to Establish Leadership in High Growth Market Segments

Over the past two decades, we focused almost entirely on developing and enhancing the operational and service aspects of our business, with limited investment in our commercial organization and R&D. Beginning in 2021, we implemented a long-term plan of substantial investment in our marketing, sales, R&D and technical support capabilities. We believe this investment will enable us to increase our brand awareness, develop new products and services, and attract new customers.

Our initial focus is on the high growth gene therapy and nucleic acid therapeutic market segments, building upon our current cell and gene therapy customer base. These segments require delivery of custom-made formulations, on short turnaround times, that scale to production for clinical use. In addition, we intend to build viral and nucleic acid bioproduction expertise within the company, and a scientific field presence to provide new services and support models for our target customers. We are focused on bringing differentiated technologies to market that enable improved processes and efficiencies in gene therapy and nucleic acid bioproduction. Through these efforts, we aim to onboard new gene therapy and mRNA therapeutic customers and support existing customers when they migrate from research to GMP-grade products.

Selectively Expand in Geographies with Attractive Growth Potential

In 2020, more than 95% of our total revenue was generated within the United States. We believe a substantial opportunity exists to expand our geographic reach into markets outside of the U.S. that offer strong opportunities for growth, including Europe, which represents a $2.7 billion addressable market. Based on our knowledge of the industry, we believe the local supply base in Europe is not able to produce customer-specified formulations with the diversity and at the scale necessary to satisfy the corresponding demand, with the short turnaround times customers will expect. We also believe there is significant opportunity for our high quality, custom products in Europe, driven by increasingly stringent quality and regulatory scrutiny. Therefore, in the near and medium terms, we intend to expand our addressable market and customer base by pursuing opportunities to grow either by developing new relationships with entities that can help us establish manufacturing capabilities or by acquiring existing operating businesses in Europe. We may opportunistically explore licensing agreements, collaborations, partnerships or acquisitions of organizations that align with our core values, strategy, customer service levels, and quality expectations. Finally, we intend to pursue opportunistic acquisitions in our existing and adjacent market segments within the U.S. to add capabilities and workflow solutions, as well as accelerate our entry into new markets and geographies.

Competition

We operate in a highly competitive environment with a diverse base of competitors, many of whom focus on specific regions, customers, and/or segments. Many of the companies selling or developing competitive products, which in some cases are also large customers, have greater financial and human resources, R&D, manufacturing and marketing experience than we do. They may undertake their own development of products that are substantially similar to or compete with our products and they may succeed in developing products that are more effective or less costly than any that we may develop. These competitors may also prove to be more successful in their production, marketing and commercialization activities. We also compete with other smaller, niche competitors and specialized companies that focus on certain areas.

Our Lab Essentials and Clinical Solutions products compete on the basis of delivery time, performance, and quality across numerous established large life science manufacturers such as Thermo Fisher, Millipore, Cytiva, Hardy Diagnostics, and Lonza. We are differentiated by our ability to offer customer-specified RUO and GMP formulations with short turnaround times, our Teknova brand reputation established over more than 20 years, and our scientific and technical expertise.

Our Sample Transport products compete against large diagnostic manufacturers, such as Becton Dickinson, Thermo Fisher, and Copan Diagnostics. Many of the companies have greater marketing and sales channels to diagnostic customers, strong brand recognition, and sell FDA-approved transport solution products validated for use in diagnostics.

Government Regulation

We provide products used for the development and commercialization of drug therapies, vaccines, and molecular diagnostics. The quality of our products is critical to researchers and biopharmaceutical

companies looking to develop novel vaccines and therapies, or who are engaged in preclinical studies and clinical trials, and for biopharmaceutical customers who use our products as input components or as part of their final device or product.

Biopharmaceutical and life sciences customers are subject to extensive regulation by the FDA, and by equivalent regulatory authorities in other countries, regarding the conduct of clinical trials and the commercialization of products for diagnostic and therapeutic purposes. The regulatory oversight of our customers necessitates that they impose rigorous quality requirements on us, as their supplier, through supplier qualification processes and customer contracts, including routine customer audits. We must maintain a compliant quality system, including records of our manufacturing, testing and control activities, and must be able to provide our customers with corresponding records on a periodic basis, upon their request. In addition, if any of our products were classified as “medical devices,” we would need to register them with FDA before they could be manufactured. Although we do not believe that any of our current products qualify as medical devices, we have voluntarily registered certain of them with the FDA; during such time as these products remain registered, we will comply with regulations applicable thereto. None of our other products are regulated by the FDA. We have not yet submitted any 510(k) authorization applications to the FDA, but we may submit an application in the second half of 2021 for an active transport medium product line.

Our facilities are subject to licensing and regulation, as appropriate, under federal, state and local laws relating to:

- quality systems;
- the surface and air transportation of chemicals, biological reagents and hazardous materials;
- the handling, use, storage and disposal of chemicals (including toxic substances), biological reagents and hazardous waste;
- the procurement, handling, use, storage and disposal of biological products for research purposes;
- the safety and health of employees and visitors to our facilities; and
- protection of the environment and general public.

A dedicated group responsible for quality, regulatory affairs and compliance, and safety manages our compliance and QC programs, including through the use of qualified outside consultants.

We have established a QMS to ensure that management has proper oversight of compliance and quality assurance. We perform periodic management reviews of our quality system to ensure that appropriate quality measures and controls are in place.

Research Products

We believe that our products that are marketed as RUO products are exempt from compliance with GMP regulations under the U.S. Federal Food, Drug and Cosmetic Act. RUO products cannot make any claims related to safety, effectiveness or diagnostic utility and they cannot be intended for human clinical diagnostic use.

In November 2013, the FDA issued Final Guidance for Industry and Food and Drug Administration Staff on “Distribution of In Vitro Diagnostic Products Labeled for Research Use Only or Investigational Use Only” (“the RUO/IUO Guidance”). The FDA guidance document provides the FDA’s current thinking on when *in vitro* diagnostic (“IVD”) products are properly labeled for RUO or for investigational use only (“IUO”). FDA guidance is issued by the FDA staff and does not establish legally enforceable responsibilities and should be viewed as recommendations unless specific regulatory or statutory requirements are cited. The RUO/IUO Guidance explains that the FDA will review the totality of the circumstances when evaluating whether equipment and testing components are properly labeled as

RUO. Merely including a labeling statement that a product is intended for research use only will not necessarily exempt the product from FDA regulation or oversight, if the circumstances surrounding the distribution of the product indicate that the manufacturer intends its product to be used for clinical diagnostic or therapeutic use. These circumstances may include written or verbal marketing claims or links to articles regarding a product's performance in clinical applications, a manufacturer's provision of technical support for clinical validation or clinical applications, or solicitation of business from clinical laboratories, all of which could be considered evidence of intended uses that conflict with RUO labeling. We believe that our products that are labeled "For Research Use Only" meet the intent of the RUO/IUO Guidance. We do not market those products for use in clinical, therapeutic or diagnostic settings. If the FDA were to determine, based on the totality of circumstances, that our products labeled and marketed for RUO are intended for diagnostic purposes, they would be considered medical products that will require clearance or approval prior to commercialization.

We do not make claims related to safety or effectiveness of the RUO only products, and they are not intended for diagnostic or clinical use. However, the quality of our products is critical to meeting customer needs and we therefore voluntarily follow the quality standards outlined by the International Organization for Standardization for this design. We have received certification to manufacture our products for clinical use under ISO 13485:2016.

Some biopharmaceutical customers desire custom products. Our customers may further process and validate these products for their applications. Customers qualify us as part of their quality system requirements, which can include a supplier questionnaire and on-site audits. Customers requalify us on a regular basis to ensure our quality system, processes and facilities continue to meet their needs and requirements outlined in relevant customer agreements.

Clinical Laboratory Improvement Amendments of 1988

Laboratories that purchase certain of our products are subject to extensive regulation under the Clinical Laboratory Improvement Amendments of 1988 ("CLIA"), which applies to all clinical laboratory testing performed on humans in the United States (with the exception of clinical trials and basic research). A clinical laboratory is defined by CLIA as any facility that performs laboratory testing on specimens obtained from humans for the purpose of providing information for health assessment or for the diagnosis, prevention, or treatment of disease. CLIA requires laboratories to meet specified standards in areas such as personnel qualifications, administration, participation in proficiency testing, patient test management, QC, quality assurance and inspections. Certification through the CLIA program is generally a prerequisite to be eligible to bill state and federal healthcare programs, as well as many private insurers, for laboratory testing services. As a condition of CLIA certification, laboratories are subject to survey and inspection every other year, in addition to being subject to additional random inspections. The biennial survey is conducted by the Centers for Medicare & Medicaid Services (CMS), a CMS agent (typically a state agency), or a CMS-approved accreditation organization. High complexity, CLIA-certified laboratories frequently develop proprietary testing procedures to provide diagnostic results to customers.

Environmental Laws and Regulations

We are subject to federal, state and local laws and regulations relating to the protection of human health and the environment. In the course of our business, we are involved in the handling, storage and disposal of certain chemicals and biohazardous waste. The laws and regulations applicable to our operations include provisions that regulate the discharge of materials into the environment. Some of these environmental laws and regulations impose "strict liability," rendering a party liable without regard to negligence or fault on the part of such party. Such environmental laws and regulations may expose us to liability for environmental contamination, including remediation costs, natural resource damages and other damages as a result of the conduct of, or conditions caused by, us or others or for acts that were in compliance with all applicable laws at the time such acts were performed. In addition, where

contamination may be present, it is not uncommon for neighboring landowners and other third parties to file claims for personal injury, property damage and recovery of response costs. Although it is our policy to use generally accepted operating and disposal practices in accordance with applicable environmental laws and regulations, hazardous substances or wastes may have been disposed or released on, under or from properties owned, leased or operated by us or on, under or from other locations where such substances or wastes have been taken for disposal. These properties may be subject to investigation, remediation and monitoring requirements under federal, state and local environmental laws and regulations.

We believe that our operations comply in all material respects with applicable environmental laws and regulations. However, failure to comply with these environmental laws and regulations may result in the imposition of administrative, civil and criminal penalties or other liabilities. Because the requirements imposed by such laws and regulations may frequently change and new environmental laws and regulations may be adopted, we are unable to predict the cost of compliance with such requirements in the future, or the effect of such laws on our capital expenditures, results of operations or competitive position.

Intellectual Property

Our success depends, in part, on our ability to obtain and maintain intellectual property protection for our products and trade secrets, to operate our business without infringing, misappropriating or otherwise violating the intellectual property rights of others, and to defend and enforce our intellectual property rights.

We rely on trade secrets, including know-how, confidential information, unpatented technologies and other proprietary information, to strengthen or enhance our competitive position, and prevent competitors from reverse engineering or copying our technologies. We maintain, as trade secrets, information relating to our current products and our products currently in development, as well as information related to our business strategy, client lists and business methods. However, trade secrets and confidential know-how are difficult to protect. To avoid inadvertent and improper disclosure of trade secrets, and to avoid the risks of former employees using these trade secrets to gain future employment, it is our policy to require employees, consultants and independent contractors to assign to us all rights to intellectual property they develop in connection with their employment with or services for us. We also protect our existing and developing intellectual property expressly through confidentiality provisions in agreements with third parties. There can be no assurance, however, that these agreements will be self-executing or otherwise provide meaningful protection for our trade secrets or other intellectual property or proprietary information, or adequate remedies in the event of unauthorized use or disclosure of such trade secrets or other intellectual property or proprietary information. We also seek to preserve the integrity and confidentiality of our trade secrets and other confidential information by maintaining physical security of our premises and physical and electronic security of our information technology systems. While we have confidence in the measures we take to protect and preserve our trade secrets, such measures can be breached, and we may not have adequate remedies for any such breach. In addition, our trade secrets may otherwise become known or be independently discovered by competitors.

We intend to pursue additional intellectual property protection to the extent we believe it would advance our business objectives, which may include objectives within and outside the United States. Despite our efforts to protect our intellectual property rights these rights may not be respected in the future or may be circumvented or challenged (and potentially invalidated) in a legal proceeding in any jurisdiction where we have intellectual property rights. In addition, the laws of various foreign countries may not afford the same protections or assurances to the same extent as the laws in the United States. See the section titled “Risk Factors—Risks Related to Our Intellectual Property” for additional information regarding these and other risks related to intellectual property.

Human Capital

As of March 31, 2021, we had 194 employees, of which 191 were full-time and three were part-time. This includes 112 employees in our production organization, 49 in administrative functions, 21 in sales and marketing and 12 in engineering and research and development. None of our employees are represented by a labor union or are subject to a collective bargaining agreement.

Our human capital resources objectives include, as applicable, identifying, recruiting, retaining, incentivizing and integrating our existing and additional employees. The principal purposes of our equity incentive plans are to attract, retain and motivate selected employees, consultants and directors through the granting of stock-based compensation awards.

Facilities

Our headquarters are located in Hollister, California, where we lease approximately 114,000 square feet of commercial, office, manufacturing and warehouse space at six separate locations in the same vicinity, which we refer to collectively as our Hollister campus. Our Hollister campus includes dedicated space for us to carry out product formulation and dispensing and manufacturing and packaging of our pre-poured media plates. The Hollister campus includes space used for sample transport production, QC, packaging, and storage of “retains” for QC purposes and 2,500 square feet of clean room space. Offices used to store our finished goods inventory, ship our products, and house our engineering and quality departments are also housed at our Hollister campus along with a receiving warehouse and raw materials storage. Our management offices, R&D/product development team and lab and our customer service and marketing groups are also located at the Hollister campus. We are expanding our Hollister campus to include additional manufacturing and clean room space.

We also lease approximately 23,400 square feet of warehouse space in Mansfield, Massachusetts under a lease that ends in August 2024. We lease this facility from Meeches LLC, a company controlled by Ted Davis, our founder and a current director and five percent stockholder of ours, as further described in “Certain Relationships and Related Party Transactions.” Our Mansfield warehouse allows us to offer shorter turn-around times to customers on the East Coast.

We believe that the facilities we currently lease are adequate to meet our needs for the immediate future, and that, should it be needed, additional space can be acquired or leased to accommodate future growth.

Legal Proceedings

From time to time, we may be involved in various legal proceedings and subject to claims that arise in the ordinary course of business. Although the results of litigation and claims are inherently unpredictable and uncertain, we are not currently a party to any legal proceedings the outcome of which, if determined adversely to us, are believed to, either individually or taken together, have a material adverse effect on our business, operating results, cash flows or financial condition. Regardless of the outcome, litigation has the potential to have an adverse impact on us because of defense and settlement costs, diversion of management resources, and other factors.

Indemnification and Insurance

Our business exposes us to potential liability including, but not limited to, potential liability for (i) breach of contract or negligence claims by our customers, (ii) non-compliance with applicable laws and regulations, and (iii) employment-related claims. In certain circumstances, we may also be liable for the acts or omissions of others, such as suppliers of goods or services.

We attempt to manage our potential liability to third parties through contractual protection (such as indemnification and limitation of liability provisions) in our contracts with customers and others, and

through insurance. The contractual indemnification provisions vary in scope and generally do not protect us against all potential liabilities, such as liability arising out of our gross negligence or willful misconduct. In addition, in the event that we seek to enforce such an indemnification provision, the indemnifying party may not have sufficient resources to fully satisfy its indemnification obligations or may otherwise not comply with its contractual obligations.

We require certain of our counterparties to maintain adequate insurance, and we currently maintain insurance coverage with limits we believe to be appropriate. The coverage provided by such insurance may not be adequate for all claims made and such claims may be contested by applicable insurance carriers.

MANAGEMENT

Executive Officers and Directors

Set forth below is certain biographical and other information regarding our directors and executive officers as of June 4, 2021.

Name	Age	Position(s)
Executive Officers		
Stephen Gunstream	42	President and Chief Executive Officer, Director
Matthew Lowell	51	Chief Financial Officer
Neal Goodwin	56	Chief Scientific Officer
Damon Terrill	51	General Counsel and Chief Compliance Officer
Lisa Hood	40	Chief People Officer
Non-Employee Directors		
Paul Grossman	60	Chairman of the Board
Irene Davis	61	Director
Ted Davis	63	Director
Alexander Herzick	40	Director
J. Matthew Mackowski	66	Director
Robert McNamara	64	Director
Brett Robertson	61	Director
Alexander Vos	58	Director

The following are brief biographies describing the backgrounds of our executive officers and directors.

Executive Officers

Stephen Gunstream has served as a director since September 2020 and as our President and Chief Executive Officer since May 2020, and served as our Chief Business Officer from December 2019 to May 2020. Mr. Gunstream has more than 20 years of sales, marketing, research and development and general management experience in the life sciences industry. From June 2015 to December 2019, Mr. Gunstream served in multiple roles at Becton Dickinson & Co. (“BD”) (NYSE: BDX), a global medical technology company, most recently as Vice President and General Manager of BD Biosciences where he was responsible for leading BD’s flow cytometry and genomics business. From 2008 to 2015, Mr. Gunstream served in multiple roles at Integrated DNA Technologies, Inc. (“IDT”), a leading supplier of custom nucleic acids, most recently as Chief Commercial Officer, where he was responsible for product development, global sales, and global marketing. Under Mr. Gunstream’s leadership, IDT took advantage of its core DNA manufacturing strengths and launched several highly innovative products that repositioned the company in the market, including the xGen Exome Panel and gBlocks Gene Fragments, the latter for which he was also named a co-inventor. Prior to IDT, Mr. Gunstream held multiple product development and business development roles with Applied Biosystems Inc. (now part of Thermo Fisher Scientific Inc.), a biomedical technology company, from 2001 to 2008. Mr. Gunstream received a bachelor’s degree in Biomedical Engineering from Northwestern University and an MBA from the Fuqua School of Business at Duke University. He is a named inventor on 10 issued patents and over 25 pending patents. We believe that Mr. Gunstream’s extensive experience in the life sciences industry and his demonstrated ability to identify and build innovative product lines in high-growth market segments, as well as his role as our President and Chief Executive Officer, provide him with the qualifications and skills to serve as a member of our board of directors and bring relevant strategic and operational guidance to our board of directors.

Matthew Lowell has served as our Chief Financial Officer since February 2021. Prior to joining Teknova, Mr. Lowell served as Vice President of Finance and Treasurer at Varex Imaging Corporation (NASDAQ: VREX), a medical device company, from January 2017 to February 2021 while also leading business development activity. Mr. Lowell also served as Vice President of Finance at Varian Medical Systems, Inc. ("Varian") (NYSE: VAR) from April 2013 to December 2016, prior to the spin-off of Varex Imaging Corporation from Varian in January 2017, with responsibility for financial planning and analysis as well as business development. Before joining Varian, Mr. Lowell spent over 10 years, from 2002 to 2013, at Abbott Medical Optics, Inc. and its predecessor, Advanced Medical Optics, Inc. in a variety of strategy, business development and finance roles. Mr. Lowell began his career in investment banking with positions at NationsBank, N.A in its Investment Banking division, Donaldson, Lufkin & Jenrette, Inc. and Credit Suisse First Boston. He holds a bachelor's degree in Economics from the University of North Carolina at Chapel Hill and a master's degree in Business Administration from the Kellogg School of Management at Northwestern University.

Neal Goodwin has served as our Chief Scientific Officer since December 2020. Before joining Teknova, Dr. Goodwin served as the Chief Scientific Officer for Machavert Pharmaceuticals, Inc. ("Machavert"), an oncology therapeutics biotechnology firm, from February 2018 to November 2020. Before joining Machavert, he served as Vice President of Corporate Research Development for Champions Oncology, Inc. (NASDAQ: CSBR), a contract research organization, from September 2013 to January 2018. While at Champions, he expanded a personalized medicine platform for translational oncology that was instrumental in the successful NASDAQ uplisting of CSBR. Prior to that, Dr. Goodwin served as the Director of Research and Development, Director of Business Development, and the founding Program Director of JAX Cancer Services from 2007 to 2013, where he established a patient-derived tumor translational biology program in collaboration with numerous National Cancer Institute-designated clinical cancer centers. Dr. Goodwin is also a co-founder of and served as Chief Scientific Officer of ProNAi Therapeutics, Inc. (now Sierra Oncology, Inc.) (NASDAQ: SRRA) from 2003 to 2007. He previously served as a senior research scientist in genomic technologies at Pharmacia Corporation from 2001 to 2003. Dr. Goodwin has received numerous patents and publications related to drug delivery, therapeutics, and translational biology. Dr. Goodwin holds a bachelor's degree in Microbiology from Weber State University and an MBA from Louisiana State University-Shreveport. Dr. Goodwin also received a Ph.D. in Microbiology from The University of Montana and served a National Institute of Health (F32) postdoctoral fellowship in functional genomics at The Jackson Laboratory.

Damon Terrill has served as our General Counsel and Chief Compliance Officer since August 2020. Prior to joining Teknova, Mr. Terrill held a number of leadership positions within the Office of the General Counsel ("OGC") of Rockwell Collins, Inc. ("Rockwell") now Collins Aerospace and an operating segment of Raytheon Technologies Corp. (NYSE: RTX) . Those roles included General Counsel for the Avionics business segment from February 2019 to August 2020, the OGC lead for the Interior Systems business segment from March 2016 to November 2018, and for the Commercial Systems business segment from March 2014 to March 2016. Before joining Rockwell, Mr. Terrill served as Senior Vice President and General Counsel, International & Capital Markets, of IDT from January 2006 to December 2013. Prior to IDT, Mr. Terrill was an attorney-adviser at the U.S. Department of State in Washington, D.C. from 2002 to 2005, and an associate with Clifford Chance LLP in Washington, D.C. from 1999 to 2002. Mr. Terrill holds a bachelor's degree in Political Science from the University of Iowa, a master's degree in International Affairs from the School of International Service, American University, and a J.D. from the New York University School of Law. Mr. Terrill is admitted to practice law in the State of New York, the District of Columbia, and the State of Iowa.

Lisa Hood has served as our Chief People Officer since December 2020. Prior to joining Teknova, Ms. Hood served as Chief People Officer at Calysta, Inc. an alternative protein startup, from April 2020 to November 2020. Ms. Hood has also served in a variety of human resources roles for BD, a global

medical technology company, most recently serving as Vice President of Human Resources from July 2018 to April 2020, as Worldwide Senior Human Resources Director from February 2017 to July 2018, both for BD Biosciences, as Worldwide Senior Human Resources Director for Preanalytical Systems from June 2016 to February 2017, and as European Human Resources Business Partner from November 2014 to June 2016. Ms. Hood joined BD as Human Resources Business Partner in 2009 and remained with the company for over 10 years. At BD Biosciences, Ms. Hood was responsible for setting and delivering the people strategy for a 3,500-employee global business unit encompassing all business functions including research and development, manufacturing and sales and marketing. Among her various responsibilities, at BD Biosciences she drove significant cultural change, managed the due diligence and subsequent integration of several acquired companies and supported the implementation of a global workforce management platform. Before BD, Ms. Hood held roles at Barclays supporting its Corporate Functions, from February 2006 to June 2009, and Unilever, a consumer goods company, as a recruitment specialist, from 2005 to 2006. Ms. Hood holds a bachelor's degree in Psychology from the University of Nottingham in the United Kingdom and Post-Graduate Diplomas in Personnel and Development from the Chartered Institute of Personnel and Development (CIPD) and Forensic Psychology from the University of Coventry.

Non-Employee Directors

Paul Grossman has served as a director since January 2019 and has been a Partner of Telegraph Hill Partners, a venture capital firm that takes an active role in developing technology-based growth companies in the life sciences, medical device and healthcare industries, since February 2014. Dr. Grossman previously served as Senior Vice President of Corporate Development for Life Technologies Corporation (now part of Thermo Fisher Scientific Inc.), from November 2008 to February 2014, and for Invitrogen Corporation from May 2007 to November 2008. From 1982 to January 2007, Dr. Grossman held a variety of leadership roles at Applied Biosystems, including research scientist, patent attorney, Vice President of Intellectual Property and Vice President of Strategy and Business Development. During his tenure at Life Technologies Corporation and its predecessor companies (Invitrogen Corporation and Applied Biosystems), Dr. Grossman led the acquisition or divestment of more than 25 businesses and was responsible for an intellectual property portfolio of over 4,000 patents and licenses. Dr. Grossman currently represents Telegraph Hill Partners as a director of the following private portfolio companies: Agena Biosciences, Inc., Argonaut Manufacturing Services, Inc., Verogen, Inc., Specific Diagnostics, Inc. and Nimble Therapeutics, Inc. Dr. Grossman holds bachelor's and Ph.D. degrees in Chemical Engineering from the University of California, Berkeley, a master's degree in Chemical Engineering from the University of Virginia, and a J.D. from Santa Clara University School of Law. Dr. Grossman has authored numerous scientific publications and holds more than 20 U.S. patents. We believe Dr. Grossman is qualified to serve as a member of our board of directors based on his extensive experience in the areas of life science technology, law, intellectual property, corporate development and product development and service as a director of multiple portfolio companies of Telegraph Hill Partners.

Irene Davis has served as a director since 2015 and previously served as our Chief Operating Officer from October 2018 until her retirement in March 2021. Mrs. Davis also served in various roles at Teknova from 2008 until her appointment as Chief Operating Officer, including Vice President, Operations, Vice President Operations and Sales and Director of Production. Prior to Teknova, Mrs. Davis co-owned a general contracting business for 23 years. We believe Mrs. Davis is qualified to serve as a member of our board of directors based on her experience in the life sciences industry and her deep knowledge of the business and operations of Teknova.

Ted Davis founded Teknova in 1996 and has served as a director since our incorporation in California in May 2000. He previously served as our President and Chief Executive Officer until May 2020 and as our Chief Science Officer until his retirement in July 2020. Prior to Teknova, Mr. Davis served as Director of Consumables at Genomyx Inc., a DNA sequencing and functional genomics

instrument and consumables company, from 1994 to 1996, where he developed a line of DNA sequencing, purification, and Differential Display products. Mr. Davis is also the founder of Sensa, SA, an Italian company, where he led the research team in developing nicotine-free tobacco strains using antisense technology from 1991 to 1993. Before joining Sensa he worked as a scientist at AGS/DNA Plant Technologies, from 1985 to 1988, where he isolated novel antibiotics, and cloned herbicide resistance and decaffeination genes, and at Ribogene, Inc. from 1989 to 1990. Mr. Davis holds a bachelor's degree in Chemistry from California State University, Sonoma. We believe Mr. Davis is qualified to serve as a member of our board of directors based on his experience in the life sciences industry and the perspective and experience he brings as the founder and former President and Chief Executive Officer of Teknova.

Alexander Herzick has served as a director since January 2019 and has been a Partner of Telegraph Hill Partners, a venture capital firm that takes an active role in developing technology-based growth companies in the life sciences, medical device and healthcare industries, since June 2018. Prior to joining Telegraph Hill Partners in July 2009, he served as a Portfolio Manager at BlueMountain Capital Management, LLC (now Assured Investment Management), a privately owned diversified asset manager, from June 2005 to June 2007, and as Analyst in Investment Banking at Bank of America, N.A, in its Securities division, from June 2003 to June 2005. Mr. Herzick currently represents Telegraph Hill Partners as a director of the following private portfolio companies: Carterra, Inc., Argonaut Manufacturing Services, Inc. and Dynex Technologies, Inc. He also is a board observer at Agena Bioscience. Mr. Herzick holds a bachelor's degree in Economics from Duke University and an MBA with honors from Northwestern University's Kellogg School of Management. We believe Mr. Herzick is qualified to serve as a member of our board of directors based on his experience investing in healthcare technology growth companies, his educational training in finance and business and his service as a director of multiple portfolio companies of Telegraph Hill Partners.

J. Matthew Mackowski has served as a director since January 2019. Mr. Mackowski is Chairman and Managing Director of Telegraph Hill Partners, which he co-founded in 2001. Telegraph Hill Partners is a venture capital firm that takes an active role in developing technology-based growth companies in the life sciences, medical device and healthcare industries, and has invested in 39 companies across four institutionally-funded limited partnerships. Mr. Mackowski formed Mackowski & Shepler, the predecessor to Telegraph Hill Partners, in 1992 and over nine years took an active or founding role with eight companies, primarily in medical and life science technologies. Mr. Mackowski currently represents Telegraph Hill Partners as a director of the following private portfolio companies: Magstim, Inc., TrakCel Holding, Inc., and Emerging Therapy Solutions, Inc. Mr. Mackowski received a bachelor's degree from Duke University and an MBA from The Wharton School. We believe that Mr. Mackowski's experience in the life sciences and venture capital industries, his educational background and his service as a director of multiple portfolio companies of Telegraph Hill Partners provide him with the qualifications and skills to serve on our board of directors.

Robert E. McNamara has served as a director since June 2021 and has served as a member of the board of directors and as Chairman of the Audit Committee of Axonics, Inc. (NASDAQ: AXNX), a medical technology company, since November 2018, and as a member of the board of directors and as Chairman of the Compensation Committee of Xtant Medical Holdings, Inc. (NYSE: XTNT), a manufacturer and marketer of regenerative medicine products and medical devices, since February 2018. From 2012 to 2016, Mr. McNamara served as Executive Vice President and Chief Financial Officer of LDR Holding/Spine, Inc. (acquired by Zimmer Biomet), a global medical device company. From 2008 to 2012, Mr. McNamara served as a consulting Chief Financial Officer for a number of companies including a private medical device manufacturer, a public biotech company and a private nanotech company in the clean tech industry. From 2006 to 2009, Mr. McNamara served as a member of the board of directors of Northstar Neurosciences (NASDAQ: NSTR), a medical device company. From 2004 to 2008, Mr. McNamara served as Senior Vice President and Chief Financial Officer of

Accuray, Inc. (NASDAQ: ARAY), a radiation oncology company that develops, manufactures and sells tumor treatment solutions. Mr. McNamara holds a bachelor's degree in Accounting from the University of San Francisco and an MBA from The Wharton School of the University of Pennsylvania. We believe that Mr. McNamara's extensive experience as an executive and director in the medical device industry and his prior service as a senior-level executive of medical device companies qualifies him to serve on our board of directors.

Brett Robertson has served as a director since June 2021. She is the Chief Financial Officer of Vineti, Inc., a software-as-a-service platform for personalized therapies, where she has served since February 2020. Since September 2016, she has been a member of the advisory board of AtlasMedx, Inc., a clinical stage biopharmaceutical company advancing targeted therapeutics that modulate anti-tumor pathways. From August 2016 to January 2019, Ms. Robertson served as the Chief Executive Officer of CureSeq, Inc., a company that develops and markets molecular diagnostics tests. From 2010 to 2016, Ms. Robertson served as the Chief Business Officer and General Counsel of Invuity, Inc. (IPO 2015) which was then acquired by Stryker Corporation (NYSE: SYK)), a leading medical device technology company. From 2008 to 2010, Ms. Robertson was a venture partner at Leavitt Covington Ventures, LLC, a venture capital firm investing in software and technology, where she represented investors on multiple boards of directors to strategize and implement growth initiatives. Ms. Robertson served as Senior Vice President and General Counsel of StubHub, Inc. from 2006 to 2007, Executive Vice President and General Counsel of Ask Jeeves, Inc. from 2002 to 2005, Vice President of Strategic Development and General Counsel of Critical Path from 1999 to 2001, and General Counsel of Broderbund Software from 1993 to 1998. Ms. Robertson holds a bachelor's degree in anthropology from the University of California at Berkeley and a J.D. from the University of Virginia Law School. We believe that Ms. Robertson's extensive experience in the life science industry and as a senior-level executive of multiple technology companies, as well as her legal experience and her educational background provide her with the qualifications and skills to serve on our board of directors.

Alexander Vos has served as a director since June 2021, and has served as the Chief Executive Officer of VectorY Therapeutics BV, a developer of novel gene therapies, since May 2021, and as a member of the supervisory board of CiMaas BV, a company focused on developing cellular immunotherapy for specific oncology indications, since September 2018. From October 2018 until May 2021, he served as Chief Executive Officer of VarmX BV, a manufacturer of therapeutic proteins. From September 2018 until May 2021, Mr. Vos served as Chairman of the board of directors of Symeres BV (formerly Mercachem-Syncom), a leading European contract research organization that offers innovative chemistry solutions. From October 2015 to May 2018, Mr. Vos served as a member of the board of directors of The Alliance for Regenerative Medicine, the global advocate for regenerative and advanced therapies. From November 2009 to December 2017, Mr. Vos served as Chief Executive Officer of PharmaCell B.V. (acquired by Lonza AG in May 2017) a European contract manufacturing organization focused exclusively on cell & gene therapy. Prior to PharmaCell, from 2004 to 2009, Mr. Vos served as Deputy-Chief Executive Officer and Chief Operating Officer of PAION AG (Frankfurt Stock Exchange: PA8), a pharmaceutical company with innovative drugs to be used in hospital-based sedation, anesthesia and critical care (stroke) indications headquartered in Aachen, Germany. Before PAION AG, from 2000 to 2004, Mr. Vos served as Chief Executive Officer of MediService AG in Switzerland (sold to Galenica AG), a leading specialty pharmacy service company in Europe. From 1994 to 1999, Mr. Vos held several executive roles in Genzyme Europe B.V., a manufacturer and developer of biotechnology drugs headquartered in the Netherlands. Prior to Genzyme, Mr. Vos worked from 1989 to 1994 for the pharmaceutical practice of McKinsey & Company. Mr. Vos holds a master's degree in Pharmacology from the University of Amsterdam and an MBA from Stanford University Graduate School of Business. We believe that Mr. Vos is qualified to serve as a member of our board of directors based on his extensive experience in the life science industry, his service as a director and advisor of a number of biotech companies and his educational background.

Family Relationships

Except for Irene Davis and Ted Davis who are married to one another, there are no family relationships between any of our executive officers, directors or director nominees.

Board of Directors

Our business and affairs are managed under the direction of our board of directors, which currently consists of six members. The primary responsibilities of our board of directors are to provide oversight, strategic guidance, counseling and direction to our management.

Our amended and restated certificate of incorporation will provide that the total number of directors shall be determined from time to time exclusively by our board of directors; *provided* that, at any time THP beneficially owns, in the aggregate, at least % in voting power of the then-outstanding shares of stock of the company entitled to vote generally in the election of directors, the stockholders may also fix the number of directors by resolution adopted by the stockholders. Newly created director positions resulting from an increase in size of the board of directors and vacancies may be filled by our board of directors or our stockholders; *provided* that, from and after the THP Trigger Event, any vacancy resulting from the death, resignation, removal or disqualification of a director or other cause, or any newly created directorship, shall be filled only by our board of directors and not by the stockholders. Following the closing of this offering, we expect our board of directors to initially consist of nine directors.

In accordance with our amended and restated certificate of incorporation, our board of directors will be divided into three classes with staggered three year terms. Only one class of directors will be elected at each annual meeting of our stockholders, with the other classes continuing for the remainder of their respective three-year terms. Our directors will be divided among the three classes as follows:

- the Class I directors will be , , and , and their terms will expire at the annual meeting of stockholders to be held in 2022;
- the Class II directors will be , , and , and their terms will expire at the annual meeting of stockholders to be held in 2023; and
- the Class III directors will be , , and and their terms will expire at the annual meeting of stockholders to be held in 2024.

At each annual meeting of stockholders after the initial classification, the successors to the directors whose terms will then expire will be elected to serve from the time of election and qualification until the third annual meeting following their election. Any increase or decrease in the number of directors will be apportioned among the three classes so that, as nearly as possible, each class will consist of one-third of the directors. This classification of our board of directors may have the effect of delaying or preventing changes in control of our company.

Controlled Company Exception

After giving effect to this offering, THP will continue to control a majority of the voting power of our outstanding common stock. As a result, we will remain a “controlled company” within the meaning of the Nasdaq Rules.

Under the Nasdaq Rules, a company of which more than 50% of the voting power is held by an individual, group or another company is a “controlled company” and may elect not to comply with certain corporate governance standards, including (i) the requirement that a majority of the board of directors consist of independent directors, (ii) the requirement that we have a compensation committee that is composed entirely of independent directors with a written charter addressing the committee’s

purpose and responsibilities, (iii) the requirement that we have a nominating and corporate governance committee that is composed entirely of independent directors with a written charter addressing the committee's purpose and responsibilities, and (iv) the requirement for an annual performance evaluation of the nominating and corporate governance and compensation committees. These exemptions do not modify the independence requirements for our audit committee. We currently satisfy the member independence requirement for the audit committee provided under Nasdaq Rules and SEC rules and regulations for companies completing their initial public offering.

We intend to utilize certain of these exemptions. Accordingly, you do not have the same protections afforded to stockholders of companies that are subject to all of the Nasdaq Rules. In the event that we cease to be a "controlled company," we will be required to comply with these provisions within the transition periods specified in the Nasdaq Rules.

Director Independence

Our board of directors has determined that Robert McNamara, Brett Robertson and Alexander Vos are independent directors. Mr. Gunstream is not independent under the Nasdaq Rules as a result of his position as our Chief Executive Officer. Ted Davis and Irene Davis are not independent under the Nasdaq Rules as a result of their prior employment with us. Messrs. Grossman, Herzick and Mackowski are not independent under the Nasdaq Rules as a result of their employment with Telegraph Hill Partners. In making these determinations, our board of directors applied the standards set forth in the Nasdaq Rules and in Rule 10A-3 under the Exchange Act. In evaluating the independence of Ms. Robertson and Messrs. McNamara and Vos, our board of directors considered their current and historical employment, any compensation we have given to them, any transactions we have with them, their beneficial ownership of our capital stock, their ability to exert control over us, all other material relationships they have had with us and the same facts with respect to their immediate family. The board of directors also considered all other relevant facts and circumstances known to it in making this independence determination. In addition, Ms. Robertson and Messrs. McNamara and Vos are non-employee directors, as defined in Rule 16b-3 of the Exchange Act.

Committees of the Board of Directors

Our board of directors has established an audit committee, a compensation committee and a nominating and corporate governance committee. In addition, we intend to avail ourselves of the "controlled company" exception under the Nasdaq Rules, which exempts us from certain requirements, including the requirements that we have a majority of independent directors on our board of directors and that we have compensation and nominating and corporate governance committees composed entirely of independent directors. We will, however, remain subject to the requirement that we have an audit committee composed entirely of independent members by the end of the transition period for companies listing in connection with an initial public offering. The composition and responsibilities of each of the committees of our board of directors are as set forth below. Members will serve on these committees until their resignation or removal or until otherwise determined by our board of directors.

Audit Committee

The members of our audit committee are Ms. Robertson and Messrs. McNamara and Vos, with Mr. McNamara serving as Chairperson of the committee. Under applicable Nasdaq Rules and SEC rules and regulations for companies completing their initial public offering, we are permitted to phase in our compliance with the audit committee independence requirements as follows: (i) one independent member at the time of listing; (ii) a majority of independent members within 90 days of listing; and (iii) all independent members within one year of listing. Currently, all members of our audit committee meet the applicable independence requirements under Nasdaq Rules and Rule 10A-3 of the Exchange Act. However, in the event of a change in the composition of our audit committee following this offering, it may become necessary for us to rely on the foregoing phase-in rules. Our board of directors has

determined that Ms. Robertson and Messrs. McNamara and Vos are “independent” and “financially literate” under the Nasdaq Rules and SEC rules and that Mr. McNamara is an “audit committee financial expert” under the rules of the SEC.

The responsibilities of the audit committee are included in a written charter. The audit committee acts on behalf of our board of directors in fulfilling our board of directors’ oversight responsibilities with respect to our accounting and financial reporting processes, the systems of internal control over financial reporting and audits of financial statements and reports and also assists our board of directors in its oversight of the quality and integrity of our financial statements and reports and the qualifications, independence and performance of our independent registered public accounting firm. For this purpose, the audit committee performs several functions. The audit committee’s responsibilities include, among others:

- appointing, determining the compensation of, retaining, overseeing and evaluating our independent registered public accounting firm and any other registered public accounting firm engaged for the purpose of performing other review or attest services for us;
- prior to commencement of the audit engagement, reviewing and discussing with the independent registered public accounting firm a written disclosure by the prospective independent registered public accounting firm of all relationships between us, or persons in financial oversight roles with us, and such independent registered public accounting firm or their affiliates;
- determining and approving engagements of the independent registered public accounting firm, prior to commencement of the engagement, and the scope of and plans for the audit;
- monitoring the rotation of partners of the independent registered public accounting firm on our audit engagement;
- reviewing with management and the independent registered public accounting firm any fraud that includes management or other employees who have a significant role in our internal control over financial reporting and any significant changes in internal controls;
- establishing and overseeing procedures for the receipt, retention and treatment of complaints regarding accounting, internal accounting controls or auditing matters and the confidential and anonymous submission by employees of concerns regarding questionable accounting or auditing matters;
- reviewing the results of management’s efforts to monitor compliance with our programs and policies designed to ensure compliance with laws and rules;
- overseeing our programs, policies, and procedures related to our information technology systems, including information asset security and data protection; and
- reviewing and discussing with management and the independent registered public accounting firm the results of the annual audit and the independent registered public accounting firm’s assessment of the quality and acceptability of our accounting principles and practices and all other matters required to be communicated to the audit committee by the independent registered public accounting firm under generally accepted accounting standards, the results of the independent registered public accounting firm’s review of our quarterly financial information prior to public disclosure and our disclosures in our periodic reports filed with the SEC.

The audit committee will review, discuss and assess its own performance and composition at least annually. The audit committee will also periodically review and assesses the adequacy of its charter, including its role and responsibilities as outlined in its charter, and recommend any proposed changes to our board of directors for its consideration and approval.

Compensation Committee

The members of our compensation committee are Ms. Robertson and Messrs. McNamara and Grossman with Ms. Robertson serving as Chairperson of the committee. Our board of directors has determined that Ms. Roberston and Mr. McNamara are "independent" under the Nasdaq Rules and all applicable laws. We intend to avail ourselves of the "controlled company" exception under the Nasdaq Rules, which exempts us from the requirement that we have a compensation committee composed entirely of independent directors. Each of the members of this committee is also a "nonemployee director" as that term is defined under Rule 16b-3 of the Exchange Act. The compensation committee acts on behalf of our board of directors to fulfill our board of directors' responsibilities in overseeing our compensation policies, plans and programs; and in reviewing and determining the compensation to be paid to our executive officers and non-employee directors. The responsibilities of the compensation committee are included in its written charter. The compensation committee's responsibilities include, among others:

- reviewing, modifying and approving (or, if it deems appropriate, making recommendations to our board of directors regarding) our overall compensation strategy and policies, and reviewing, modifying and approving corporate performance goals and objectives relevant to the compensation of our executive officers and other senior management;
- determining and approving (or, if it deems appropriate, recommending to our board of directors for determination and approval) the compensation and terms of employment of our Chief Executive Officer, including seeking to achieve an appropriate level of risk and reward in determining the long-term incentive component of the Chief Executive Officer's compensation;
- determining and approving (or, if it deems appropriate, recommending to our board of directors for determination and approval) the compensation and terms of employment of our executive officers and other members of senior management;
- reviewing and approving (or, if it deems appropriate, making recommendations to our board of directors regarding) the terms of employment agreements, severance agreements, change-of-control protections and other compensatory arrangements for our executive officers and other senior management;
- conducting periodic reviews of the base compensation levels of all of our employees generally;
- reviewing and approving the type and amount of compensation to be paid or awarded to non-employee directors;
- reviewing and approving the adoption, amendment and termination of our stock option plans, stock appreciation rights plans, pension and profit sharing plans, incentive plans, stock bonus plans, stock purchase plans, bonus plans, deferred compensation plans, 401(k) plans, supplemental retirement plans and similar programs, if any; and administering all such plans, establishing guidelines, interpreting plan documents, selecting participants, approving grants and awards and exercising such other power and authority as may be permitted or required under such plans; and
- reviewing our incentive compensation arrangements to determine whether such arrangements encourage excessive risk-taking, reviewing and discussing at least annually the relationship between our risk management policies and practices and compensation and evaluating compensation policies and practices that could mitigate any such risk.

In addition, once we cease to be an "emerging growth company," as defined in the JOBS Act, the responsibilities of the compensation committee will also include:

- reviewing and recommending to our board of directors for approval the frequency with which we conduct a vote on executive compensation, taking into account the results of the most recent stockholder advisory vote on the frequency of the vote on executive compensation, and

reviewing and approving the proposals regarding the frequency of the vote on executive compensation to be included in our annual meeting proxy statements; and

- reviewing and discussing with management our Compensation Discussion and Analysis, and recommending to our board of directors that the Compensation Discussion and Analysis be approved for inclusion in our annual reports on Form 10-K, registration statements and our annual meeting proxy statements.

Under its charter, the compensation committee may form, and delegate authority to, subcommittees as appropriate. The compensation committee will review, discuss and assess its own performance and composition at least annually. The compensation committee will also periodically review and assess the adequacy of its charter, including its role and responsibilities as outlined in its charter, and recommend any proposed changes to our board of directors for its consideration and approval.

Nominating and Corporate Governance Committee

The members of our nominating and corporate governance committee are Mrs. Davis and Messrs. Mackowski and Vos, with Mr. Vos serving as Chairperson of the committee. Our board of directors has determined that Mr. Vos is "independent" under the Nasdaq Rules and all applicable laws. We intend to avail ourselves of the "controlled company" exception under the Nasdaq Rules which exempts us from the requirement that we have a nominating and corporate governance committee composed entirely of independent directors. The responsibilities of the nominating and corporate governance committee are included in its written charter. The nominating and corporate governance committee acts on behalf of our board of directors to fulfill our board of directors' responsibilities in overseeing all aspects of our nominating and corporate governance functions. The responsibilities of the nominating and corporate governance committee include, among others:

- making recommendations to our board of directors regarding corporate governance issues;
- identifying, reviewing and evaluating candidates to serve as directors (consistent with criteria approved by our board of directors);
- determining the minimum qualifications for service on our board of directors;
- reviewing and evaluating incumbent directors;
- instituting and overseeing director orientation and director continuing education programs;
- serving as a focal point for communication between candidates, non-committee directors and our management;
- recommending to our board of directors for selection candidates to serve as nominees for director for the annual meeting of stockholders;
- making other recommendations to our board of directors regarding matters relating to the directors;
- reviewing succession plans for our Chief Executive Officer and our other executive officers;
- reviewing and overseeing matters of corporate responsibility and sustainability, including potential long- and short-term trends and impacts to our business of environmental, social, and governance issues, and our public reporting on these topics; and
- considering any recommendations for nominees and proposals submitted by stockholders.

The nominating and corporate governance committee will periodically review, discuss and assess the performance of our board of directors and the committees of our board of directors. In fulfilling this responsibility, the nominating and corporate governance committee will seek input from senior management, our board of directors and others. In assessing our board of directors, the nominating and corporate governance committee will evaluate the overall composition of our board of directors, our board of directors' contribution as a whole and its effectiveness in serving our best interests and

the best interests of our stockholders. The nominating and corporate governance committee will review, discuss and assess its own performance and composition at least annually. The nominating and corporate governance committee will also periodically review and assess the adequacy of its charter, including its role and responsibilities as outlined in its charter, and recommend any proposed changes to our board of directors for its consideration and approval.

Board Leadership Structure

Our board of directors recognizes that one of its key responsibilities is to evaluate and determine its optimal leadership structure so as to provide effective oversight of management. Our amended and restated bylaws and corporate governance guidelines will provide our board of directors with flexibility to combine or separate the positions of Chairman of the board of directors and Chief Executive Officer. Our board of directors currently believes that our existing leadership structure, under which Stephen Gunstream serves as our Chief Executive Officer and Paul Grossman serves as Chairman of the board of directors, is effective, provides the appropriate balance of authority between independent and non-independent directors, and achieves the optimal governance model for us and for our stockholders.

Role of Board in Risk Oversight Process

Our board of directors is responsible for overseeing our overall risk management process. The responsibility for managing risk rests with executive management while the committees of our board of directors and our board of directors as a whole participate in the oversight process. Our board of directors' risk oversight process builds upon management's risk assessment and mitigation processes, which include reviews of long-term strategic and operational planning, executive development and evaluation, regulatory and legal compliance and financial reporting and internal controls with respect to areas of potential material risk, including operations, finance, legal, regulatory, cybersecurity, strategic and reputational risk.

Executive Officers

Our executive officers are elected by, and serve at the discretion of, our board of directors.

Code of Business Conduct and Ethics

We anticipate adopting a code of business conduct and ethics, effective immediately prior to the closing of this offering, which will apply to all of our employees, officers and directors, including those officers responsible for financial reporting. Following its completion, the code of business conduct and ethics will be available on our website at www.teknova.com. We intend to disclose any amendments to the code, or any waivers of its requirements, on our website to the extent required by the applicable rules and exchange requirements. The inclusion of our website address in this prospectus does not incorporate by reference the information on or accessible through our website into this prospectus.

EXECUTIVE COMPENSATION

Overview

We are currently considered an “emerging growth company” and “smaller reporting company” within the meaning of the Securities Act for purposes of the SEC’s executive compensation disclosure rules. Accordingly, we are required to provide a Summary Compensation Table and an Outstanding Equity Awards at Fiscal Year-End Table, as well as limited narrative disclosures regarding executive compensation for our last completed fiscal year. Further, our reporting obligations extend only to the following “Named Executive Officers,” who are the individuals who served as our principal executive officer during, and the next two most highly compensated executive officers at the end of, the fiscal year ended December 31, 2020. For the fiscal year ended December 31, 2020, our Named Executive Officers and their principal positions were as follows:

- Stephen Gunstream, President and Chief Executive Officer;
- Ted Davis, former Chief Executive Officer and former Chief Science Officer;
- Irene Davis, former Chief Operations Officer; and
- Damon Terrill, General Counsel and Chief Compliance Officer.

This discussion may contain forward-looking statements that are based on our current plans, considerations, expectations and determinations regarding future compensation programs. Actual compensation programs that we adopt in the future may differ materially from the currently planned programs summarized in this discussion.

Our executive compensation program is based on a pay for performance philosophy. Compensation for our executive officers is composed primarily of the following main components: base salary, bonus and equity. Our executive officers, like all full-time employees, are eligible to participate in our health and welfare benefit plans. As we transition from a private company to a publicly traded company, we intend to evaluate our compensation philosophy and compensation plans and arrangements, as circumstances require, and we expect that our executive compensation program may also include the grant of additional equity incentives in order to align the executives’ long-term incentives with those of our stockholders.

Summary Compensation Table

Name and principal position	Year	Salary ($)	Option awards ($)(1)(2)	Non-equity incentive plan compensation ($)(3)	All other compensation ($)	Total ($)
Stephen Gunstream, *President and Chief Executive Officer(4)*	2020	364,038	1,050,887	262,916	40,777	1,718,618
Ted Davis, *Former Chief Executive Officer and Former Chief Science Officer(5)*	2020	190,385	–	–	15,699	206,084
Irene Davis, *Former Chief Operations Officer(6)*	2020	233,654	–	111,375	43,675	388,704
Damon Terrill, *General Counsel and Chief Compliance Officer(7)*	2020	74,135	197,663	28,018	9,833	309,649

(1) The amounts reported in the Option awards column represent the grant date fair value of the underlying stock options granted to the Named Executive Officers as computed in accordance with Financial Accounting Standards Board Accounting Standards Codification Topic 718. The assumptions used in calculating the grant date fair value of the stock options reported in the Option awards column are set forth in Note 12 to the financial statements included elsewhere in this prospectus. The amounts reported in this column reflect the accounting cost for these stock options and do not correspond to the actual economic value that may be received by the Named Executive Officers for the stock options.

(2) The value at the grant date, assuming the highest level of performance conditions are achieved with respect to Mr. Gunstream's Performance Based Options (as defined below), is $262,671.

(3) The amounts reported in the Non-equity incentive plan compensation column reflect bonuses earned by the Named Executive Officers under the company's 2020 bonus plan for the fiscal year ended December 31, 2020, as well as $416 and $217 in spot bonuses, paid to Mr. Gunstream and Mr. Terrilll, respectively, in connection with beating pre-set quarterly performance goals.

(4) The amounts reported in the All Other Compensation column reflect $17,100 in 401(k) Plan matching contributions made, $20,522 in medical and dental premiums, $33 in life insurance premiums and $3,122 in hotel expenses paid on Mr. Gunstream's behalf.

(5) The amounts reported in the All Other Compensation column reflect $11,401 in 401(k) Plan matching contributions made and $4,298 in life insurance premiums paid on Mr. Davis's behalf.

(6) The amounts reported in the All Other Compensation column reflect $17,100 in 401(k) Plan matching contributions made, $9,850 in car lease payments made, $15,949 in medical and dental premiums paid and $776 in life insurance premiums paid on Mrs. Davis's behalf.

(7) The amounts reported in the All Other Compensation column reflect $2,974 in 401(k) Plan matching contributions, $6,734 in medical and dental premiums paid and $125 in life insurance premiums paid on Mr. Terrill's behalf.

Narrative Disclosure to Summary Compensation Table

Base Salary

We provide a base salary to our Named Executive Officers to compensate them for services rendered on a day-to-day basis during the fiscal year. Base salaries will typically reflect the experience, skills, knowledge and responsibilities of each Named Executive Officer in keeping with competitive market practice. The initial base salaries of our executive officers are established through arm's length

negotiation at the time the individual executive officer is hired, taking into account his or her qualifications, experience and prior salary level. Thereafter, salary reviews are typically performed annually in conjunction with performance reviews. See the section titled "—Narrative Disclosure to Summary Compensation Table—Employment Offer Letters."

Name	Initial Base Salary
Stephen Gunstream	$ 350,000
Ted Davis	$ 330,000
Irene Davis	$ 225,000
Damon Terrill	$ 225,000

2020 Non-Equity Incentive Compensation

The performance metrics for fiscal 2020 consisted of (i) development of a long-term vision to increase revenue, through articulation of target markets through market research, customer visits and internal analysis, (ii) establishing a commercial organization to drive revenue growth, (iii) transforming operations to scale the business and (iv) revenue, gross margin and EBITDA goals. For fiscal 2020, we achieved the company performance metrics at 150% of target and this company performance metric score was then adjusted based on individual achievement as determined by our board of directors, which resulted in the bonus payments set forth in the below table:

Name	Bonus Amount	Percentage of Target
Stephen Gunstream	$ 262,500	150%
Ted Davis(1)	–	–
Irene Davis	$ 111,375	150%
Damon Terrill	$ 27,801(2)	150%

(1) Mr. Davis retired as our President and Chief Executive Officer in July 2020.

(2) Mr. Terrill joined the company on August 31, 2020, and his bonus amount was pro-rated accordingly.

Equity Incentives

We have historically offered equity incentives to our Named Executive Officers through grants of stock options. Certain of these stock option awards are subject to time-based vesting requirements and are subject to accelerated vesting upon the occurrence of certain terminations of employment and certain change-in-control events, and other stock options are subject to performance-based vesting requirements. We do not anticipate that the closing of this offering or any of the related transactions will trigger accelerated vesting of any of the stock option awards. See the section titled "—Narrative Disclosure to Summary Compensation Table—Employment Offer Letters" for additional information regarding the circumstances that could result in accelerated vesting of these awards.

Retirement Benefits

We do not have a defined benefit pension plan or nonqualified deferred compensation plan. We maintain a retirement profit sharing savings plan (the "401(k) Plan") for the benefit of our eligible employees, including our Named Executive Officers. Our 401(k) Plan is intended to qualify under Section 401(a) of the Code as a defined contribution plan. Each participant in the 401(k) Plan may contribute up to the lesser of his or her pre-tax compensation or the statutory limit and we make safe harbor matching contributions on such deferrals. In addition, we can make discretionary matching and/or profit sharing contributions. All salary deferrals, safe harbor matching contributions and rollovers are 100% vested when contributed and participants vest in discretionary matching and profit sharing contributions at a rate of 20% per year of service with us (such contributions are fully vested after five years of service).

Employment Offer Letters

We have entered into offer letter agreements with each of our Named Executive Officers, which provide for at-will employment and the compensation and benefits described below.

Stephen Gunstream Offer Letter. We entered into an offer letter agreement with Mr. Gunstream dated November 16, 2019 (the "Gunstream Offer Letter"), which provides that he initially serve as our Chief Business Officer and become our Chief Executive Officer no later than June 30, 2020. Mr. Gunstream's initial base salary was $350,000, with a target annual cash bonus of up to 50% of his base salary. The Gunstream Offer Letter also provides that we will reimburse Mr. Gunstream for local hotel expenses for days that he works at our Hollister, California office and if such amounts are taxable, the reimbursement will be subject to applicable tax withholding.

Pursuant to the Gunstream Offer Letter, Mr. Gunstream was granted (a) an option to acquire 494,441 shares of our common stock, which options will vest over four years subject to his continued service with us (the "Time Based Options"), with 25% of the shares vesting after one year and the remaining shares vesting in equal monthly installments over the following 36 months, and (b) an option to acquire 123,610 shares of our common stock, which options will vest in full upon our achievement of certain pre-determined financial-based performance goals and will be subject to forfeiture to the extent we do not meet such performance metrics and require Mr. Gunstream's continuous service with us through the applicable vesting date (the "Performance Based Options"). In the event that a change of control occurs prior to the achievement of such goals, the vesting of the Performance Based Options will convert to a time-based schedule based on Mr. Gunstream's continued service with the company and the options will vest at the same time, to the same extent and on the same terms as the Time Based Options. The performance goals underlying the Performance Based Options were set to reflect a degree of difficulty that is comparable to the standard applied in setting the performance goals in prior years, with target performance levels being difficult, but obtainable, based on historical results under these goals.

If, on or before the fourth anniversary of Mr. Gunstream's start date, we terminate his employment without cause or he resigns for good reason (each, a "Qualifying Termination"), in addition to his accrued benefits, he is entitled to the following severance benefits subject to his execution of an effective release of claims against us and our affiliates and his continued compliance with his confidentiality obligations: (i) a cash severance amount of $175,000 paid in one lump sum, subject to applicable withholdings; (ii) a pro rata portion of his annual bonus for the year in which the Qualifying Termination occurs; and (iii) company-paid COBRA premiums for up to six months. In addition, if a Qualifying Termination occurs within twelve months of a change of control, Mr. Gunstream's options, including the Performance Based Options, will become fully vested and exercisable immediately prior to such change of control, subject to his execution of an effective release of claims against us and our affiliates.

For purposes of the Gunstream Offer Letter:

- "good reason" means, among other things described therein, (i) other than transitioning to Chief Executive Officer, a change in job title or position with the company, (ii) the company's assignment to Mr. Gunstream of duties or responsibilities that would result in the material diminution of his duties and responsibilities, (iii) any material reduction in his base salary or bonus potential, or (iv) any material breach by the company of any material provision of the Gunstream Offer Letter, each subject to a notice and cure period;
- "cause" means, among other things described therein, Mr. Gunstream's (i) conviction of a crime involving dishonesty, fraud or moral turpitude, (ii) willful engagement in conduct that is in bad faith and materially injurious to us, (iii) material breach of the Gunstream Offer Letter,

subject to a notice and cure period, or (iv) willful and repeated refusal to implement or follow our lawful policies or directives, subject to a notice and cure period; and

- "change of control" means, among other things described therein, the occurrence of any of the following: (i) the sale, transfer or exclusive license of all or substantially all of our assets in one or a series of related transactions; (ii) a merger, reorganization or consolidation in which we are not the surviving corporation (subject to certain exceptions); (iii) a reverse triangular merger in which we are the surviving corporation, but our stockholders immediately before the merger do not have, immediately after the merger, more than 50% of the voting power of the company; or (iv) any "person" (as such term is used in Sections 13(d) and 14(d) of the Exchange Act ("Person")) is or becomes the "beneficial owner" (as defined in Rule 13d-3 of the Exchange Act), directly or indirectly, of securities of the company representing 50% or more of the total voting power represented by the company's then outstanding voting securities (subject to certain exceptions, including for issuances of company securities to investors the primary purpose of which is to obtain financing for the company).

In 2020, Mr. Gunstream received $17,100 in 401(k) Plan matching contributions from the company and we paid $20,522 in medical and dental premiums, $33 in life insurance premiums and $3,122 in hotel expenses on his behalf.

Ted Davis Offer Letter. Mr. Davis' offer letter, dated January 14, 2019 (the "T. Davis Offer Letter"), provided for an initial base salary of $330,000 and a target annual cash bonus of up to 33% of his base salary. The T. Davis Offer Letter also provided Mr. Davis with an additional revenue bonus of up to $3,000,000 for the fiscal year ended December 31, 2019, based on our achievement of annual net revenue goals. Pursuant to the T. Davis Offer Letter, Mr. Davis was eligible to participate in the employee benefit plans available to our other full-time employees. Mr. Davis transitioned from his position as our Chief Executive Officer in May 2020 to become our Chief Science Officer before retiring in July 2020.

Irene Davis Offer Letter. Mrs. Davis' offer letter, dated January 14, 2019 (the "I. Davis Offer Letter"), provided for an initial base salary of $225,000 and a target annual cash bonus of up to 33% of her base salary. The I. Davis Offer Letter also provided that, if we terminated Mrs. Davis' employment without cause or she resigned for good reason, she was entitled to the following severance benefits, subject to her execution of an effective release of claims against us and our affiliates, in addition to her accrued benefits: (i) a cash severance amount of $100,000 paid in accordance with our normal payroll practices over a period of six months; and (ii) company-paid COBRA premiums for up to six months. Pursuant to the I. Davis Offer Letter, Mrs. Davis was eligible to participate in the employee benefit plans available to our other full-time employees (*provided*, that such benefits would not be reduced from those historically offered to her, including our payment of 100% of her costs for medical and dental benefits and a health spending account contribution if she chose a health spending account medical plan) and entitled to reimbursement for her automobile lease and insurance expenses. Mrs. Davis retired from her position as our Chief Operations Officer in March 2021.

For purposes of the I. Davis Offer Letter:

- "good reason" means, among other things described therein, (i) a reduction in Mrs. Davis's then-current base salary of more than 10% or a material reduction in her benefits (subject to certain qualifications), (ii) a material reduction of in Mrs. Davis's duties, authority, responsibilities or reporting relationship or (iii) an increase in Mrs. Davis's one-way commute to the office by more than 50-miles from her principal residence, each subject to notice and cure period; and
- "cause" means, among other things described therein and subject to certain notice and cure periods, Mrs. Davis's (i) material breach of any material written agreement with us, (ii) failure to

comply with our material written policies that results in or is reasonably expected to result in, material harm to our business or reputation, (iii) neglect or persistent unsatisfactory performance of her duties, (iv) repeated failure to follow reasonable and lawful instructions from our board of directors, (v) conviction of, or plea of guilty or nolo contendere to, any crime involving moral turpitude that results in, or is reasonably expected to result in, material harm to our business or reputation, (vi) commission of or participation in an act of fraud against us, (vii) intentional material damage to our business, property or reputation, or (viii) unauthorized use or disclosure of any of our proprietary information or trade secrets or those of any other party to whom she owes an obligation of nondisclosure as a result of her relationship with us.

In 2020, Ms. Davis received $17,100 in 401(k) Plan matching contributions from the company and we paid $9,850 in car lease payments, $15,949 in medical and dental premiums and $776 in life insurance premiums on her behalf.

Damon Terrill Offer Letter. Mr. Terrill's offer letter, dated August 18, 2020 (the "Terrill Offer Letter"), provides for an initial base salary of $225,000. Pursuant to the Terrill Offer Letter, Mr. Terrill was granted an option to acquire 93,000 shares of our common stock, which would vest over four years, with 25% of the shares vesting on the first anniversary of his start date and the remaining shares vesting in equal monthly installments over the following 36 months, subject to Mr. Terrill's continued employment on the applicable vesting date. Mr. Terrill's stock option agreement was recently amended to provide for vesting of his options upon termination of his employment, under certain circumstances, in connection with a change of control. In addition, Mr. Terrill is eligible to participate in the employee benefit plans available to our other full-time employees. See the section titled "—Actions Taken in 2021 or in Connection with this Offering—Amendments to Stock Option Agreements."

Outstanding Equity Awards at Fiscal Year-End

The following table summarizes, for each of the Named Executive Officers, the number of stock options held as of December 31, 2020.

Outstanding Equity Awards at Fiscal Year-End Table

	Option Awards				
Name	Number of securities underlying unexercised options (#) exercisable	Number of securities underlying unexercised options (#) unexercisable	Equity incentive plan awards: Number of securities underlying unexercised unearned options (#)	Option exercise price ($)	Option expiration date
Stephen Gunstream	–	123,610(1)	123,610	1.5686	8/31/2030
	123,610	370,831(2)	494,441	1.5686	8/31/2030
Ted Davis	–	–	–	–	–
Irene Davis	–	–	–	–	–
Damon Terrill	–	93,000(3)	93,000	1.5686	8/31/2030

(1) Represents an option to purchase 123,610 shares of our common stock, granted on August 31, 2020, which vests in full upon our achievement of certain pre-determined financial-based performance metrics. In addition, pursuant to the terms of applicable grant document, immediately prior to, but conditioned upon, the occurrence of a change in control of the company, the vesting terms applicable to the option shall no longer be based on the achievement of milestones, but rather shall be subject to time vesting as follows: 25% of the underlying shares shall vest on December 16, 2020 and the remaining shares shall vest in equal monthly installments over the following 36 months, subject to Mr. Gunstream's continued employment with us through the applicable vesting date.

(2) Represents an option to purchase 494,441 shares of our common stock, granted on August 31, 2020, which vests as to 25% of the underlying shares on December 16, 2020, with the remaining shares vesting in equal monthly installments over the following 36 months, subject to Mr. Gunstream's continued employment with us through the applicable vesting date.

(3) Represents an option to purchase 93,000 shares of our common stock, granted on August 31, 2020, which vests as to 25% of the underlying shares on August 31, 2021, with the remaining shares vesting in equal monthly installments over the following 36 months, subject to Mr. Terrill's continued employment with us through the applicable vesting date.

Actions Taken in 2021 or in Connection with this Offering

New Severance and Change of Control Agreements

Mr. Gunstream and one or more of our other executive officers, as may be determined by our board of directors, may enter into severance and change of control agreements, which would be effective upon the closing of this offering and may generally provide for certain payments and the acceleration of equity awards in connection with such executive's termination, under certain circumstances, including in connection with a change of control of the company.

Annual Incentive Bonus Plan

In connection with this offering, our board of directors may adopt an Annual Incentive Bonus Plan ("Cash Bonus Plan"), pursuant to which employees classified as manager level or above, including our Named Executive Officers, may be eligible to participate, subject to meeting certain criteria as such criteria may be determined by our board of directors.

The Cash Bonus Plan may generally provide participants a target bonus opportunity for the applicable plan year performance period and payments of bonuses may be based on the achievement of company (or department) and individual performance goals for the plan year. We anticipate that in order to be eligible to receive a bonus pursuant to the Cash Bonus Plan, the participant would have to remain employed by us on both the last day of the applicable plan year and on the payment date and would also have to have an individual performance-rating equal to or exceeding the target level for the plan year, if applicable.

Amendments to Stock Option Agreements

In connection with this offering, our board of directors amended the form of award agreement under the 2020 Plan, and the outstanding award agreements for stock options issued to date thereunder, to provide that a participant's stock options would vest in full if such participant is terminated without cause or terminates his or her employment with the company for good reason following a change in control.

2021 Equity Incentive Plan

In order to incentivize our employees following the closing of this offering, we anticipate that prior to the closing of this offering our board of directors will adopt, and our stockholders will approve, our 2021 Plan, the material terms of which are summarized below. The purpose of the 2021 Plan is provide incentives for our employees, directors and consultants to exert maximum efforts for the success of the company and our affiliates and to provide a means by which such persons may be given an opportunity to benefit from increases in value of our common stock through the granting of awards. At the time our 2021 Plan becomes effective, no further grants will be made under our 2020 Plan.

Awards. Our 2021 Plan provides for the grant of incentive stock options ("ISOs"), within the meaning of Section 422 of the Code, to our employees and our parent and subsidiary corporations' employees, and for the grant of nonstatutory stock options ("NSOs"), stock appreciation rights, restricted stock awards, restricted stock unit awards, performance awards and other forms of awards to our employees, directors and consultants and any of our affiliates' employees and consultants.

Authorized Shares. Initially, the maximum number of shares of our common stock that may be issued under our 2021 Plan after it becomes effective will not exceed shares of our common stock, which is the sum of (i) new shares, plus (ii) an additional number of shares not to exceed shares, consisting of any shares of our common stock subject to outstanding stock options or other stock awards granted under our 2020 Plan that, on or after our 2021 Plan became effective, terminate or expire prior to exercise or settlement; are not issued because the award is settled in cash; are forfeited because of the failure to vest; or are reacquired or withheld (or not issued) to satisfy a tax withholding obligation or the purchase or exercise price. In addition, the number of shares of our common stock that will be reserved for issuance under our 2021 Plan will automatically increase on January 1 of each year for a period of ten years, beginning on January 1, 2022 and continuing through January 1, 2031, in an amount equal to the lesser of (a) % of the total number of shares of our common stock outstanding on December 31 of the immediately preceding year, or (b) a lesser number of shares determined by our board of directors no later than December 31 of the immediately preceding year. The maximum number of shares of our common stock that may be issued on the exercise of ISOs under our 2021 Plan is shares, which such amount shall be increased commencing on January 1, 2022 and ending on (and including) January 1, 2031, in an amount equal to the lesser of (i) % of the total number of shares of common stock outstanding on December 31 of the preceding year, (ii) shares of common stock, and (iii) such amounts as may be determined by our board of directors.

Shares subject to stock awards that will be granted under our 2021 Plan that expire or terminate without being exercised in full or that are paid out in cash rather than in shares will not reduce the number of shares available for issuance under our 2021 Plan. Shares withheld under a stock award to satisfy the exercise, strike or purchase price of a stock award or to satisfy a tax-withholding obligation will not reduce the number of shares that will be available for issuance under our 2021 Plan. If any shares of our common stock issued pursuant to a stock award are forfeited back to or repurchased or reacquired by us (i) because of a failure to meet a contingency or condition required for the vesting of such shares, (ii) to satisfy the exercise, strike or purchase price of a stock award or (c) to satisfy a tax withholding obligation in connection with a stock award, the shares that are forfeited or repurchased or reacquired will revert to and again become available for issuance under our 2021 Plan.

Plan Administration. Our board of directors, or a duly authorized committee of our board of directors, will administer our 2021 Plan. Our board of directors may delegate to one or more of our officers the authority to (i) grant employees (other than officers) specified stock awards; and (ii) determine the number of shares subject to such stock awards. Under our 2021 Plan, our board of directors, or a duly authorized committee of our board of directors, will have the authority to determine stock award recipients, the types of stock awards to be granted, grant dates, the number of shares subject to each stock award, the fair market value of our common stock, and the provisions of each stock award, including the period of exercisability and the vesting schedule applicable to a stock award.

Under our 2021 Plan, our board of directors, or a duly authorized committee of our board of directors, will also generally have the authority to effect, with the consent of any materially adversely affected participant: (i) the reduction of the exercise, purchase, or strike price of any outstanding option or stock appreciation right; (ii) the cancellation of any outstanding option or stock appreciation right and the grant in substitution therefore of other awards, cash, or other consideration; or (iii) any other action that is treated as a repricing under generally accepted accounting principles.

The company will also designate a plan administrator to administer the day-to-day operations of the 2021 Plan.

Stock Options. ISOs and NSOs will be granted under stock option agreements adopted by the plan administrator. The plan administrator will determine the exercise price for stock options, within the

terms and conditions of our 2021 Plan, except the exercise price of a stock option generally will not be less than 100% of the fair market value of our common stock on the date of grant. Options granted under our 2021 Plan will vest at the rate specified in the stock option agreement as will be determined by the plan administrator.

The plan administrator will determine the term of stock options granted under our 2021 Plan, up to a maximum of 10 years. Unless the terms of an optionholder's stock option agreement, or other written agreement between us and the recipient, provide otherwise, if an optionholder's service relationship with us or any of our affiliates ceases for any reason other than disability, death, or cause, the optionholder may generally exercise any vested options for a period of three months following the cessation of service. This period may be extended in the event that exercise of the option is prohibited by applicable securities laws. If an optionholder's service relationship with us or any of our affiliates ceases due to death, or an optionholder dies within a certain period following cessation of service, the optionholder or a beneficiary may generally exercise any vested options for a period of 18 months following the date of death. If an optionholder's service relationship with us or any of our affiliates ceases due to disability, the optionholder may generally exercise any vested options for a period of 12 months following the cessation of service. In the event of a termination for cause, options generally terminate upon the termination date. In no event may an option be exercised beyond the expiration of its term.

Acceptable consideration for the purchase of common stock issued upon the exercise of a stock option will be determined by the plan administrator and may include (i) cash, check, bank draft or money order; (ii) a broker-assisted cashless exercise; (iii) the tender of shares of our common stock previously owned by the optionholder; (iv) a net exercise of the option if it is an NSO; or (v) other legal consideration approved by the plan administrator.

Unless the plan administrator provides otherwise, options or stock appreciation rights generally will not be transferable except by will or the laws of descent and distribution. Subject to approval of the plan administrator or a duly authorized officer, an option may be transferred pursuant to a domestic relations order, official marital settlement agreement, or other divorce or separation instrument.

Tax Limitations on ISOs. The aggregate fair market value, determined at the time of grant, of our common stock with respect to ISOs that are exercisable for the first time by an award holder during any calendar year under all of our stock plans may not exceed $100,000. Options or portions thereof that exceed such limit will generally be treated as NSOs. No ISO may be granted to any person who, at the time of the grant, owns or is deemed to own stock possessing more than 10% of our total combined voting power or that of any of our parent or subsidiary corporations unless (i) the option exercise price is at least 110% of the fair market value of the stock subject to the option on the date of grant; and (ii) the term of the ISO does not exceed five years from the date of grant.

Restricted Stock Unit Awards. Restricted stock unit awards will be granted under restricted stock unit award agreements adopted by the plan administrator. Restricted stock unit awards may be granted in consideration for any form of legal consideration that may be acceptable to our board of directors and permissible under applicable law. A restricted stock unit award may be settled by cash, delivery of stock, a combination of cash and stock as deemed appropriate by the plan administrator, or in any other form of consideration set forth in the restricted stock unit award agreement. Additionally, dividend equivalents may be credited in respect of shares covered by a restricted stock unit award. Except as otherwise provided in the applicable award agreement, or other written agreement between us and the recipient, restricted stock unit awards that have not vested will be forfeited once the participant's continuous service ends for any reason.

Restricted Stock Awards. Restricted stock awards will be granted under restricted stock award agreements adopted by the plan administrator. A restricted stock award may be awarded in

consideration for cash, check, bank draft or money order, past or future services to us, or any other form of legal consideration that may be acceptable to our board of directors and permissible under applicable law. The plan administrator will determine the terms and conditions of restricted stock awards, including vesting and forfeiture terms. If a participant's service relationship with us ends for any reason, we may receive any or all of the shares of common stock held by the participant that have not vested as of the date the participant terminates service with us through a forfeiture condition or a repurchase right.

Stock Appreciation Rights. Stock appreciation rights will be granted under stock appreciation right agreements adopted by the plan administrator. The plan administrator will determine the purchase price or strike price for a stock appreciation right, which generally will not be less than 100% of the fair market value of our common stock on the date of grant. A stock appreciation right granted under our 2021 Plan will vest at the rate specified in the stock appreciation right agreement as will be determined by the plan administrator. Stock appreciation rights may be settled in cash or shares of our common stock or in any other form of payment as determined by our board of directors and specified in the stock appreciation right agreement.

The plan administrator will determine the term of stock appreciation rights granted under our 2021 Plan, up to a maximum of 10 years. If a participant's service relationship with us or any of our affiliates ceases for any reason other than cause, disability, or death, the participant may generally exercise any vested stock appreciation right for a period of three months following the cessation of service. This period may be further extended in the event that exercise of the stock appreciation right following such a termination of service is prohibited by applicable securities laws. If a participant's service relationship with us, or any of our affiliates, ceases due to disability or death, or a participant dies within a certain period following cessation of service, the participant or a beneficiary may generally exercise any vested stock appreciation right for a period of 12 months in the event of disability and 18 months in the event of death. In the event of a termination for cause, stock appreciation rights generally terminate upon the termination date. In no event may a stock appreciation right be exercised beyond the expiration of its term.

Performance Awards. Our 2021 Plan will permit the grant of performance awards that may be settled in stock, cash or other property. Performance awards may be structured so that the stock or cash will be issued or paid only following the achievement of certain pre-established performance goals during a designated performance period. Performance awards that are settled in cash or other property are not required to be valued in whole or in part by reference to, or otherwise based on, our common stock.

The performance goals may be based on any measure of performance selected by our board of directors. The performance goals may be based on company-wide performance or performance of one or more business units, divisions, affiliates, or business segments, and may be either absolute or relative to the performance of one or more comparable companies or the performance of one or more relevant indices. Unless specified otherwise by our board of directors at the time the performance award is granted, our board of directors will appropriately make adjustments in the method of calculating the attainment of performance goals as follows: (i) to exclude restructuring or other nonrecurring charges; (ii) to exclude exchange rate effects; (iii) to exclude the effects of changes to generally accepted accounting principles; (iv) to exclude the effects of any statutory adjustments to corporate tax rates; (v) to exclude the effects of items that are "unusual" in nature or occur "infrequently" as determined under generally accepted accounting principles; (vi) to exclude the dilutive effects of acquisitions or joint ventures; (vii) to assume that any business divested by us achieved performance objectives at targeted levels during the balance of a performance period following such divestiture; (viii) to exclude the effect of any change in the outstanding shares of our common stock by reason of any stock dividend or split, stock repurchase, reorganization, recapitalization, merger,

consolidation, spin-off, combination or exchange of shares or other similar corporate change, or any distributions to common stockholders other than regular cash dividends; (ix) to exclude the effects of stock based compensation and the award of bonuses under our bonus plans; (x) to exclude costs incurred in connection with potential acquisitions or divestitures that are required to be expensed under generally accepted accounting principles; and (xi) to exclude the goodwill and intangible asset impairment charges that are required to be recorded under generally accepted accounting principles.

Other Stock Awards. The plan administrator will be permitted to grant other awards based in whole or in part by reference to our common stock. The plan administrator will set the number of shares under the stock award (or cash equivalent) and all other terms and conditions of such awards.

Non-Employee Director Compensation Limit. The aggregate value of all compensation granted or paid to any non-employee director with respect to any calendar year, including awards granted and cash fees paid by us to such non-employee director, will not exceed $ in total value, except such amount will increase to $ for the first year for newly appointed or elected non-employee directors.

Changes to Capital Structure. In the event there is a specified type of change in our capital structure, such as a stock split, reverse stock split, or recapitalization, appropriate adjustments will be made to: (i) the class and maximum number of shares reserved for issuance under our 2021 Plan; (ii) the class and maximum number of shares by which the share reserve may increase automatically each year; (iii) the class and maximum number of shares that may be issued on the exercise of ISOs; and (iv) the class and number of shares and exercise price, strike price, or purchase price, if applicable, of all outstanding stock awards.

Corporate Transactions. In the event of a corporate transaction (as defined below), unless otherwise provided in a participant's stock award agreement or other written agreement with us or one of our affiliates or unless otherwise expressly provided by the plan administrator at the time of grant, any stock awards outstanding under our 2021 Plan may be assumed, continued or substituted for by any surviving or acquiring corporation (or its parent company), and any reacquisition or repurchase rights held by us with respect to the stock award may be assigned to the successor (or its parent company). If the surviving or acquiring corporation (or its parent company) does not assume, continue or substitute for such stock awards, then (i) with respect to any such stock awards that are held by participants whose continuous service has not terminated prior to the effective time of the corporate transaction, or current participants, the vesting (and exercisability, if applicable) of such stock awards will be accelerated in full (or, in the case of performance awards with multiple vesting levels depending on the level of performance, vesting will accelerate at 100% of the target level) to a date prior to the effective time of the corporate transaction (contingent upon the effectiveness of the corporate transaction), and such stock awards will terminate if not exercised (if applicable) at or prior to the effective time of the corporate transaction, and any reacquisition or repurchase rights held by us with respect to such stock awards will lapse (contingent upon the effectiveness of the corporate transaction); and (ii) any such stock awards that are held by persons other than current participants will terminate if not exercised (if applicable) prior to the effective time of the corporate transaction, except that any reacquisition or repurchase rights held by us with respect to such stock awards will not terminate and may continue to be exercised notwithstanding the corporate transaction.

In the event a stock award will terminate if not exercised prior to the effective time of a corporate transaction, the administrator may provide, in its sole discretion, that the holder of such stock award may not exercise such stock award but instead will receive a payment equal in value to the excess (if any) of (i) the value of the property the participant would have received upon the exercise of the stock award, over (ii) any per share exercise price payable by such holder, if applicable. In addition, any escrow, holdback, earn out or similar provisions in the definitive agreement for the corporate

transaction may apply to such payment to the same extent and in the same manner as such provisions apply to the holders of our common stock.

Under our 2021 Plan, a "corporate transaction" generally will be the consummation of: (i) a sale or other disposition of all or substantially all of our assets; (ii) a sale or other disposition of at least 50% of our outstanding securities; (iii) a merger, consolidation or similar transaction following which we are not the surviving corporation; or (iv) a merger, consolidation or similar transaction following which we are the surviving corporation but the shares of our common stock outstanding immediately prior to such transaction are converted or exchanged into other property by virtue of the transaction.

Change in Control. Stock awards to be granted under our 2021 Plan may be subject to acceleration of vesting and exercisability upon or after a change in control (as defined below) as may be provided in the applicable stock award agreement or in any other written agreement between us or any affiliate and the participant, but in the absence of such provision, no such acceleration will automatically occur.

Under our 2021 Plan, a "change in control" generally will be: (i) the acquisition by any person or company of more than 50% of the combined voting power of our then outstanding stock; (ii) a merger, consolidation or similar transaction in which our stockholders immediately before the transaction do not own, directly or indirectly, more than 50% of the combined voting power of the surviving entity (or the parent of the surviving entity) in substantially the same proportions as their ownership immediately prior to such transaction; (iii) stockholder approval of a complete dissolution or liquidation; (iv) a sale, lease, exclusive license or other disposition of all or substantially all of our assets other than to an entity more than 50% of the combined voting power of which is owned by our stockholders in substantially the same proportions as their ownership of our outstanding voting securities immediately prior to such transaction; or (v) when a majority of our board of directors becomes comprised of individuals who were not serving on our board of directors on the date of the underwriting agreement related to this offering, or the incumbent board, or whose nomination, appointment, or election was not approved by a majority of the incumbent board still in office.

Plan Amendment or Termination. Our board of directors will have the authority to amend, suspend, or terminate our 2021 Plan at any time, *provided* that such action does not materially impair the existing rights of any participant without such participant's written consent. Certain material amendments will also require the approval of our stockholders. No ISOs may be granted after the tenth anniversary of the date our board of directors adopts our 2021 Plan. No stock awards may be granted under our 2021 Plan while it is suspended or after it is terminated.

2021 Employee Stock Purchase Plan

In order to incentivize our employees following the closing of this offering, we anticipate that prior to the closing of this offering our board of directors will adopt, and our stockholders will approve, our ESPP, the material terms of which are summarized below. The purpose of our ESPP is to secure the services of new employees, to retain the services of existing employees, and to provide incentives for such individuals to exert maximum efforts toward our success and that of our affiliates. Our ESPP will include two components. One component is designed to allow eligible U.S. employees to purchase our common stock in a manner that may qualify for favorable tax treatment under Section 423 of the Code. The other component will permit the grant of purchase rights that do not qualify for such favorable tax treatment in order to allow deviations necessary to permit participation by eligible employees who are foreign nationals or employed outside of the U.S. while complying with applicable foreign laws.

Share Reserve. Following this offering, our ESPP will authorize the issuance of shares of our common stock under purchase rights granted to our employees or to employees of any of our designated affiliates. The number of shares of our common stock that will be reserved for issuance will

automatically increase on January 1 of each year for a period of ten years, beginning on January 1, 2022 and continuing through January 1, 2031, by the lesser of (i) % of the total number of shares of our common stock outstanding on December 31 of the immediately preceding year; and (ii) shares, except before the date of any such increase, our board of directors may determine that such increase will be less than the amount set forth in clauses (i) and (ii).

Administration. Our board of directors will administer our ESPP and may delegate its authority to administer our ESPP to our compensation committee. Our ESPP will be implemented through a series of offerings under which eligible employees are granted purchase rights to purchase shares of our common stock on specified dates during such offerings. Under our ESPP, our board of directors will be permitted to specify offerings with durations of not more than 27 months and to specify shorter purchase periods within each offering. Each offering will have one or more purchase dates on which shares of our common stock will be purchased for employees participating in the offering. Our ESPP will provide that an offering may be terminated under certain circumstances.

Payroll Deductions. Generally, all regular employees, including executive officers, employed by us or by any of our designated affiliates, will be eligible to participate in our ESPP and to contribute, normally through payroll deductions, up to 15% of their earnings (as defined in our ESPP) for the purchase of our common stock under our ESPP. Unless otherwise determined by our board of directors, common stock will be purchased for the accounts of employees participating in our ESPP at a price per share equal to the lesser of (i) 85% of the fair market value of a share of our common stock on the first day of an offering; or (ii) 85% of the fair market value of a share of our common stock on the date of purchase.

Limitations. Employees may have to satisfy one or more of the following service requirements before participating in our ESPP, as determined by our board of directors: (i) being customarily employed for more than 20 hours per week; (ii) being customarily employed for more than five months per calendar year; or (iii) continuous employment with us or one of our affiliates for a period of time (not to exceed two years). No employee will be permitted to purchase shares under our ESPP at a rate in excess of $25,000 worth of our common stock (based on the fair market value per share of our common stock on the date a purchase right under our ESPP is granted) for each calendar year such a purchase right is outstanding. Finally, no employee will be eligible for the grant of any purchase rights under our ESPP if immediately after such rights are granted, such employee has voting power over five percent or more of our outstanding capital stock measured by vote or value under Section 424(d) of the Code.

Changes to Capital Structure. Our ESPP will provide that in the event there occurs a change in our capital structure through such actions as a stock split, merger, consolidation, reorganization, recapitalization, reincorporation, stock dividend, dividend in property other than cash, large nonrecurring cash dividend, liquidating dividend, combination of shares, exchange of shares, change in corporate structure, or similar transaction, our board of directors will make appropriate adjustments to: (i) the class(es) and maximum number of shares reserved under our ESPP; (ii) the class(es) and maximum number of shares by which the share reserve may increase automatically each year; (iii) the class(es) and number of shares subject to, and purchase price applicable to, outstanding offerings and purchase rights; and (iv) the class(es) and number of shares that are subject to purchase limits under ongoing offerings.

Corporate Transactions. Our ESPP will provide that in the event of a corporate transaction (as defined below), any then-outstanding rights to purchase our common stock under our ESPP may be assumed, continued, or substituted for by any surviving or acquiring entity (or its parent company). If the surviving or acquiring entity (or its parent company) elects not to assume, continue, or substitute for such purchase rights, then the participants' accumulated payroll contributions will be used to purchase shares of our common stock within 10 business days before such corporate transaction, and such purchase rights will terminate immediately after such purchase.

Under our ESPP, a “corporate transaction” is generally the consummation of: (i) a sale or other disposition of all or substantially all of our assets; (ii) a sale or other disposition of at least 50% of our outstanding securities; (iii) a merger, consolidation or similar transaction following which we are not the surviving corporation; or (iv) a merger, consolidation or similar transaction following which we are the surviving corporation but the shares of our common stock outstanding immediately prior to such transaction are converted or exchanged into other property by virtue of the transaction.

Amendment or Termination. Our board of directors will have the authority to amend or terminate our ESPP, except in certain circumstances such amendment or termination may not materially impair any outstanding purchase rights without the holder’s consent. We will obtain stockholder approval of any amendment to our ESPP as required by applicable law or listing requirements.

Other Employee Benefit and Equity Incentive Plans

2020 Equity Incentive Plan

Our board of directors and stockholders adopted our 2020 Plan on August 31, 2020. As of December 31, 2020, options to purchase 1,026,551 shares of our common stock granted pursuant to the 2020 Plan remained outstanding with a weighted-average exercise price of $1.96 per share.

Awards. Our 2020 Plan provided for the grant of ISOs to our employees, and for the grant of NSOs, restricted stock awards, restricted stock unit awards, and other forms of awards to our employees, directors and consultants.

Authorized Shares. At the time of the offering, the maximum number of shares of our common stock that could be issued under our 2020 Plan was 1,677,077 shares. As described above, after our 2021 Plan becomes effective, no additional awards will be made pursuant to our 2020 Plan; however, our 2020 Plan will continue to govern outstanding awards granted thereunder. In addition, our common stock subject to outstanding stock options or other stock awards granted under the 2020 Plan that, on or after our 2021 Plan becomes effective, terminate or expire prior to exercise or settlement, are not issued because the award is settled in cash, are forfeited because of the failure to vest or are reacquired or withheld (or not issued) to satisfy a tax withholding obligation or the purchase or exercise price, will become available for grant pursuant to our 2021 Plan.

Plan Administration. Our board of directors, or a duly authorized committee of our board of directors, referred to as the administrator, administers our 2020 Plan. Our board of directors has the authority to delegate to one or more of our officers the authority to (i) designate employees (other than officers, directors or other persons whose transactions in our common stock is subject to Section 16 of the Exchange Act) to receive specified stock awards; and (ii) determine the number of shares subject to such stock awards, which awards were subject to a standard form of agreement approved by our administrator and subject to a share limit established by the administrator. Under our 2020 Plan, the administrator has the authority to determine stock award recipients, the types of stock awards to be granted, grant dates, the number of shares subject to each stock award, the fair market value of our common stock, and the provisions of each stock award, including the period of exercisability and the vesting schedule applicable to a stock award.

Stock Options. ISOs and NSOs are granted under stock option agreements adopted by the administrator. The administrator determines the exercise price for stock options, within the terms and conditions of our 2020 Plan, except that the exercise price of a stock option generally are not less than 100% of the fair market value of our common stock on the date of grant. Options granted under our 2020 Plan vest at the rate specified in the stock option agreement as determined by the administrator.

The administrator determines the term of stock options granted under our 2020 Plan, up to a maximum of 10 years. Unless the terms of an optionholder's stock option agreement, or other written agreement between us and the recipient, provide otherwise, if an optionholder's service relationship with us or any of our affiliates ceases for any reason other than disability, death, or cause, the optionholder may generally exercise any vested options for a period of three months following the cessation of service. This period may be extended in the event that exercise of the option is prohibited by applicable securities laws. If an optionholder's service relationship with us or any of our affiliates ceases due to death, or an optionholder dies within a certain period following cessation of service, the optionholder or a beneficiary may generally exercise any vested options for a period of 12 months following the date of death. If an optionholder's service relationship with us or any of our affiliates ceases due to disability, the optionholder may generally exercise any vested options for a period of 12 months following the cessation of service. In the event of a termination for cause, options generally terminate upon the termination date. In no event may an option be exercised beyond the expiration of its term.

Acceptable consideration for the purchase of common stock issued upon the exercise of a stock option is determined by the administrator and may include: (i) cash, check, or cash equivalent; (ii) a broker-assisted cashless exercise; (iii) the tender of shares of our common stock previously owned by the optionholder; (iv) a net exercise of the option if it is an NSO; or (v) other legal consideration approved by the administrator.

Options granted pursuant to the 2020 Plan generally are not transferable except (i) by will or the laws of descent and distribution or (ii) to the extent permitted by the administrator, pursuant to Rule 701 under the Securities Act and the general instructions to the Form S-8 registration statement under the Securities Act.

No ISO may be granted to any person who, at the time of the grant, owns or is deemed to own stock possessing more than 10% of our total combined voting power unless (i) the option exercise price is at least 110% of the fair market value of the stock subject to the option on the date of grant; and (ii) the term of the ISO does not exceed five years from the date of grant.

Restricted Stock Unit Awards. Restricted stock unit awards are granted under restricted stock unit award agreements adopted by the administrator. No monetary payment is required to receive a restricted stock unit award, although if required by applicable state corporate law, the participant must provide consideration in the form of cash or past services rendered having a value not less than the par value of any shares issues upon settlement of the restricted stock unit. Restricted stock unit awards are settled in shares of our common stock; *provided, however*, that the administrator may provide in a restricted stock unit award agreement that the award may be settled in cash or other property. Except as otherwise provided in the applicable award agreement, or other written agreement between us and the recipient, restricted stock unit awards that have not vested will be forfeited once the participant's continuous service ends for any reason.

Restricted Stock Awards. Restricted stock awards are granted under restricted stock award agreements adopted by the administrator. Restricted stock awards are only awarded in consideration for cash, check, or cash equivalent, past or future services to us, or any other form of legal consideration that may be acceptable to our board of directors and permissible under applicable law. The administrator determined the terms and conditions of restricted stock awards, including vesting and forfeiture terms. If a participant's service relationship with us ends for any reason, we may receive any or all of the shares of common stock held by the participant that have not vested as of the date the participant terminates service with us through a forfeiture condition or a repurchase right.

Other Stock Awards. The administrator is permitted to grant other awards based in whole or in part by reference to our common stock. The administrator may set the number of shares under the stock award (or cash equivalent) and all other terms and conditions of such awards.

Changes to Capital Structure. In the event there is a specified type of change in our capital structure, such as a stock split, reverse stock split, or recapitalization, appropriate adjustments will be made, as applicable, to: (i) the class and maximum number of shares reserved for issuance under our 2020 Plan; (ii) the class and maximum number of shares that may be issued on the exercise of ISOs; and (iii) the class and number of shares and exercise price or purchase price, if applicable, of all outstanding stock awards.

Change in Control. In the event of a change in control (as defined below), outstanding awards will be subject to the terms of the definitive transaction agreement entered into by us in connection with the change in control or other terms determined by the administrator and the administrator may provide for any one or more of the following: (i) as determined by the administrator, acceleration of exercisability and/or vesting of an award and any shares acquired pursuant to an award; (ii) the assumption, continuation or substitution of an award by the surviving or acquiring entity or its parent (with the holder of any award not assumed, continued or substituted by the acquiror given reasonable advance notice of such treatment and to the extent that such award is not exercised as of the consummation of the change in control, it will terminate); or (iii) without the consent of the participant, provide that any award outstanding immediately prior to the change in control will be cancelled in exchange for a payment for each vested share (and, if determined by the administrator, each unvested share) subject to such award equal to the consideration payable for a share of our common stock in the change in control (taking into account any escrow, earn-out, holdback or similar provision in the definitive agreement), less the exercise or purchase price of such award, which payment will be made in cash, our common stock (or the stock of another entity which is a party to the change in control) or other property.

Under our 2020 Plan, a “change in control” is generally the occurrence of an “ownership change event” or a series of ownership change events in which the stockholders immediately prior to the transaction do not retain ownership of more than 50% of the total combined voting power of the securities entitled to elect our directors or in the event of an asset sale, the entity to which the assets were transferred. Under our 2020 Plan, an “ownership change event” means any of (i) a sale or exchange in a single or series of related transactions by our stockholders of securities representing more than 50% of the total combined voting power of our securities generally entitled to vote to elect members of our board of directors, (ii) a merger or consolidation in which we are a party, or (iii) the sale, exchange or transfer of all or substantially all of our assets.

Plan Amendment or Termination. Our board of directors has the authority to amend, suspend, or terminate our 2020 Plan at any time, *provided* that such action does not have a material adverse effect on the existing rights of any participant without such participant’s written consent. An amendment will not be treated as materially adversely affecting a participant’s rights if it would cause an ISO to be treated as an NSO (or would start a new holding period for preferential ISO treatment) or if the administrator deems it necessary or advisable for such amendment to be made to comply with applicable law. Certain material amendments require the approval of our stockholders.

2016 Stock Plan

On December 21, 2016, our predecessor entity’s board of directors adopted, and our predecessor entity’s shareholders approved, the 2016 Plan and we assumed the 2016 Plan in connection with our reincorporation as a Delaware corporation in January 2019. There are no awards available for issuance under our 2016 Plan; however, our 2016 Plan continues to govern outstanding awards granted thereunder. As of December 31, 2020, options to purchase 171,863 shares of our common

stock granted pursuant to the 2016 Plan remained outstanding with a weighted-average exercise price of $0.79 per share.

Awards. Our 2016 Plan provided for the grant of ISOs, within the meaning of Section 422 of the Code, to our employees, and for the grant of NSOs and rights to purchase shares of our common stock to our employees and consultants.

Authorized Shares. There are no awards available for future issuance under our 2016 Plan. Shares subject to options granted under our 2016 Plan that expire or terminate without being exercised in full will not become available for grant under the 2016 Plan.

Plan Administration. Our board of directors administers our 2016 Plan. Under our 2016 Plan, our board of directors has the authority to determine award recipients, the types of awards to be granted, grant dates, the number of shares subject to each award, the fair market value of our common stock, and the provisions of each award, including the period of exercisability and the vesting schedule applicable to an award.

Stock Options. ISOs and NSOs are granted under stock option agreements adopted by our board of directors. Our board of directors determines the exercise price for stock options, within the terms and conditions of our 2016 Plan, except the exercise price of an ISO was not less than 100% of the fair market value of our common stock on the date of grant. Options granted under our 2016 Plan vest at the rate specified in the stock option agreement as were determined by our board of directors, *provided* that ISOs are exercisable at a rate of at least 20% per year over five years from the date of grant.

Our board of directors determines the term of stock options granted under our 2016 Plan, up to a maximum of 10 years. If an optionholder's service relationship with us or any of our affiliates ceases for any reason other than disability or death, the optionholder may generally exercise any vested options for a period of 45 days following the cessation of service. If an optionholder's service relationship with us or any of our affiliates ceases due to disability or death, or an optionholder dies within 45 days following cessation of service, the optionholder or a beneficiary may generally exercise any vested options for a period of 6 months following the date of death. In no event may an option be exercised beyond the expiration of its term.

Acceptable consideration for the purchase of common stock issued upon the exercise of a stock option is determined by our board of directors and may include (i) cash, (ii) check, (iii) promissory note or (iv) any combination of the foregoing methods. Options are not transferable except by will or the laws of descent and distribution.

No ISO may be granted to any person who, at the time of the grant, owned or was deemed to own stock possessing more than 10% of our total combined voting power unless (i) the option exercise price was at least 110% of the fair market value of the stock subject to the option on the date of grant; and (ii) the term of the ISO did not exceed five years from the date of grant.

Restricted Stock Awards. Restricted stock may be issued either alone or in tandem with an option granted pursuant to the 2016 Plan. Restricted stock awards are evidenced by a restricted stock award agreement in a form determined by our board of directors. A restricted stock award may be awarded in consideration for cash, check, promissory note or any combination of the foregoing methods. Our board of directors determines the terms and conditions of restricted stock awards, including vesting and forfeiture terms. Unless otherwise determined by our board of directors, if a participant's service relationship with us ends for any reason, we may repurchase all of the shares of common stock held by the participant acquired pursuant to the restricted stock award. The repurchase

price for vested shares will be the fair market value of the shares on the date of repurchase and unvested shares will be the lesser of the price paid by the participant or the fair market value of the shares on the date of repurchase. The participant's right to purchase restricted stock pursuant a stock purchase offer is not transferable except by will or the laws of descent and distribution.

Changes to Capital Structure. In the event there is a specified type of change in our capital structure, such as a stock split, reverse stock split, or recapitalization, appropriate adjustments will be made, as applicable, to (i) the class and maximum number of shares reserved for issuance under our 2016 Plan, and (ii) the class and number of shares and exercise price or purchase price, of all outstanding stock awards.

Merger or Consolidation. In the event that we are a party to a merger or consolidation, outstanding options will be subject to the terms of the applicable merger or consolidation agreement, which agreement may provide for any of the following without the consent of the holder of the outstanding option: (i) the continuation of the option if we are the surviving corporation; (ii) the assumption of outstanding options by the surviving corporation or parent thereof; (iii) the substitution of or of outstanding options by the surviving corporation or parent thereof; (iv) full exercisability of the option followed by the cancellation of the option; or (v) the cancellation of outstanding option and a payment to the participant equal to the excess of the fair market value of the shares subject to the option, regardless of whether the shares are vested, over the exercise price (which payment may be subject to vesting based on the participant's continued service, *provided* that the vesting may not be less favorable than the option vesting schedule) and if the exercise price exceeds the fair market value of the shares, no payment is required.

Plan Amendment or Termination. Our board of directors has the authority to amend, alter, suspend, or discontinue our 2016 Plan at any time, *provided* that such action does not materially impair the existing rights of any participant without such participant's written consent. Certain material amendments also require the approval of our stockholders.

Rule 10b5-1 Trading Plans

Our directors and executive officers may adopt written plans, known as Rule 10b5-1 plans, in which they will contract with a broker to buy or sell shares of our common stock on a periodic basis. Under a Rule 10b5-1 plan, a broker executes trades pursuant to parameters established by the director or officer when entering into the plan, without further direction from the director or officer. It is also possible that the director or officer could amend or terminate the plan when not in possession of material, nonpublic information. In addition, our directors and executive officers may buy or sell additional shares outside of a Rule 10b5-1 plan when they are not in possession of material, nonpublic information.

Non-Employee Director Compensation

Our non-employee directors did not receive compensation for their service on our board of directors during the fiscal year ended December 31, 2020.

We do not currently have a formal policy with respect to compensating our non-employee directors for service as directors. However, we are currently considering a compensation program for our non-employee directors for future implementation that may consist of annual retainer fees or long-term equity awards; however, there can be no assurance at this time that such a program will be implemented or that it will consist of the components noted here. Directors who are also our employees will not receive fees for service on our board of directors.

Equity Awards Relating to the Completion of this Offering

On June 2, 2021, in connection with their appointment to our board of directors, our board of directors approved the grant of options to acquire shares of our common stock to each of Ms. Robertson and Messrs. McNamara and Vos, in each case with a grant date fair value of $240,000 (or an aggregate of $720,000), calculated in accordance with Financial Accounting Standards Board Accounting Standards Codification Topic 718. Such grants will be contingent and effective upon the date upon which the registration statement of which this prospectus forms a part is declared effective by the SEC (the "Grant Date"). Such grants will be made under our 2021 Equity Incentive Plan and the exercise price of such options will be the initial public offering price of our common stock as set forth in the final prospectus relating to this offering and filed with the SEC. The options to be granted to Ms. Robertson and Messrs. McNamara and Vos will vest over a three-year period, with one-third of the shares subject to such options vesting on the first anniversary of the Grant Date, and the remaining two-thirds vesting in equal monthly installments for the remaining twenty-four months thereafter (in each case subject to the applicable director's continued service with us as of each such vesting date).

CERTAIN RELATIONSHIPS AND RELATED PARTY TRANSACTIONS

Other than the compensation agreements and other arrangements described in the section titled “Executive Compensation” and the transactions described below, since January 1, 2018, there has not been and there is not currently proposed, any transaction or series of similar transactions to which we were, or will be, a party in which the amount involved exceeded, or will exceed, $120,000 and in which any director, executive officer, holder of five percent or more of any class of our capital stock or any member of the immediate family of, or entities affiliated with, any of the foregoing persons, had, or will have, a direct or indirect material interest.

Series A Preferred Stock Financing

In January 2019, we issued and sold to Telegraph Hill Partners IV, L.P. and THP IV Affiliates Fund, LLC in a private placement an aggregate of 9,342,092 shares of our Series A preferred stock at a purchase price of $3.8469196 per share, for aggregate consideration of $35.9 million. All shares of our Series A preferred stock will convert into shares of our common stock immediately prior to the closing of this offering.

The following table sets forth the aggregate number of these securities acquired by the listed holders of more than five percent of any class of our capital stock or any entities affiliated with our executive officers and members of our board of directors. Each share of our Series A preferred stock identified in the following table will convert into one share of common stock in connection with this offering. Our directors, J. Matthew Mackowski, Paul Grossman and Alexander Herzick, are affiliated with Telegraph Hill Partners IV, L.P. and its affiliate, THP IV Affiliates Fund, LLC.

Name of Stockholder(1)	Number of Series A preferred Stock	Total Purchase Price
Telegraph Hill Partners IV, L.P.	7,970,673	$ 30,662,538
THP IV Affiliates Fund, LLC	1,371,419	$ 5,275,738

(1) Additional details regarding these stockholders and their equity holdings are provided in this prospectus under the caption “Principal Stockholders.”

Investors’ Rights Agreement

We are a party to an investors’ rights agreement, dated as of January 14, 2019, with each holder of our Series A preferred stock and certain holders of our common stock, including our five percent stockholders and entities affiliated with our directors. Our investors’ rights agreement provides these holders with certain information delivery rights, including with respect to our financial statements and budget, and inspection rights, which will terminate immediately prior to the closing of this offering. In addition, our investors’ rights agreement provides these holders the right, following the closing of this offering and subject to certain conditions, to demand that we file a registration statement or request that their shares be covered by a registration statement that we are otherwise filing. See the section titled “Description of Capital Stock—Registration Rights” for additional information regarding these registration rights.

Voting Agreement

We are party to a voting agreement, dated as of January 14, 2019, with each holder of our Series A preferred stock and certain holders of our common stock, including our five percent stockholders and entities affiliated with our directors, pursuant to which the following directors were elected to serve as members on our board of directors and, as of the date of this prospectus, continue to so serve: Paul Grossman, J. Matthew Mackowski, Alexander C. Herzick, Ted Davis and Irene Davis.

The voting agreement will terminate immediately prior to the closing of this offering, and members previously elected to our board of directors pursuant to the voting agreement will continue to serve as directors until they resign, are removed or their successors are duly elected by the holders of our common stock. The composition of our board of directors after this offering is described in more detail under the section titled “Management—Board of Directors.”

Right of First Refusal and Co-Sale Agreement

We are a party to a right of first refusal and co-sale agreement, dated as of January 14, 2019, with each holder of our Series A preferred stock and certain holders of our common stock, including our five percent stockholders and entities affiliated with our directors. The right of first refusal and co-sale agreement provides us and such holders a right of first refusal and co-sale with respect to certain sales of securities by the holders identified in the agreement. The right of first refusal and co-sale agreement will terminate immediately prior to the closing of this offering.

Management Rights Letter

In January 2019, we entered into a management rights letter with the holders of our Series A preferred stock, pursuant to which such holders were granted inspection and information rights and the right to consult and advise the board of directors. The management rights letter will terminate immediately prior to the closing of this offering.

Board Observer Rights Letter

On January 14, 2019, we entered into a board observer rights letter with Ted Davis and Irene Davis, members of our board of directors and five percent stockholders, pursuant to which we agreed to invite a representative of such stockholders to attend all meetings of our board of directors in a nonvoting observer capacity and to grant information rights to such observer so long as such stockholders own collectively at least 500,000 shares of our issued and outstanding common stock. The board observer rights letter will terminate immediately prior to the closing of this offering.

Stock Repurchase Agreement

In January 2019, we entered into a stock repurchase agreement with certain holders of our common stock and outstanding options. A portion of the proceeds obtained by the company from the sale of our Series A preferred stock was used in January 2019 to (i) redeem certain shares of our outstanding capital stock, including 5,000,000 shares of our common stock held by Ted Davis, our founder and a current director and five percent stockholder of ours, for an aggregate purchase price of approximately $16.5 million, and (ii) cash-out certain outstanding options, including 540,000 options held by Richard Goozh, our former treasurer and chief financial officer, in exchange for a cash payment of approximately $1.62 million.

Exercise of Stock Options

On January 31, 2019, Irene Davis, our former Chief Operating Officer and a current member of our board of directors, exercised options to purchase 900,000 shares of our common stock at an exercise price of $0.30 per share for aggregate proceeds to us of $270,000.

Transition Agreement

On January 10, 2019, we entered into a transition agreement and general release with Richard Goozh, our former treasurer and chief financial officer, pursuant to which we agreed to pay Mr. Goozh a transaction bonus in the amount of $972,715 in a lump sum in 2019 and an additional transaction bonus opportunity based on our 2019 net revenue and to be paid in 2020, subject, in both cases, to Mr. Goozh’s compliance with certain conditions of employment and execution and compliance with a non-solicitation agreement. The amount of the bonus that was paid to Mr. Goozh in 2020 was

$172,129. We also agreed to pay Mr. Goozh $10,000 per month for his continuing consulting services to us for a period of three months, commencing with the closing date of the Series A preferred stock financing. Further, in consideration for Mr. Goozh's execution a supplemental release of claims, we agreed to pay Mr. Goozh a lump sum of $20,000.

Offer Letters and Stock Option Grants Executive Officers

We have entered into offer letters with certain of our Named Executive Officers, and granted stock options to our Named Executive Officers, as more fully described in the section titled "Executive Compensation—Narrative Disclosure to Summary Compensation Table—Employment Offer Letters."

New Severance and Change of Control Agreements

Mr. Gunstream and one or more of our other executive officers, as may be determined by our board of directors, may enter into severance and change of control agreements, which would be effective upon the closing of this offering and may generally provide for certain payments and the acceleration of equity awards in connection with such executive's termination, under certain circumstances, including in connection with a change of control of the company.

Real Estate Leases

On June 21, 2017, we entered into a commercial lease agreement with Thomas E. Davis, LLC ("TED LLC"), a company controlled by Ted Davis, our founder and a current director and five percent stockholder of ours (the "BERT Lease"), pursuant to which we lease approximately five acres of vacant land located in Hollister, California. As of December 31, 2020, the minimum monthly base rent is $5,000. The current lease term is through June 30, 2021. We have the option to extend the lease term for two separate, consecutive, successive additional terms of one year each, following the expiration of the current lease term, upon the same terms and conditions contained in the lease. For each of the fiscal years ended December 31, 2020, 2019 and 2018, our total rent expense for this lease was $60,000.

On September 1, 2019, we entered into a lease agreement with Meeches LLC, a company that is also controlled by Ted Davis, pursuant to which we lease approximately 23,400 square feet of warehouse space located in Mansfield, Massachusetts. As of December 31, 2020, the monthly base rent was $20,902 and the base rent is increased annually by approximately $995. The current lease term is through August 31, 2024. We have the option to extend the initial term of the lease for one additional period of five years commencing upon the expiration of the initial lease term, upon the same terms and conditions contained in the lease, including an adjustment to the base rent, but excluding any further options to extend the lease term. For the fiscal years ended December 31, 2020 and 2019, our total rent expense for this lease was approximately $243,000 and $80,000, respectively.

Loan and Deed of Trust

In June 2018, we loaned TED LLC, a company controlled by Ted Davis, our founder and a current director and five percent stockholder of ours, $580,000 to purchase the property leased by the company under the BERT Lease. In connection with the loan, TED LLC executed a promissory note in favor of the company for an amount of $580,000. The promissory note accrued interest at a rate of 6.00% per annum and was secured by the property leased by the company under the BERT Lease, pursuant to a Deed of Trust and Assignment of Rents. This loan was repaid to the company in the first quarter of 2021.

Indemnification Agreements and Directors' and Officers' Liability Insurance

We have entered into, and expect to continue to enter into, indemnification agreements with each of our directors and officers. These agreements, among other things, require us to indemnify each

director and executive officer to the fullest extent permitted by Delaware law, including indemnification of expenses such as attorneys' fees, judgments, penalties, fines and settlement amounts actually and reasonably incurred by the director or executive officer in any action or proceeding, including any action or proceeding by or in right of us, arising out of the person's services as a director or executive officer. These indemnification agreements also require us to advance all expenses incurred by the directors and officers in investigating or defending any such action, suit or proceeding, subject to certain exceptions. We also maintain directors' and officers' liability insurance. See the section titled "Description of Capital Stock—Anti-Takeover Matters in our Governing Documents and Delaware Law—Limitation of Liability and Indemnification of Directors and Officers."

Policies and Procedures for Related Party Transactions

Our board of directors expects to adopt a written related person transaction policy, to be effective upon the closing of this offering, setting forth the policies and procedures for the review and approval or ratification of related person transactions. This policy will cover, with certain exceptions set forth in Item 404 of Regulation S-K under the Securities Act, any transaction, arrangement or relationship, or any series of similar transactions, arrangements or relationships in which we were or are to be a participant, where the amount involved exceeds $120,000 and a related person had or will have a direct or indirect material interest, including, without limitation, purchases of goods or services by or from the related person or entities in which the related person has a material interest, indebtedness, guarantees of indebtedness and employment by us of a related person. In reviewing and approving any such transactions, our audit committee is tasked to consider all relevant facts and circumstances, including, but not limited to, whether the transaction is on terms comparable to those that could be obtained in an arm's length transaction with an unrelated third party and the extent of the related person's interest in the transaction.

PRINCIPAL STOCKHOLDERS

The following table sets forth information with respect to the beneficial ownership of our common stock as of June 4, 2021, and as adjusted to reflect the sale of our common stock offered by us in this offering, for:

- each person, or group of affiliated persons, known by us to be the beneficial owner of more than five percent of our outstanding shares of common stock;
- each of our named executive officers;
- each of our directors; and
- all of our current directors and executive officers as a group.

We have determined beneficial ownership in accordance with the rules of the SEC, which generally means that a person has beneficial ownership of a security if he or she possesses sole or shared voting or investment power of that security, including options that are currently exercisable or will become exercisable within 60 days of June 4, 2021. Unless otherwise indicated, to our knowledge, the persons and entities named in the table below have sole voting and sole investment power with respect to all shares that they beneficially own, subject to community property laws where applicable. The information in the table below does not necessarily indicate beneficial ownership for any other purpose, including for purposes of Sections 13(d) and 13(g) of the Securities Act.

We have based our calculation of the percentage of beneficial ownership prior to this offering on 11,262,092 shares of common stock outstanding as of June 4, 2021, assuming the conversion of all outstanding shares of our Series A preferred stock into an aggregate of 9,342,092 shares of common stock immediately prior to the closing of this offering. We have based our calculation of the percentage of beneficial ownership after this offering on shares of common stock outstanding immediately after the closing of this offering, assuming the sale of shares of our common stock by us in this offering and no exercise of the underwriters' option to purchase additional shares. In computing the number of shares beneficially owned by an individual or entity and the percentage ownership of that person, shares of common stock subject to options, convertible securities or other rights, held by such person that are currently exercisable or will become exercisable within 60 days of June 4, 2021, are considered outstanding. We did not, however, deem such shares outstanding for the purpose of computing the percentage ownership of any other person.

Unless otherwise indicated, the address of each beneficial owner listed in the table below is c/o 2290 Bert Dr., Hollister, California 95023.

Name of Beneficial Owner	Number of Shares Beneficially Owned Prior to this Offering	Percentage of Shares Beneficially Owned	
		Prior to this Offering	After this Offering
5% Stockholders:			
Entities affiliated with Telegraph Hill Partners(1)	9,342,092	83.0%	
Named Executive Officers and Directors:			
Stephen Gunstream(2)	195,716	1.7%	
Damon Terrill	–	–	
Irene Davis(3)	1,900,000	16.9%	
Ted Davis(4)	1,900,000	16.9%	
Paul Grossman(1)	9,342,092	83.0%	
Alexander Herzick(1)	9,342,092	83.0%	
J. Matthew Mackowski(1)	9,342,092	83.0%	
Robert McNamara	–	–	
Brett Robertson	–	–	
Alexander Vos	–	–	
All executive officers and directors as a group (13 persons)(5)	11,437,808	99.8%	

* less than 1%.

(1) Consists of (a) 7,970,673 shares of common stock issuable upon conversion of our Series A preferred stock held by Telegraph Hill Partners IV, L.P. (“THP LP”) and (b) 1,371,419 shares of common stock issuable upon conversion of Series A preferred stock held by THP IV Affiliates Fund, LLC (“THP LLC”). Telegraph Hill Partners Management Company LLC is the manager of Telegraph Hill Partners IV Investment Management LLC, which is the general partner of THP LP and the manager of THP LLC. Thomas A. Raffin, J. Matthew Mackowski and Deval A. Lashkari are each managers of Telegraph Hill Partners Management Company LLC and may be deemed to share voting and dispositive power over the shares held by THP LP and THP LLC. Alexander Herzick and Paul Grossman are each partners of Telegraph Hill Partners Management Company LLC and may be deemed to share voting and dispositive power over the shares held by THP LP and THP LLC. The address for each of these entities and individuals is 360 Post Street, Suite 601, San Francisco, California 94108.

(2) Consists of 195,716 shares of common stock that may be acquired pursuant to the exercise of stock options within 60 days of June 4, 2021. See the section titled “Executive Compensation—Narrative Disclosure to Summary Compensation Table—Employment Offer Letters.”

(3) Includes 1,000,000 shares of common stock owned by Ted Davis over which Mrs. Davis may be deemed to have shared voting power and dispositive power.

(4) Includes 900,000 shares of common stock owned by Irene Davis over which Mr. Davis may be deemed to have shared voting power and dispositive power.

(5) Consists of 195,716 shares of common stock that may be acquired pursuant to the exercise of stock options within 60 days of June 4, 2021.

DESCRIPTION OF CAPITAL STOCK

General

The following description summarizes the most important terms of our capital stock, as they will be in effect upon the closing of this offering. We expect to adopt an amended and restated certificate of incorporation and amended and restated bylaws in connection with this offering, and this description summarizes the provisions that will be included in such documents. Because it is only a summary, it does not contain all of the information that may be important to you. For a complete description of the matters set forth in this "Description of Capital Stock," you should refer to our amended and restated certificate of incorporation and amended and restated bylaws, each of which are included as exhibits to the registration statement of which this prospectus forms a part, and to the applicable provisions of Delaware law. Upon the closing of this offering, our authorized capital stock will consist of shares of common stock, $0.00001 par value per share, and shares of undesignated preferred stock, $0.00001 par value per share.

As of March 31, 2021, there were 1,920,000 shares of our common stock outstanding, held by three stockholders of record, and 9,342,092 shares of our Series A preferred stock outstanding, held by two stockholders of record. After giving effect to the conversion of all outstanding shares of our Series A preferred stock into shares of common stock immediately prior to the closing of this offering, there would have been 11,262,092 shares of common stock outstanding on March 31, 2021, held of record by five stockholders. Subject to applicable Nasdaq Rules, our board of directors is authorized, without stockholder approval, to issue additional shares of our capital stock.

Common Stock

Dividend Rights

The holders of common stock will be entitled to receive ratably those dividends, if any, that may be declared from time to time by our board of directors out of funds legally available, subject to preferences that may be applicable to preferred stock, if any, then outstanding. Our Credit Agreement imposes limits our ability to pay cash dividends. See the section titled "Dividend Policy."

Voting Rights

The holders of common stock will be entitled to one vote per share on all matters to be voted upon by the stockholders.

Right to Receive Liquidation Distributions

In the event of a liquidation, dissolution or winding up of our company, the holders of common stock will be entitled to share ratably in all assets remaining after payment of liabilities, subject to prior distribution rights of preferred stock, if any, then outstanding.

No Preemptive or Similar Rights

The common stock will have no preemptive or conversion rights or other subscription rights. There are no redemption or sinking fund provisions applicable to the common stock.

Fully Paid and Non-Assessable

Following the closing of this offering, all outstanding shares of common stock will be fully paid and non-assessable.

Preferred Stock

Upon the closing of this offering, we will have no shares of preferred stock outstanding.

Our amended and restated certificate of incorporation will authorize our board of directors, subject to limitations prescribed by Delaware law, to issue up to shares of our preferred stock in one or more series, to determine and fix from time to time the number of shares to be included in each such series and to fix the designations, powers, rights and preferences of the shares of each such series, and the qualifications, limitations and restrictions thereof, including voting rights (if any), dividend rights, dissolution rights, conversion rights, exchange rights and redemption rights, in each case without further vote or action by our stockholders. Our board of directors can also increase or decrease the number of shares of any such series, but not below the number of shares of such series then outstanding, without any further vote or action by our stockholders.

Our board of directors may authorize the issuance of preferred stock with voting or conversion rights that could adversely affect the voting power or other rights of the holders of our common stock. The issuance of preferred stock, while providing flexibility in connection with possible acquisitions and other corporate purposes, could, among other things, have the effect of delaying, deferring or preventing a change in control and may adversely affect the market price of our common stock and the voting and other rights of the holders of our common stock. We have no current plans to issue any shares of preferred stock.

Registration Rights

Our investors' rights agreement grants the parties thereto certain registration rights in respect of the "registrable securities" held by them, which securities include (i) the shares of our common stock issuable or issued upon conversion of our preferred stock; (ii) any common stock held by investors party to our investors' rights agreement at the time of this offering; (iii) any common stock issued or issuable, directly or indirectly, upon conversion and/or exercise of any of our other securities held by the investors party to our investors' rights agreement at the time of this offering; and (iv) any common stock issued as, or issuable upon the conversion or exercise of any warrant, right, or other security that is issued as, a dividend or other distribution with respect to, or in exchange for or in replacement of, the securities in clauses (i), (ii) and (iii) above. The registration of shares of our common stock pursuant to the exercise of these registration rights would enable the holders thereof to sell such shares without restriction under the Securities Act when the applicable registration statement is declared effective. Under our investors' rights agreement, we will pay all expenses relating to such registrations, including the fees of one counsel for the participating holders, and the holders will pay all underwriting discounts, commissions and stock transfer taxes relating to the sale of their shares. Our investors' rights agreement also includes customary indemnification and procedural terms.

Holders of 11,242,092 shares of our common stock (including shares issuable upon the conversion of our Series A preferred stock) are entitled to such registration rights pursuant to our investors' rights agreement. These registration rights will expire on the earlier of (i) a deemed liquidation event, subject to certain exceptions; (ii) a transaction in which a person or group of related persons acquires more than 50% of our outstanding voting stock, subject to certain exceptions; and (iii) such time after this offering as SEC Rule 144 or another similar exemption under the Securities Act is available for the sale of all of such holder's shares without limitation during a three-month period without registration.

Demand Registration Rights

At any time beginning 180 days after the effective date of the registration statement of which this prospectus forms a part, the holders of not less than 50% of the registrable securities then outstanding may request that we file a registration statement on Form S-1 with respect to at least 40% of the then-outstanding registrable securities (or a lesser percentage if the anticipated aggregate offering price, net of selling expenses, would exceed $15.0 million).

Once we are eligible to use a registration statement on Form S-3, the holders of not less than 30% of the registrable shares then outstanding may request that we file a registration statement on Form

S-3 with respect to such holders' registrable securities then outstanding, if the aggregate offering price of the registrable securities, net of selling expenses, is expected to exceed $5.0 million.

Piggyback Registration Rights

In the event that we propose to register any of our securities under the Securities Act, either for our own account or for the account of other security holders, the stockholders party to our investors' rights agreement will be entitled to certain "piggyback" registration rights allowing them to include their registrable securities in such registration, subject to certain marketing and other limitations. As a result, whenever we propose to file a registration statement under the Securities Act other than with respect to a demand registration, a registration statement on Form S-4 or S-8 or a registration to register debt securities and underlying common stock, these holders will be entitled to notice of the registration and will have the right to include their registrable securities in the registration subject to certain limitations.

Anti-Takeover Matters in our Governing Documents and Under Delaware Law

Certain provisions of Delaware law, along with our amended and restated certificate of incorporation and our amended and restated bylaws, which will take effect immediately prior to the closing of this offering, all of which are summarized below, may have the effect of delaying, deferring or discouraging another person from acquiring control of our company. These provisions are expected to discourage coercive takeover practices and inadequate takeover bids. These provisions are also designed, in part, to encourage persons seeking to acquire control of our company to first negotiate with our board of directors. However, these provisions could have the effect of delaying, discouraging or preventing attempts to acquire us, which could deprive our stockholders of opportunities to sell their shares of common stock at prices higher than prevailing market prices.

Authorized but Unissued Capital Stock

The authorized but unissued shares of common stock and preferred stock are available for future issuance without stockholder approval, subject to any limitations imposed by the Nasdaq Rules. These additional shares may be used for a variety of corporate finance transactions, acquisitions and employee benefit plans. The existence of authorized but unissued and unreserved common stock and preferred stock could make more difficult or discourage an attempt to obtain control of us by means of a proxy contest, tender offer, merger or otherwise.

Classified Board of Directors

Our amended and restated certificate of incorporation will provide that our board of directors will be divided into three classes, with the classes as nearly equal in number as possible and each class serving three-year staggered terms. The directors in each class will serve for a three-year term (other than the directors initially assigned to Class I whose term shall expire at our first annual meeting of stockholders following the closing of this offering and those assigned to Class II whose term shall expire to our second annual meeting of stockholders following the closing of this offering), one class being elected each year by our stockholders. This system of electing and removing directors may tend to discourage a third party from making a tender offer or otherwise attempting to obtain control of us, because it generally makes it more difficult for stockholders to replace a majority of the directors. See the section of this prospectus titled "Management" for more information on the classified board.

Our amended and restated certificate of incorporation will also provide that the total number of directors shall be determined from time to time exclusively by our board of directors; *provided* that, at any time THP beneficially owns, in the aggregate, at least % in voting power of the then-outstanding shares of stock of the company entitled to vote generally in the election of directors, the stockholders may also fix the number of directors by resolution adopted by the stockholders.

Removal of Directors; Vacancies

Our amended and restated certificate of incorporation will provide that, subject to the rights of holders of any series of our preferred stock, directors may be removed with or without cause by the affirmative vote of the holders of a majority in voting power of the then-outstanding shares of stock of our company entitled to vote generally in the election of such directors; *provided, however*, that, from and after the THP Trigger Event, any such director or all such directors may be removed only for cause and only by the affirmative vote of the holders of at least 66 2/3% in voting power of all the then-outstanding shares of stock of our company entitled to vote thereon, voting together as a single class.

In addition, our amended and restated certificate of incorporation will provide that, subject to the rights of the holders of any series of our preferred stock and except as otherwise provided therein, any vacancy resulting from the death, resignation, removal or disqualification of a director or other cause, or any newly created directorship in the board of directors, may be filled by a majority of the directors then in office or by our stockholders; *provided, however*, that from and after the THP Trigger Event, any vacancy resulting from the death, resignation, removal or disqualification of a director or other cause, or any newly created directorship in the board of directors, shall be filled only by a majority of the directors then in office and shall not be filled by our stockholders.

These provisions may have the effect of deferring, delaying, or discouraging hostile takeovers, changes in control of us or changes in our management.

Delaware Anti-Takeover Law

Our amended and restated certificate of incorporation will provide that we will opt out of Section 203 of the DGCL ("Section 203") until such time as THP beneficially owns, in the aggregate, less than a majority of the total voting power of all the then-outstanding shares of stock of our company entitled to vote generally in the election of directors, at which time we shall immediately and automatically become governed by Section 203.

Section 203 prohibits persons deemed to be "interested stockholders" from engaging in a "business combination" with a publicly held Delaware corporation for three years following the date such persons become interested stockholders unless the business combination is, or the transaction in which the person became an interested stockholder was, approved in a prescribed manner or another prescribed exception applies. Generally, an "interested stockholder" is a person who, together with affiliates and associates, owns, or within three years prior to the determination of interested stockholder status did own, 15% or more of a corporation's voting stock. Generally, a "business combination" includes a merger, asset or stock sale, or other transaction resulting in a financial benefit to the interested stockholder. The existence of this provision may have an anti-takeover effect with respect to transactions that are not approved in advance by our board, including discouraging attempts that might result in a premium over the market price for the shares of common stock held by stockholders.

Our amended and restated certificate of incorporation will provide that THP (together with its affiliates, successors and assigns) will not be deemed to be an "interested stockholder" regardless of the percentage of ownership of the total voting power of all the then-outstanding shares of stock of our entitled to vote generally in the election of directors beneficially owned by them.

No Cumulative Voting

Under Delaware law, the right to vote cumulatively does not exist unless the certificate of incorporation specifically authorizes cumulative voting. Our amended and restated certificate of incorporation will not authorize cumulative voting. Therefore, stockholders holding a majority of the shares of our stock entitled to vote generally in the election of directors will be able to elect all of our directors.

Special Stockholder Meetings

Our amended and restated certificate of incorporation will provide that, subject to the rights of the holders of any series of preferred stock with respect to such series of preferred stock, special meetings of stockholders may only be called by order of the Chairman of our board of directors, our board of directors or our Chief Executive Officer; *provided, however*, that at any time prior to the THP Trigger Event, special meetings of our stockholders shall also be called by or at the direction of our board of directors or the Chairman of our board of directors at the request of THP. Our amended and restated bylaws will prohibit the conduct of any business at a special meeting other than as specified in the notice for such meeting. These provisions may have the effect of deferring, delaying, or discouraging hostile takeovers or changes in control or management.

Director Nominations and Stockholder Proposals

Our amended and restated bylaws will establish advance notice procedures with respect to stockholder proposals and the nomination of candidates for election as directors, other than nominations made by or at the direction of the board of directors or a committee of the board of directors. In order for any matter to be "properly brought" before a meeting, a stockholder will have to comply with advance notice requirements and provide us with certain information.

Generally, to be timely, a stockholder's notice must be received at our principal executive offices not less than 90 days nor more than 120 days prior to the first anniversary date of the immediately preceding annual meeting of stockholders. Our amended and restated bylaws will also specify requirements as to the form and content of a stockholder's notice. Our amended and restated bylaws will allow the chair of a meeting of the stockholders to adopt rules and regulations for the conduct of that meeting that may have the effect of precluding the conduct of certain business at that meeting if the rules and regulations are not followed. These provisions may also defer, delay, or discourage a potential acquirer from conducting a solicitation of proxies to elect the acquirer's own slate of directors or otherwise attempting to influence or obtain control.

Stockholder Action by Written Consent

Pursuant to Section 228 of the DGCL, any action required to be taken at any annual or special meeting of the stockholders may be taken without a meeting, without prior notice, and without a vote if a consent or consents in writing, setting forth the action so taken, is or are signed by the holders of outstanding stock having not less than the minimum number of votes that would be necessary to authorize or take such action at a meeting at which all shares of our stock entitled to vote thereon were present and voted, unless the certificate of incorporation provides otherwise. Our amended and restated certificate of incorporation will preclude stockholder action by written consent upon the occurrence of the THP Trigger Event.

Amendment of Certificate of Incorporation or Bylaws

The DGCL provides generally that the affirmative vote of a majority of the shares entitled to vote on any matter is required to amend a corporation's certificate of incorporation or bylaws, unless a corporation's certificate of incorporation or bylaws, as the case may be, requires a greater percentage.

Our amended and restated certificate of incorporation will provide that, upon the occurrence of the THP Trigger Event, the affirmative vote of the holders of at least 66 2/3% of the voting power of the then-outstanding shares of stock entitled to vote thereon, voting together as a single class, will be required to alter, amend or repeal the following provisions of our amended and restated certificate of incorporation: Article V (Board of Directors), Article VI (Consent of Stockholders in Lieu of Meeting; Special Meetings of Stockholders), Article VII (Limitation of Liability), Article VIII (Corporate Opportunities and Competition), Article IX (Exclusive Forum), and Article X (Section 203 of the DGCL), and Article XI (Amendment of Certificate of Incorporation and Bylaws).

Our amended and restated certificate of incorporation and our amended and restated bylaws will provide that, upon the occurrence of the THP Trigger Event, the affirmative vote of the holders of at least 66 2/3% of the voting power of the then-outstanding shares of stock entitled to vote thereon, voting together as a single class, will be required to alter, amend or repeal our amended and restated bylaws.

The provisions of the DGCL, our amended and restated certificate of incorporation and our amended and restated bylaws could have the effect of discouraging others from attempting hostile takeovers and, as a consequence, they may also inhibit temporary fluctuations in the market price of our common stock that often result from actual or rumored hostile takeover attempts. These provisions may also have the effect of preventing changes in the composition of our board and management. It is possible that these provisions could make it more difficult to accomplish transactions that stockholders may otherwise deem to be in their best interests.

Exclusive Forum

Our amended and restated certificate of incorporation will provide that, unless we consent in writing to the selection of an alternative forum, the Court of Chancery of the State of Delaware (or, if and only if the Court of Chancery of the State of Delaware lacks subject matter jurisdiction, any state court located within the State of Delaware or, if and only if all such state courts lack subject matter jurisdiction, the federal district court for the District of Delaware) shall, to the fullest extent permitted by law, be the sole and exclusive forum for (i) any derivative action or proceeding brought on our behalf, (ii) any action asserting a claim of breach of a fiduciary duty owed by any of our current or former directors, officers, employees or stockholders to us or our stockholders, (iii) any action asserting a claim against us or any of our current or former directors, officers, employees or stockholders arising pursuant to any provision of the DGCL or of our amended and restated certification of incorporation or our amended and restated bylaws, (iv) any claim or cause of action seeking to interpret, apply, enforce or determine the validity of our amended and restated certification of incorporation or our amended and restated bylaws, (v) any action or proceeding asserting a claim against us or any of our current or former directors, officers, employees or stockholders as to which the DGCL confers jurisdiction to the Court of Chancery of the State of Delaware, or (vi) any action asserting a claim governed by the internal affairs doctrine of the law of the State of Delaware. The foregoing exclusive forum provisions will not apply to claims arising under the Exchange Act or any other claim for which the federal courts have exclusive jurisdiction.

In addition, our amended and restated certificate of incorporation will provide that, unless we consent in writing to the selection of an alternative forum, the federal district courts of the United States of America shall be the exclusive forum for the resolution of any complaint asserting a cause of action arising under the Securities Act.

Although we believe these provisions benefit us by providing increased consistency in the application of applicable law in the types of lawsuits to which they apply, the provisions may have the effect of discouraging lawsuits against our directors and officers. The enforceability of similar choice of forum provisions in other companies' certificates of incorporation has been challenged in legal proceedings and there is uncertainty as to whether a court would enforce such provisions. In addition, investors cannot waive compliance with the federal securities laws and the rules and regulations thereunder. It is possible that, in connection with any applicable action brought against us, a court could find the choice of forum provisions contained in our amended and restated certificate of incorporation to be inapplicable or unenforceable in such action. Any person or entity purchasing or otherwise acquiring any interest in shares of our capital stock shall be deemed to have notice of and consented to the forum provisions in our amended and restated certificate of incorporation.

Limitation of Liability and Indemnification of Directors and Officers

Our amended and restated certificate of incorporation and amended and restated bylaws, which will become effective immediately prior to the closing of this offering, will contain provisions that limit the liability of our directors for monetary damages to the fullest extent permitted by the DGCL. Consequently, our directors will not be personally liable to us or our stockholders for monetary damages for any breach of fiduciary duties as directors, except liability for the following:

- any breach of their duty of loyalty to us or our stockholders;
- acts or omissions not in good faith or that involve intentional misconduct or a knowing violation of law;
- unlawful payments of dividends or unlawful stock repurchases or redemptions in violation of the DGCL; or
- any transaction from which the director derived an improper personal benefit.

Our amended and restated certificate of incorporation will also provide that if the DGCL is amended to permit further elimination or limitation of the personal liability of directors, then the liability of our directors will be eliminated or limited to the fullest extent permitted by the DGCL, as so amended.

Our amended and restated bylaws will provide that we shall indemnify any person who is or was a director or officer of ours or who is or was serving at our request as a director, officer, trustee, employee or agent of another corporation, limited liability company, partnership, joint venture, trust, employee benefit plan or other enterprise, or who is or was a party to, is threatened to be made a party to, or is otherwise involved in any threatened, pending or completed action, suit or proceeding, whether civil, criminal, administrative, or investigative based on such person's actions in his or her official capacity as a director, officer, trustee, employee or agent of ours, in each case against all liability and loss suffered (including, without limitation, any judgments, fines, excise taxes and penalties arising under the Employee Retirement Income Security Act of 1974, and amounts paid in settlement) actually and reasonably incurred by or on behalf of such person in connection therewith, subject to certain conditions. In addition, our amended and restated bylaws will provide that we may, to the fullest extent permitted by law, (i) advance expenses incurred by or on behalf of a director or officer in advance of the final disposition of any action or proceeding, subject to certain exceptions, and (ii) purchase and maintain insurance, at our expense, to protect us and any person who is or was a director, officer, employee or agent of ours or is or was a director, officer, employee or agent of ours serving at our request as a director, officer, employee or agent of another corporation, limited liability company, partnership, joint venture, trust, employee benefit plan or other enterprise against any liability, expense or loss, whether or not we would have the power or obligation to indemnify such person against such liability, expense or loss under the DGCL.

We have entered and expect to continue to enter into agreements to indemnify and advance expenses to our directors, officers and other employees as determined by our board of directors. These agreements, among other things, require us to indemnify each the applicable indemnitee to the fullest extent permitted by Delaware law, including indemnification of expenses such as attorneys' fees, judgments, penalties, fines and settlement amounts actually and reasonably incurred by such indemnitee in any action or proceeding, including any action or proceeding by or in right of us, arising out of the person's services as a director or executive officer. We believe that these indemnification and advancement provisions and insurance provisions of our amended and restated bylaws and indemnification agreements are necessary to attract and retain qualified persons as directors and officers. We also maintain directors' and officers' liability insurance.

The above description of the indemnification provisions of our amended and restated certificate of incorporation, our amended and restated bylaws and our indemnification agreements is not complete

and is qualified in its entirety by reference to these documents, each of which is filed as an exhibit to the registration statement of which this prospectus is a part.

Certain of our non-employee directors may, through their relationships with their employers, be insured or indemnified against certain liabilities incurred in their capacity as members of our board of directors.

The limitation of liability and indemnification provisions in our amended and restated certificate of incorporation and amended and restated bylaws may discourage stockholders from bringing a lawsuit against our directors and officers for breach of their fiduciary duty. They may also reduce the likelihood of derivative litigation against our directors and officers, even though an action, if successful, might benefit us and our stockholders. In addition, your investment may be adversely affected to the extent we pay the costs of settlement and damage awards against directors and officers pursuant to these indemnification provisions. Insofar as indemnification for liabilities arising under the Securities Act may be permitted to directors or executive officers, we have been informed that in the opinion of the SEC such indemnification is against public policy and is therefore unenforceable. At present, there is no pending litigation or proceeding involving a director or officer of the company regarding which indemnification is sought, nor is the company aware of any threatened litigation that may result in claims for indemnification.

Conflicts of Interest

Delaware law permits corporations to adopt provisions renouncing any interest or expectancy in certain opportunities that are presented to the corporation or its officers, directors or stockholders. Our amended and restated certificate of incorporation will provide that, to the fullest extent permitted by law, no Identified Person will have any duty to refrain from (i) engaging in a corporate opportunity in the same or similar business activities or lines of business in which we or our affiliates are engaged or that are deemed to be competing with us or any of our affiliates or (ii) otherwise investing in or providing services to any person that competes with us or our affiliates. In addition, to the fullest extent permitted by law, no Identified Person will have any obligation to offer to us or our subsidiaries or affiliates the right to participate in any corporate opportunity in the same or similar business activities or lines of business in which we or our affiliates are engaged or that are deemed to be competing with us or any of our affiliates.

Transfer Agent and Registrar

Upon the closing of this offering, the transfer agent and registrar for our common stock will be Philadelphia Stock Transfer, Inc. The transfer agent’s address is 2320 Haverford Road, Suite 230, Ardmore, PA 19003.

Listing

We have applied to list our common stock on the Nasdaq Global Market under the symbol “TKNO.”

SHARES ELIGIBLE FOR FUTURE SALE

Prior to this offering, there has been no public market for our common stock, and we cannot predict the effect, if any, that market sales of shares of our common stock or the availability of shares of our common stock for sale will have on the market price of our common stock prevailing from time to time. Future sales of our common stock in the public market, or the availability of such shares for sale in the public market, could adversely affect market prices prevailing from time to time. As described below, only a limited number of shares of our common stock will be available for sale shortly after this offering due to contractual and legal restrictions on resale. Sales of our common stock in the public market after such restrictions lapse, or the perception that those sales may occur, could adversely affect the prevailing market price at such time and our ability to raise equity capital in the future.

Following the closing of this offering, based on the number of shares of our capital stock outstanding as of , 2021, shares of common stock will be outstanding, assuming no exercise of the underwriters' option to purchase additional shares to cover over-allotments, if any, and no exercise of outstanding options. Of these outstanding shares, all of the shares of our common stock sold in this offering will be freely tradable, except that any shares purchased in this offering by our affiliates, as that term is defined in Rule 144 under the Securities Act, would only be able to be sold in compliance with the Rule 144 limitations described below.

The remaining outstanding shares of our common stock not sold in this offering will be, and shares subject to stock options will, upon issuance, be deemed "restricted securities" as defined in Rule 144 under the Securities Act. Restricted securities may be sold in the public market only if they are registered or if they qualify for an exemption from registration under Rule 144 or Rule 701 under the Securities Act, which rules are summarized below.

All of our officers, directors and holders of capital stock and securities exchangeable or exercisable for substantially all of our capital stock have entered lock-up agreements with the underwriters under which they have agreed, subject to certain customary exceptions, not to sell any of our stock for 180 days following the date of this prospectus. As a result of these agreements, and subject to the provisions of Rule 144 or Rule 701, shares of our common stock will be available for sale in the public market as follows:

- beginning on the date of this prospectus, all shares of our common stock sold in this offering will be immediately available for sale in the public market; and
- beginning 180 days after the date of this prospectus, the remaining shares of our common stock will be eligible for sale in the public market from time to time thereafter, subject in some cases to the volume and other restrictions of Rule 144, as described below.

Lock-Up Agreements

In connection with this offering, we, our officers, directors and holders of capital stock and securities exchangeable or exercisable for substantially all of our capital stock have agreed with the underwriters, subject to certain exceptions, not to sell, dispose of or hedge any shares of our common stock or securities convertible into or exchangeable for shares of common stock during the period ending 180 days after the date of this prospectus, except with the prior written consent of the representatives of the underwriters.

Immediately following the closing of this offering, equity holders subject to lock-up agreements will hold shares of our common stock, representing approximately % of our then outstanding shares of common stock, or approximately % if the underwriters exercise in full their option to purchase additional shares.

We have agreed not to issue, sell or otherwise dispose of any shares of our common stock during the 180-day period following the date of this prospectus. We may, however, grant options to purchase shares of common stock, issue shares of common stock upon the exercise of outstanding options, issue shares of common stock in connection with certain acquisitions or business combinations or an employee stock purchase plan and in certain other circumstances.

Rule 144

In general, under Rule 144, as currently in effect, once we have been subject to the public company reporting requirements of Section 13 or Section 15(d) of the Exchange Act for at least 90 days, a person who is not deemed to have been one of our affiliates for purposes of the Securities Act at any time during the 90 days preceding a sale and who has beneficially owned the shares of our common stock proposed to be sold for at least six months is entitled to sell those shares without complying with the manner of sale, volume limitation or notice provisions of Rule 144, subject to compliance with the public information requirements of Rule 144. If such a person has beneficially owned the shares proposed to be sold for at least one year, including the holding period of any prior owner other than our affiliates, then that person would be entitled to sell those shares without complying with any of the requirements of Rule 144.

In general, under Rule 144, as currently in effect, our affiliates or persons selling shares of our common stock on behalf of our affiliates are entitled to sell upon expiration of the market standoff agreements and lock-up agreements described above, within any three-month period, a number of shares that does not exceed the greater of:

- 1% of the number of shares of our capital stock then outstanding, which will equal shares immediately after this offering, assuming no exercise of the underwriters' option to purchase additional shares; or
- the average weekly trading volume of our common stock during the four calendar weeks preceding the filing of a notice on Form 144 with respect to that sale.

Sales under Rule 144 by our affiliates or persons selling shares of our common stock on behalf of our affiliates are also subject to manner of sale provisions and notice requirements and to the availability of current public information about us.

Rule 701

Rule 701 generally allows a stockholder who purchased shares of our capital stock pursuant to a written compensatory plan or contract and who is not deemed to have been an affiliate of our company during the immediately preceding 90 days to sell these shares in reliance upon Rule 144, but without being required to comply with the public information, holding period, volume limitation or notice provisions of Rule 144. Rule 701 also permits affiliates of our company to sell their Rule 701 shares under Rule 144 without complying with the holding period requirements of Rule 144. All holders of Rule 701 shares, however, are required to wait until 90 days after the date of this prospectus before selling those shares pursuant to Rule 701.

Registration Statement

We intend to file a registration statement on Form S-8 under the Securities Act promptly after the closing of this offering to register shares of our common stock subject to options outstanding, as well as reserved for future issuance, under our equity compensation plans. The registration statement on Form S-8 is expected to become effective immediately upon filing, and shares of our common stock covered by the registration statement will then become eligible for sale in the public market, subject to the Rule 144 limitations applicable to affiliates, vesting restrictions and any applicable market standoff agreements and lock-up agreements. See the section titled "Executive Compensation" for a description of our equity compensation plans.

Registration Rights

Upon the closing of this offering, pursuant to our investors' rights agreement, certain holders of our common stock, or their transferees, will be entitled to certain rights with respect to the registration of the offer and sale of their shares under the Securities Act, subject to the terms of the lock-up agreements described under the section titled "—Lock-Up Agreements" above. Registration of these shares under the Securities Act would result in the shares becoming freely tradable without restriction under the Securities Act immediately on the effectiveness of the registration. Any sales of securities by these stockholders could have a material adverse effect on the trading price of our common stock. See the section titled "Description of Capital Stock—Registration Rights" for additional information.

MATERIAL U.S. FEDERAL INCOME TAX CONSEQUENCES TO NON-U.S. HOLDERS

The following is a summary of the material U.S. federal income tax consequences to non-U.S. holders (as defined below) of the ownership and disposition of our common stock issued pursuant to this offering. This discussion is not a complete analysis of all potential U.S. federal income tax consequences relating thereto, does not address the potential application of the Medicare contribution tax on net investment income, and does not address any estate or gift tax consequences or any tax consequences arising under any state, local or foreign tax laws, or any other U.S. federal tax laws. This discussion is based on the Code, Treasury Regulations promulgated thereunder, judicial decisions and published rulings and administrative pronouncements of the IRS, all as in effect on the date of this prospectus supplement. These authorities are subject to differing interpretations and may change, possibly retroactively, resulting in U.S. federal income tax consequences different from those discussed below. We have not requested a ruling from the IRS with respect to the statements made and the conclusions reached in the following summary, and there can be no assurance that the IRS or a court will agree with such statements and conclusions.

This discussion is limited to non-U.S. holders who purchase our common stock pursuant to this offering and who hold our common stock as a "capital asset" within the meaning of Section 1221 of the Code (generally, property held for investment). This discussion does not address all of the U.S. federal income tax consequences that may be relevant to an individual holder in light of such holder's particular circumstances. This discussion also does not consider any specific facts or circumstances that may be relevant to non-U.S. holders subject to special rules under the U.S. federal income tax laws, including:

- certain former citizens or long-term residents of the United States;
- partnerships or other pass-through entities (and investors therein);
- "controlled foreign corporations";
- "passive foreign investment companies";
- corporations that accumulate earnings to avoid U.S. federal income tax;
- banks, financial institutions, investment funds, insurance companies, brokers, dealers or traders in securities;
- tax-exempt organizations and governmental organizations;
- tax-qualified retirement plans;
- persons subject to the alternative minimum tax;
- persons subject to special tax accounting rules under Section 451(b) of the Code;
- persons that own or have owned, actually or constructively, more than five percent of our common stock;
- persons who have elected to mark securities to market; and
- persons holding our common stock as part of a hedging or conversion transaction or straddle, or a constructive sale, or other risk reduction strategy or integrated investment.

If an entity or arrangement that is classified as a partnership for U.S. federal income tax purposes holds our common stock, the U.S. federal income tax treatment of a partner in the partnership will generally depend on the status of the partner and the activities of the partnership. Partnerships holding our common stock and the partners in such partnerships are urged to consult their tax advisors about the particular U.S. federal income tax consequences to them of holding and disposing of our common stock.

PROSPECTIVE INVESTORS SHOULD CONSULT THEIR TAX ADVISORS REGARDING THE PARTICULAR U.S. FEDERAL INCOME TAX CONSEQUENCES TO THEM OF ACQUIRING,

OWNING AND DISPOSING OF OUR COMMON STOCK, AS WELL AS ANY TAX CONSEQUENCES ARISING UNDER ANY STATE, LOCAL OR FOREIGN TAX LAWS AND ANY OTHER U.S. FEDERAL TAX LAWS.

Definition of Non-U.S. Holder

For purposes of this discussion, a non-U.S. holder is any beneficial owner of our common stock that is not a "U.S. person" or a partnership (including any entity or arrangement treated as a partnership) for U.S. federal income tax purposes. A U.S. person is any person that, for U.S. federal income tax purposes, is or is treated as any of the following:

- an individual who is a citizen or resident of the United States;
- a corporation (including any entity treated as a corporation for U.S. federal income tax purposes) created or organized under the laws of the United States, any state thereof or the District of Columbia;
- an estate, the income of which is subject to U.S. federal income tax regardless of its source; or
- a trust (i) whose administration is subject to the primary supervision of a U.S. court and which has one or more U.S. persons who have the authority to control all substantial decisions of the trust or (ii) that has a valid election in effect under applicable Treasury Regulations to be treated as a U.S. person.

Distributions on Our Common Stock

If we distribute cash or other property on our common stock, such distributions will constitute dividends for U.S. federal income tax purposes to the extent paid from our current or accumulated earnings and profits, as determined under U.S. federal income tax principles. Amounts distributed in excess of our current and accumulated earnings and profits will constitute a return of capital and will first be applied against and reduce a non-U.S. holder's tax basis in our common stock, but not below zero. Any distribution in excess of a non-U.S. holder's tax basis will be treated as gain realized on the sale or other disposition of our common stock and will be treated as described in the section titled "Gain on Disposition of Our Common Stock" below.

Subject to the discussions below regarding effectively connected income, backup withholding and FATCA (as defined below), dividends paid to a non-U.S. holder of our common stock generally will be subject to U.S. federal withholding tax at a rate of 30% of the gross amount of the dividends or such lower rate specified by an applicable income tax treaty. To receive the benefit of a reduced treaty rate, a non-U.S. holder must furnish the applicable withholding agent with a valid IRS Form W-8BEN or IRS Form W-8BEN-E (or applicable form) certifying such non-U.S. holder's qualification for the reduced rate. This certification must be provided to the applicable withholding agent before the payment of dividends and must be updated periodically. If the non-U.S. holder holds our common stock through a financial institution or other agent acting on the non-U.S. holder's behalf, the non-U.S. holder will be required to provide appropriate documentation to the agent, which then will be required to provide certification to the applicable withholding agent, either directly or through other intermediaries.

If a non-U.S. holder holds our common stock in connection with the conduct of a trade or business in the United States, and dividends paid on our common stock are effectively connected with such holder's U.S. trade or business (and are attributable to such holder's permanent establishment or fixed base in the United States if required by an applicable tax treaty), the non-U.S. holder will generally be exempt from U.S. federal withholding tax, *provided* that the non-U.S. holder furnishes a valid IRS Form W-8ECI (or applicable successor form) to the applicable withholding agent.

However, any such effectively connected dividends paid on our common stock generally will be subject to U.S. federal income tax on a net income basis at regular U.S. federal income tax rates in the

same manner as if such holder were a resident of the United States. A non-U.S. holder that is a foreign corporation also may be subject to an additional branch profits tax equal to 30% (or such lower rate specified by an applicable income tax treaty) of its effectively connected earnings and profits for the taxable year, as adjusted for certain items.

Non-U.S. holders that do not provide the required certification on a timely basis, but that qualify for a reduced treaty rate, may obtain a refund of any excess amounts withheld by timely filing an appropriate claim for refund with the IRS. Non-U.S. holders should consult their tax advisors regarding any applicable income tax treaties that may provide for different rules.

Gain on Disposition of Our Common Stock

Subject to the discussions below regarding backup withholding and FATCA, a non-U.S. holder generally will not be subject to U.S. federal income tax on any gain realized on the sale or other disposition of our common stock, unless:

- the gain is effectively connected with the non-U.S. holder's conduct of a trade or business in the United States and, if required by an applicable income tax treaty, is attributable to a permanent establishment or fixed base maintained by the non-U.S. holder in the United States;
- the non-U.S. holder is a nonresident alien individual present in the United States for 183 days or more during the taxable year of the disposition, and certain other requirements are met; or
- our common stock constitutes a "U.S. real property interest" ("USRPIs") by reason of our status as a U.S. real property holding corporation ("USRPHC"), for U.S. federal income tax purposes at any time within the shorter of the five-year period preceding the disposition or the non-U.S. holder's holding period for our common stock, and our common stock is not regularly traded on an established securities market during the calendar year in which the sale or other disposition occurs.

Determining whether we are a USRPHC depends on the fair market value of our U.S. real property interests relative to the fair market value of our other trade or business assets and our foreign real property interests. Although we believe we are not currently and we do not anticipate becoming a USRPHC for U.S. federal income tax purposes, because the determination of whether we are a USRPHC depends on the fair market value of our USRPIs relative to the value of our non-USRPIs and our other business assets, there can be no assurance we currently are not, and will not in the future become, a USRPHC.

Gain described in the first bullet point above generally will be subject to U.S. federal income tax on a net income basis at the regular U.S. federal income tax rates in the same manner as if such non-U.S. holder were a resident of the United States. A non-U.S. holder that is a foreign corporation also may be subject to an additional branch profits tax equal to 30% (or such lower rate specified by an applicable income tax treaty) of its effectively connected earnings and profits for the taxable year, as adjusted for certain items. Gain described in the second bullet point above will be subject to U.S. federal income tax at a flat 30% rate (or such lower rate specified by an applicable income tax treaty), but may be offset by certain U.S.-source capital losses (even though the individual is not considered a resident of the United States), *provided* that the non-U.S. holder has timely filed U.S. federal income tax returns with respect to such losses. Gain described in the third bullet point above will generally be subject to federal income tax in the same manner as gain that is effectively connected with the conduct of a U.S. trade or business (subject to any provisions under an applicable income tax treaty), except that the branch profits tax generally will not apply.

Non-U.S. holders should consult their tax advisors regarding any applicable income tax treaties that may provide for different rules.

Information Reporting and Backup Withholding

Annual reports are required to be filed with the IRS and provided to each non-U.S. holder indicating the amount of dividends on our common stock paid to such holder and the amount of any tax withheld with respect to those dividends. These information reporting requirements apply even if no withholding was required because the dividends were effectively connected with the holder's conduct of a U.S. trade or business, or withholding was reduced or eliminated by an applicable income tax treaty. This information also may be made available under a specific treaty or agreement with the tax authorities in the country in which the non-U.S. holder resides or is established.

Backup withholding, currently at a 24% rate, generally will not apply to payments to a non-U.S. holder of dividends on or the gross proceeds of a disposition of, our common stock provided the non-U.S. holder furnishes the required certification for its non-U.S. status, such as by providing a valid IRS Form W-8BEN, IRS Form W-8BEN-E or IRS Form W-8ECI, or certain other requirements are met. Backup withholding may apply if the payor has actual knowledge, or reason to know, that the holder is a U.S. person who is not an exempt recipient.

Backup withholding is not an additional tax. If any amount is withheld under the backup withholding rules, the non-U.S. holder should consult with a U.S. tax advisor regarding the possibility of and procedure for obtaining a refund or a credit against the non-U.S. holder's U.S. federal income tax liability, if any.

Foreign Account Tax Compliance Act

The Foreign Account Tax Compliance Act ("FATCA"), as reflected in Sections 1471 through 1474 of the Code, imposes a U.S. federal withholding tax of 30% on certain payments, including dividends paid in respect of our common stock, made to a "foreign financial institution" (as specially defined under these rules) unless such institution enters into an agreement with the U.S. government to withhold on certain payments and to collect and provide to the U.S. tax authorities substantial information regarding certain U.S. account holders of such institution (which includes certain equity and debt holders of such institution, as well as certain account holders that are foreign entities with U.S. owners) or an exemption applies. FATCA also generally will impose a U.S. federal withholding tax of 30% on certain payments, including dividends paid in respect of our common stock, made to a non-financial foreign entity unless such entity provides the withholding agent a certification identifying certain direct and indirect U.S. owners of the entity or an exemption applies. An intergovernmental agreement between the United States and an applicable foreign country may modify these requirements. Under certain circumstances, a non-U.S. holder might be eligible for refunds or credits of such taxes. FATCA currently applies to dividends paid on our common stock. Proposed Treasury Regulations, which may be relied upon until final Treasury Regulations are finalized, currently eliminate FATCA withholding on payments of gross proceeds from sales or other dispositions of our common stock.

Prospective investors are encouraged to consult with their own tax advisors regarding the possible implications of FATCA on their investment in our common stock.

EACH PROSPECTIVE INVESTOR SHOULD CONSULT ITS OWN TAX ADVISOR REGARDING THE TAX CONSEQUENCES OF PURCHASING, HOLDING AND DISPOSING OF OUR COMMON STOCK, INCLUDING THE CONSEQUENCES OF ANY PROPOSED CHANGE IN APPLICABLE LAW, AS WELL AS TAX CONSEQUENCES ARISING UNDER ANY STATE, LOCAL, NON-U.S. OR U.S. FEDERAL NON-INCOME TAX LAWS SUCH AS ESTATE AND GIFT TAX.

UNDERWRITING

We and the underwriters for the offering named below have entered into an underwriting agreement with respect to the common stock being offered. Subject to the terms and conditions of the underwriting agreement, each underwriter has severally agreed to purchase from us the number of shares of our common stock set forth opposite its name below. Cowen and Company, LLC and William Blair & Company, L.L.C. are the representatives of the underwriters.

Underwriter	Number of Shares
Cowen and Company, LLC	
William Blair & Company, L.L.C.	
BTIG, LLC	
Stephens Inc.	
Total	

The underwriting agreement provides that the obligations of the underwriters are subject to certain conditions precedent and that the underwriters have agreed, severally and not jointly, to purchase all of the shares sold under the underwriting agreement if any of these shares are purchased, other than those shares covered by the option to purchase additional shares described below. If an underwriter defaults, the underwriting agreement provides that the purchase commitments of the non-defaulting underwriters may be increased or the underwriting agreement may be terminated.

We have agreed to indemnify the underwriters against specified liabilities, including liabilities under the Securities Act of 1933, and to contribute to payments the underwriters may be required to make in respect thereof.

The underwriters are offering the shares, subject to prior sale, when, as and if issued to and accepted by them, subject to approval of legal matters by their counsel and other conditions specified in the underwriting agreement. The underwriters reserve the right to withdraw, cancel or modify offers to the public and to reject orders in whole or in part.

Option to Purchase Additional Shares. We have granted to the underwriters an option to purchase up to additional shares of common stock at the public offering price, less the underwriting discounts and commissions. This option is exercisable for a period of 30 days. To the extent that the underwriters exercise this option, the underwriters will purchase additional shares from us in approximately the same proportion as shown in the table above.

Discounts and Commissions. The following table shows the public offering price, underwriting discounts and commissions and proceeds, before expenses to us. These amounts are shown assuming both no exercise and full exercise of the underwriters' option to purchase additional shares.

We estimate that the total expenses of the offering, excluding underwriting discounts and commissions, will be approximately $ and are payable by us. We have agreed to reimburse the underwriters for up to $ for their Financial Industry Regulatory Authority ("FINRA") counsel fee. In accordance with FINRA Rule 5110, this reimbursed fee is deemed underwriting compensation for this offering.

		Total	
	Per Share	Without Option	With Option
Public offering price			
Underwriting discounts and commissions			
Proceeds, before expenses, to the company			

The underwriters propose to offer the shares of common stock to the public at the public offering price set forth on the cover of this prospectus. The underwriters may offer the shares of common stock to securities dealers at the public offering price less a concession not in excess of $ per share. If all of the shares are not sold at the public offering price, the underwriters may change the offering price and other selling terms.

Discretionary Accounts. The underwriters do not intend to confirm sales of the shares to any accounts over which they have discretionary authority.

Market Information. Prior to this offering, there has been no public market for shares of our common stock. The initial public offering price will be determined by negotiations between us and the representatives of the underwriters. In addition to prevailing market conditions, the factors to be considered in these negotiations will include:

- the history of, and prospects for, our company and the industry in which we compete;
- our past and present financial information;
- an assessment of our management;
- our past and present operations, and the prospects for, and timing of, our future revenues;
- the present state of our development;
- the above factors in relation to market values and various valuation measures of other companies engaged in activities similar to ours.

An active trading market for the shares may not develop. It is also possible that after the offering the shares will not trade in the public market at or above the initial public offering price.

We have applied to list our common stock on the Nasdaq Global Market under the symbol ‘‘TKNO’’.

Stabilization. In connection with this offering, the underwriters may engage in stabilizing transactions, overallotment transactions, syndicate covering transactions, penalty bids and purchases to cover positions created by short sales.

- Stabilizing transactions permit bids to purchase shares of common stock so long as the stabilizing bids do not exceed a specified maximum, and are engaged in for the purpose of preventing or retarding a decline in the market price of the common stock while the offering is in progress.
- Overallotment transactions involve sales by the underwriters of shares of common stock in excess of the number of shares the underwriters are obligated to purchase. This creates a syndicate short position which may be either a covered short position or a naked short position. In a covered short position, the number of shares over-allotted by the underwriters is not greater than the number of shares that they may purchase in the option to purchase additional shares. In a naked short position, the number of shares involved is greater than the number of shares in the option to purchase additional shares. The underwriters may close out any short position by exercising their option to purchase additional shares and/or purchasing shares in the open market.
- Syndicate covering transactions involve purchases of common stock in the open market after the distribution has been completed in order to cover syndicate short positions. In determining the source of shares to close out the short position, the underwriters will consider, among other things, the price of shares available for purchase in the open market as compared with the price at which they may purchase shares through exercise of the option to purchase additional

shares. If the underwriters sell more shares than could be covered by exercise of the option to purchase additional shares and, therefore, have a naked short position, the position can be closed out only by buying shares in the open market. A naked short position is more likely to be created if the underwriters are concerned that after pricing there could be downward pressure on the price of the shares in the open market that could adversely affect investors who purchase in the offering.

- Penalty bids permit the representatives to reclaim a selling concession from a syndicate member when the common stock originally sold by that syndicate member is purchased in stabilizing or syndicate covering transactions to cover syndicate short positions.

These stabilizing transactions, syndicate covering transactions and penalty bids may have the effect of raising or maintaining the market price of our common stock or preventing or retarding a decline in the market price of our common stock. As a result, the price of our common stock in the open market may be higher than it would otherwise be in the absence of these transactions. Neither we nor the underwriters make any representation or prediction as to the effect that the transactions described above may have on the price of our common stock. These transactions may be effected on the Nasdaq Global Market, in the over-the-counter market or otherwise and, if commenced, may be discontinued at any time.

Passive Market Making. In connection with this offering, underwriters and selling group members may engage in passive market making transactions in our common stock on the Nasdaq Global Market in accordance with Rule 103 of Regulation M under the Securities Exchange Act of 1934, as amended, during a period before the commencement of offers or sales of common stock and extending through the completion of the distribution. A passive market maker must display its bid at a price not in excess of the highest independent bid of that security. However, if all independent bids are lowered below the passive market maker's bid, such bid must then be lowered when specified purchase limits are exceeded.

Lock-Up Agreements. Pursuant to certain ''lock-up'' agreements, we and our executive officers, directors and our other stockholders, have agreed, subject to certain exceptions, not to and will not cause or direct any of its affiliates to offer, sell, assign, transfer, pledge, contract to sell, or otherwise dispose of or announce the intention to otherwise dispose of, or enter into, or announce the intention to enter into any swap, hedge or similar agreement or arrangement (including, without limitation, the purchase or sale of, or entry into, any put or call option, or combination thereof, forward, swap or any other derivative transaction or instrument, however described or defined) that transfers, is designed to transfer or reasonably could be expected to transfer (whether by the stockholder or someone other than the stockholder) that transfers, in whole or in part, directly or indirectly the economic consequence of ownership of, directly or indirectly, or make any demand or request or exercise any right with respect to the registration of, or file with the SEC a registration statement under the Securities Act relating to, any common stock or securities convertible into or exchangeable or exercisable for any common stock without the prior written consent of Cowen and Company, LLC and William Blair & Company, L.L.C., for a period of 180 days after the date of the pricing of the offering.

This lock-up provision applies to common stock and to securities convertible into or exchangeable or exercisable for common stock. It also applies to common stock owned now or, in some instances, acquired later by the person executing the agreement or for which the person executing the agreement later acquires the power of disposition. The exceptions permit us, among other things and subject to restrictions, to: (i) issue common stock or options pursuant to employee benefit plans, (ii) issue common stock upon exercise of outstanding options or warrants (iii) issue securities in connection with acquisitions or similar transactions, or (iv) file registration statements on Form S-8. The exceptions permit parties to the ''lock-up'' agreements, among other things and subject to restrictions, to: (a) make certain gifts or transfers by will or intestate succession upon the death of the party, (b) if the party is a

corporation, partnership, limited liability company or other business entity, make transfers to any shareholders, partners, members of, or owners of similar equity interests in, the party, or to an affiliate of the party, if such transfer is not for value, (c) if the party is a corporation, partnership, limited liability company or other business entity, make transfers in connection with the sale or transfer of all of the party's capital stock, partnership interests, membership interests or other similar equity interests, as the case may be, or all or substantially all of the party's assets, in any such case not undertaken for the purpose of avoiding the restrictions imposed by the "lock-up" agreement, (d) enter into a 10b5-1 trading plan, provided that such plan does not permit the sale of any common stock during the 180-day lock-up period and no public announcement or filing is made regarding such plan during the 180-day lock-up period, (e) enter into transactions relating to shares of our common stock acquired in open market transactions after closing of this offering, provided that no public announcement or filing is required to be made regarding such transaction during the 180-day lock-up period, (f) make transfers to us to satisfy tax withholding obligations pursuant to our equity incentive plans disclosed in this prospectus, (g) make transfers pursuant to court or regulatory agency order, a qualified domestic order or in connection with a divorce settlement, (h) make transfers pursuant to agreements pursuant to which we have the option to repurchase securities, (i) transfers pursuant to third-party tender offer, merger, consolidation or other similar transaction, and (j) the conversion of the outstanding shares of our preferred stock into Common Stock in connection with the consummation of the Offering. In addition, the lock-up provision will not restrict broker-dealers from engaging in market making and similar activities conducted in the ordinary course of their business.

Cowen and Company, LLC and William Blair & Company, L.L.C., in their sole discretion, may release our common stock and other securities subject to the lock-up agreements described above in whole or in part at any time. When determining whether or not to release our common stock and other securities from lock-up agreements, Cowen and Company, LLC and William Blair & Company, L.L.C. will consider, among other factors, the holder's reasons for requesting the release, the number of shares for which the release is being requested and market conditions at the time of the request. In the event of such a release or waiver for one of our directors or officers, Cowen and Company, LLC and William Blair & Company, L.L.C. shall provide us with notice of the impending release or waiver at least three business days before the effective date of such release or waiver and we will announce the impending release or waiver by issuing a press release at least two business days before the effective date of the release or waiver.

Selling Restrictions

Canada. The common stock may be sold only to purchasers purchasing, or deemed to be purchasing, as principal that are accredited investors, as defined in National Instrument 45-106 *Prospectus Exemptions* or subsection 73.3(1) of the *Securities Act* (Ontario), and are permitted clients, as defined in National Instrument 31-103 *Registration Requirements, Exemptions and Ongoing Registrant Obligations*. Any resale of the common stock must be made in accordance with an exemption from, or in a transaction not subject to, the prospectus requirements of applicable securities laws.

Securities legislation in certain provinces or territories of Canada may provide a purchaser with remedies for rescission or damages if this prospectus (including any amendment thereto) contains a misrepresentation, provided that the remedies for rescission or damages are exercised by the purchaser within the time limit prescribed by the securities legislation of the purchaser's province or territory. The purchaser should refer to any applicable provisions of the securities legislation of the purchaser's province or territory for particulars of these rights or consult with a legal advisor.

Pursuant to section 3A.3 of National Instrument 33-105 *Underwriting Conflicts* (NI 33-105), the underwriters are not required to comply with the disclosure requirements of NI 33-105 regarding underwriter conflicts of interest in connection with this offering.

Switzerland. The securities will not be offered, directly or indirectly, to the public in Switzerland and this prospectus does not constitute a public offering prospectus as that term is understood pursuant to article 652a or 1156 of the Swiss Federal Code of Obligations.

European Economic Area. In relation to each Member State of the European Economic Area (each, a "Member State"), no shares have been offered or will be offered pursuant to the offering to the public in that Member State prior to the publication of a prospectus in relation to the shares which has been approved by the competent authority in that Member State or, where appropriate, approved in another Member State and notified to the competent authority in that Member State, all in accordance with the Prospectus Regulation, except that shares may be offered to the public in that Member State at any time:

A. to any legal entity which is a qualified investor as defined under Article 2 the Prospectus Regulation;

B. to fewer than 150 natural or legal persons (other than qualified investors as defined under Article 2 the Prospectus Regulation), subject to obtaining the prior consent of the representatives for any such offer; or

C. in any other circumstances falling within Article 1(4) of the Prospectus Regulation,

provided that no such offer of the shares shall require us or any of the representatives to publish a prospectus pursuant to Article 3 of the Prospectus Regulation or supplement a prospectus pursuant to Article 23 of the Prospectus Regulation.

For the purposes of this provision, the expression an "offer to the public" in relation to shares in any Member State means the communication in any form and by any means of sufficient information on the terms of the offer and any shares to be offered so as to enable an investor to decide to purchase or subscribe for any shares, and the expression "Prospectus Regulation" means Regulation (EU) 2017/1129.

United Kingdom. No shares have been offered or will be offered pursuant to the offering to the public in the United Kingdom prior to the publication of a prospectus in relation to the shares which has been approved by the Financial Conduct Authority, except that the shares may be offered to the public in the United Kingdom at any time:

A. to any legal entity which is a qualified investor as defined under Article 2 of the UK Prospectus Regulation;

B. to fewer than 150 natural or legal persons (other than qualified investors as defined under Article 2 of the UK Prospectus Regulation), subject to obtaining the prior consent of the representatives for any such offer; or

C. in any other circumstances falling within Section 86 of the Financial Services and Markets Authority ("FSMA"),

provided that no such offer of the shares shall require the Issuer or any Manager to publish a prospectus pursuant to Section 85 of the FSMA or supplement a prospectus pursuant to Article 23 of the UK Prospectus Regulation. For the purposes of this provision, the expression an "offer to the public" in relation to the shares in the United Kingdom means the communication in any form and by any means of sufficient information on the terms of the offer and any shares to be offered so as to enable an investor to decide to purchase or subscribe for any shares and the expression "UK Prospectus Regulation" means Regulation (EU) 2017/1129 as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018.

Hong Kong. The shares have not been offered or sold and will not be offered or sold in Hong Kong, by means of any document, other than (a) to "professional investors" as defined in the Securities and Futures Ordinance (Cap. 571 of the Laws of Hong Kong) (the "SFO") of Hong Kong and any rules made thereunder; or (b) in other circumstances which do not result in the document being a "prospectus" as defined in the Companies (Winding Up and Miscellaneous Provisions) Ordinance (Cap. 32) of Hong Kong (the "CO"), or which do not constitute an offer to the public within the meaning of the CO. No advertisement, invitation or document relating to the shares has been or may be issued or has been or may be in the possession of any person for the purposes of issue, whether in Hong Kong or elsewhere, which is directed at, or the contents of which are likely to be accessed or read by, the public of Hong Kong (except if permitted to do so under the securities laws of Hong Kong) other than with respect to shares which are or are intended to be disposed of only to persons outside Hong Kong or only to "professional investors" as defined in the SFO and any rules made thereunder.

Singapore. Each underwriter has acknowledged that this prospectus has not been registered as a prospectus with the Monetary Authority of Singapore. Accordingly, each underwriter has represented and agreed that it has not offered or sold any shares or caused the shares to be made the subject of an invitation for subscription or purchase and will not offer or sell any shares or cause the shares to be made the subject of an invitation for subscription or purchase, and has not circulated or distributed, nor will it circulate or distribute, this prospectus or any other document or material in connection with the offer or sale, or invitation for subscription or purchase, of the shares, whether directly or indirectly, to any person in Singapore other than:

A. to an institutional investor (as defined in Section 4A of the Securities and Futures Act (Chapter 289) of Singapore, as modified or amended from time to time (the "SFA")) pursuant to Section 274 of the SFA;

B. to a relevant person (as defined in Section 275(2) of the SFA) pursuant to Section 275(1) of the SFA, or any person pursuant to Section 275(1A) of the SFA, and in accordance with the conditions specified in Section 275 of the SFA; or

C. otherwise pursuant to, and in accordance with the conditions of, any other applicable provision of the SFA.

Where the shares are subscribed or purchased under Section 275 of the SFA by a relevant person which is:

A. a corporation (which is not an accredited investor (as defined in Section 4A of the SFA)) the sole business of which is to hold investments and the entire share capital of which is owned by one or more individuals, each of whom is an accredited investor; or

B. a trust (where the trustee is not an accredited investor) whose sole purpose is to hold investments and each beneficiary of the trust is an individual who is an accredited investor,

securities or securities-based derivatives contracts (each term as defined in Section 2(1) of the SFA) of that corporation or the beneficiaries' rights and interest (however described) in that trust shall not be transferred within six months after that corporation or that trust has acquired the shares pursuant to an offer made under Section 275 of the SFA except:

(i) to an institutional investor or to a relevant person, or to any person arising from an offer referred to in Section 275(1A) or Section 276(4)(i)(B) of the SFA;

(ii) where no consideration is or will be given for the transfer;

(iii) where the transfer is by operation of law;

(iv) as specified in Section 276(7) of the SFA; or

(v) as specified in Regulation 37A of the Securities and Futures (Offers of Investments) (Securities and Securities-based Derivatives Contracts) Regulations 2018.

Singapore SFA Product Classification—In connection with Section 309B of the SFA and the CMP Regulations 2018, unless otherwise specified before an offer of shares, we have determined, and hereby notify all relevant persons (as defined in Section 309A(1) of the SFA), that the shares are "prescribed capital markets products" (as defined in the CMP Regulations 2018) and Excluded Investment Products (as defined in MAS Notice SFA 04-N12: Notice on the Sale of Investment Products and MAS Notice FAA-N16: Notice on Recommendations on Investment Products).

Israel. In the State of Israel this prospectus shall not be regarded as an offer to the public to purchase shares of common stock under the Israeli Securities Law, 5728—1968, which requires a prospectus to be published and authorized by the Israel Securities Authority, if it complies with certain provisions of Section 15 of the Israeli Securities Law, 5728—1968, including, inter alia, if: (i) the offer is made, distributed or directed to not more than 35 investors, subject to certain conditions (the "Addressed Investors"); or (ii) the offer is made, distributed or directed to certain qualified investors defined in the First Addendum of the Israeli Securities Law, 5728—1968, subject to certain conditions (the "Qualified Investors"). The Qualified Investors shall not be taken into account in the count of the Addressed Investors and may be offered to purchase securities in addition to the 35 Addressed Investors. The company has not and will not take any action that would require it to publish a prospectus in accordance with and subject to the Israeli Securities Law, 5728—1968. We have not and will not distribute this prospectus or make, distribute or direct an offer to subscribe for our common stock to any person within the State of Israel, other than to Qualified Investors and up to 35 Addressed Investors.

Qualified Investors may have to submit written evidence that they meet the definitions set out in of the First Addendum to the Israeli Securities Law, 5728—1968. In particular, we may request, as a condition to be offered common stock, that Qualified Investors will each represent, warrant and certify to us and/or to anyone acting on our behalf: (i) that it is an investor falling within one of the categories listed in the First Addendum to the Israeli Securities Law, 5728—1968; (ii) which of the categories listed in the First Addendum to the Israeli Securities Law, 5728—1968 regarding Qualified Investors is applicable to it; (iii) that it will abide by all provisions set forth in the Israeli Securities Law, 5728—1968 and the regulations promulgated thereunder in connection with the offer to be issued common stock; (iv) that the shares of common stock that it will be issued are, subject to exemptions available under the Israeli Securities Law, 5728—1968: (a) for its own account; (b) for investment purposes only; and (c) not issued with a view to resale within the State of Israel, other than in accordance with the provisions of the Israeli Securities Law, 5728—1968; and (v) that it is willing to provide further evidence of its Qualified Investor status. Addressed Investors may have to submit written evidence in respect of their identity and may have to sign and submit a declaration containing, inter alia, the Addressed Investor's name, address and passport number or Israeli identification number.

We have not authorized and do not authorize the making of any offer of securities through any financial intermediary on our behalf, other than offers made by the underwriters and their respective affiliates, with a view to the final placement of the securities as contemplated in this document. Accordingly, no purchaser of the shares, other than the underwriters, is authorized to make any further offer of shares on our behalf or on behalf of the underwriters.

Electronic Offer, Sale and Distribution of Shares. A prospectus in electronic format may be made available on the websites maintained by one or more of the underwriters or selling group

members, if any, participating in this offering and one or more of the underwriters participating in this offering may distribute prospectuses electronically. The representatives may agree to allocate a number of shares to underwriters and selling group members for sale to their online brokerage account holders. Internet distributions will be allocated by the underwriters and selling group members that will make internet distributions on the same basis as other allocations. Other than the prospectus in electronic format, the information on these websites is not part of this prospectus or the registration statement of which this prospectus forms a part, has not been approved or endorsed by us or any underwriter in its capacity as underwriter, and should not be relied upon by investors.

Other Relationships. Certain of the underwriters and their affiliates have provided, and may in the future provide, various investment banking, commercial banking and other financial services for us and our affiliates for which they have received, and may in the future receive, customary fees.

LEGAL MATTERS

The validity of the shares of our common stock offered in this prospectus will be passed upon for us by Paul Hastings LLP, Palo Alto, California. Certain legal matters will be passed upon for the underwriters by DLA Piper LLP (US), San Diego, California.

EXPERTS

The financial statements of Alpha Teknova, Inc. at December 31, 2020 (Successor) and 2019 (Successor) and for the year ended December 31, 2020 (Successor), the period from January 14, 2019 through December 31, 2019 (Successor), and the period from January 1, 2019 through January 13, 2019 (Predecessor), appearing in the prospectus and registration statement have been audited by Ernst & Young LLP, independent registered public accounting firm, as set forth in their report appearing elsewhere herein, and are included in reliance upon such report given on the authority of such firm as experts in accounting and auditing.

WHERE YOU CAN FIND ADDITIONAL INFORMATION

We have filed with the SEC a registration statement on Form S-1 under the Securities Act with respect to the shares of our common stock offered by this prospectus. This prospectus, which constitutes a part of the registration statement, does not contain all of the information set forth in the registration statement, some of which is contained in exhibits to the registration statement as permitted by the rules and regulations of the SEC. For further information about us and our common stock, we refer you to the registration statement, including the exhibits filed as a part of the registration statement. Statements contained in this prospectus concerning the contents of any contract or any other document are not necessarily complete. If a contract or document has been filed as an exhibit to the registration statement, please see the copy of the contract or document that has been filed. Each statement in this prospectus relating to a contract or document filed as an exhibit is qualified in all respects by the filed exhibit.

The SEC maintains a website that contains reports, proxy and information statements, and other information regarding issuers that file electronically with the SEC. The address of that website is www.sec.gov.

Upon the closing of this offering, we will be subject to the information reporting requirements of the Exchange Act, and we will file reports, proxy statements and other information with the SEC. These reports, proxy statements and other information will be available over the internet at the SEC's web site referred to above. We also maintain a website at www.teknova.com, at which you may access these materials free of charge as soon as reasonably practicable after they are electronically filed with, or furnished to, the SEC. However, the information contained in or accessible through our website is not part of this prospectus or the registration statement of which this prospectus forms a part, and investors should not rely on such information in making a decision to purchase our common stock in this offering.

INDEX TO FINANCIAL STATEMENTS

ALPHA TEKNOVA, INC.

The accompanying financial statements are presented for three periods. See the section titled "Management's Discussion and Analysis of Financial Condition and Results of Operations—Results of Operations."

- *the "2019 Predecessor Period" means the period from January 1, 2019 through January 13, 2019;*
- *the "2019 Successor Period" means the period from January 14, 2019 through December 31, 2019; and*
- *the "2020 Successor Period" means the year ended December 31, 2020.*

REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

To the Stockholders and the Board of Directors of Alpha Teknova, Inc.

Opinion on the Financial Statements

We have audited the accompanying balance sheets of Alpha Teknova, Inc. as of December 31, 2020 (Successor) and December 31, 2019 (Successor), the related consolidated statements of operations and comprehensive income (loss), convertible and redeemable preferred stock and stockholders' equity and cash flows for the year ended December 31, 2020 (Successor), the period from January 14, 2019 through December 31, 2019 (Successor) and the period from January 1, 2019 through January 13, 2019 (Predecessor), and the related notes (collectively referred to as the "financial statements"). In our opinion, the financial statements present fairly, in all material respects, the financial position of the Company at December 31, 2020 (Successor) and December 31, 2019 (Successor), and the results of its operations and its cash flows for the year ended December 31, 2020 (Successor), the period from January 14, 2019 through December 31, 2019 (Successor) and the period from January 1, 2019 through January 13, 2019 (Predecessor), in conformity with U.S. generally accepted accounting principles.

Basis for Opinion

These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on the Company's financial statements based on our audits. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) (PCAOB) and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud. The Company is not required to have, nor were we engaged to perform, an audit of its internal control over financial reporting. As part of our audits we are required to obtain an understanding of internal control over financial reporting but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control over financial reporting. Accordingly, we express no such opinion.

Our audits included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that our audits provide a reasonable basis for our opinion.

/s/ Ernst & Young LLP

We have served as the Company's auditor since 2020.
San Jose, CA
April 2, 2021

ALPHA TEKNOVA, INC.
Balance Sheets
(in thousands, except share and per share data)

	Successor As of December 31, 2020	Successor As of December 31, 2019
ASSETS		
Current assets:		
Cash and cash equivalents	$ 3,315	$ 4,144
Short-term investments - marketable securities	1,811	5,532
Accounts receivable, net of allowance for doubtful accounts of $23.0 and $11.0	4,623	2,253
Inventories	3,582	2,566
Income taxes receivable	1,417	176
Prepaid expenses and other current assets	1,137	188
Related party notes receivable	529	557
Total current assets	16,414	15,416
Property, plant and equipment, net	10,008	5,450
Goodwill	16,613	16,613
Intangible assets, net	19,852	20,999
Other non-current assets	24	32
Total assets	$ 62,911	$ 58,510
LIABILITIES, CONVERTIBLE AND REDEEMABLE PREFERRED STOCK AND STOCKHOLDERS' EQUITY		
Current liabilities:		
Accounts payable	$ 1,635	$ 768
Accrued liabilities	2,327	4,767
Long term debt, current portion	–	45
Total current liabilities	3,962	5,580
Deferred tax liabilities	5,990	3,900
Other accrued liabilities	350	420
Deferred rent	204	62
Total liabilities	10,506	9,962
Commitments and contingencies (See "Note 15—Commitments and Contingencies.")		
Series A convertible and redeemable preferred stock, $0.00001 par value, 9,600,000 shares authorized, 9,342,092 shares issued and outstanding at December 31, 2020 and 2019; aggregate liquidation preference of $41,586 thousand and $38,711 thousand as of December 31, 2020 and 2019, respectively	35,638	35,638
Stockholders' equity:		
Common stock, $0.00001 par value, 30,000,000 shares authorized, 1,920,000 and 1,920,000 shares issued and outstanding at December 31, 2020 and 2019, respectively	–	–
Additional paid-in capital	14,495	14,195
Retained earnings (accumulated deficit)	2,265	(1,305)
Accumulated other comprehensive income	7	20
Total stockholders' equity	16,767	12,910
Total liabilities, convertible and redeemable preferred stock and stockholders' equity	$ 62,911	$ 58,510

The accompanying notes are an integral part of these financial statements.

ALPHA TEKNOVA, INC.
Statements of Operations and Comprehensive Income (Loss)
(in thousands, except share and per share data)

	Successor		Predecessor
	For the Year Ended December 31, 2020	For the Period from January 14, 2019 through December 31, 2019	For the Period from January 1, 2019 through January 13, 2019
Revenue	$ 31,297	$ 20,094	$ 686
Cost of sales	13,542	11,520	461
Gross profit	17,755	8,574	225
Operating expenses:			
Research and development	1,507	769	21
Sales and marketing	2,229	928	30
General and administrative	8,208	7,633	2,910
Amortization of intangible assets	1,148	1,100	–
Total operating expenses	13,092	10,430	2,961
Income (loss) from operations	4,663	(1,856)	(2,736)
Other income (expenses), net			
Interest income	87	66	–
Other expense, net	(24)	(10)	–
Total other income (expense), net	63	56	–
Income (loss) before income taxes	4,726	(1,800)	(2,736)
Provision for income taxes (benefit)	1,156	(495)	(2,601)
Net income (loss)	3,570	(1,305)	(135)
Change in unrealized gain on available-for-sale securities, net of tax	(13)	20	–
Comprehensive income (loss)	$ 3,557	$ (1,285)	$ (135)
Net income (loss) available to common stockholders			
Net income (loss)	3,570	(1,305)	(135)
Less: undistributed income attributable to preferred stockholders	(2,962)	–	–
Net income (loss) attributable to common stockholders	$ 608	$ (1,305)	$ (135)
Net income (loss) per share attributable to common stockholders			
Basic	$ 0.32	$ (0.69)	$ (0.02)
Diluted	$ 0.30	$ (0.69)	$ (0.02)
Weighted average shares used in computing net income (loss) per share attributable to common stockholders			
Basic	1,920,000	1,879,294	6,080,714
Diluted	11,712,919	1,879,294	6,080,714

The accompanying notes are an integral part of these financial statements.

ALPHA TEKNOVA, INC.
Statements of Convertible and Redeemable Preferred Stock and Stockholders' Equity
(in thousands, except share and per share data)

	Convertible and Redeemable Preferred Stock		Common Stock		Additional Paid-in Capital	Accumulated Other Comprehensive Income	Retained Earnings (Accumulated Deficit)	Stockholders' Equity
Predecessor	**Shares**	**Amount**	**Shares**	**Amount**				
Balance at January 1, 2019	—	$ —	6,080,714	$ —	$ 515	$ —	$ 4,004	$ 4,519
Stock-based compensation	—	—	—	—	75	—	—	75
Net loss	—	—	—	—	—	—	(135)	(135)
Balance at January 13, 2019	—	$ —	6,080,714	$ —	$ 590	$ —	$ 3,869	$ 4,459

	Preferred Stock		Common Stock		Additional Paid-in Capital	Accumulated Other Comprehensive Income	Retained Earnings (Accumulated Deficit)	Stockholders' Equity
Successor	**Shares**	**Amount**	**Shares**	**Amount**				
Balance at January 14, 2019	—	$ —	6,080,714	$ —	$ 590	$ —	$ 3,869	$ 4,459
Acquisition transaction								
Issuance of Series A preferred stock, net	9,342,092	35,638	—	—	—	—	—	—
Pushdown accounting adjustments	—	—	—	—	39,825	—	(3,869)	35,956
Repurchase of stock options	—	—	—	—	(6,704)	—	—	(6,704)
Repurchase and retirement of common stock	—	—	(5,000,000)	—	(19,234)	—	—	(19,234)
Balance at January 14, 2019 – post acquisition	9,342,092	35,638	1,080,714	—	14,477	—	—	14,477
Repurchase and retirement of common stock	—	—	(60,714)	—	(233)	—	—	(233)
Repurchase of stock options	—	—	—	—	(319)	—	—	(319)
Exercise of stock options	—	—	900,000	—	270	—	—	270
Unrealized gain on available-for-sale securities	—	—	—	—	—	20	—	20
Net loss	—	—	—	—	—	—	(1,305)	(1,305)
Balance at December 31, 2019	9,342,092	$35,638	1,920,000	$ —	$ 14,195	$ 20	$ (1,305)	$ 12,910
Stock-based compensation	—	—	—	—	300	—	—	300
Unrealized loss on available-for-sale securities	—	—	—	—	—	(13)	—	(13)
Net income	—	—	—	—	—	—	3,570	3,570
Balance at December 31, 2020	9,342,092	$35,638	1,920,000	$ —	$ 14,495	$ 7	$ 2,265	$ 16,767

The accompanying notes are an integral part of these financial statements.

ALPHA TEKNOVA, INC.
Statements of Cash Flows
(in thousands)

	Successor		Predecessor
	For the Year Ended December 31, 2020	For the Period from January 14, 2019 through December 31, 2019	For the Period from January 1, 2019 through January 13, 2019
Operating activities:			
Net income (loss)	$ 3,570	$ (1,305)	$ (135)
Adjustments to reconcile net income (loss) to net cash provided by operating activities:			
Bad debt expense	(12)	–	–
Depreciation and amortization	2,044	1,623	16
Stock-based compensation	300	–	75
Inventory reserve	(29)	(16)	–
Realized loss (gain) on marketable securities	17	(6)	–
Amortization of premium on marketable securities	20	16	–
Deferred taxes	2,090	(457)	(2,513)
Loss on disposal of property, plant and equipment	11	18	–
Changes in operating assets and liabilities:			
Accounts receivable	(2,352)	(104)	87
Inventories	(987)	996	161
Prepaid expenses and other assets	(2,220)	155	(131)
Accounts payable, accrued expenses, and other current and noncurrent liabilities	(89)	1,190	2,678
Deferred rent	142	62	–
Cash provided by operating activities	2,505	2,172	238
Investing activities:			
Purchase of property, plant and equipment	(5,466)	(2,649)	(201)
Proceeds from loan to related party	27	61	–
Purchase of short-term marketable securities	(1,763)	(6,652)	–
Proceeds on sales of short-term marketable securities	1,747	–	–
Proceeds from maturities of short-term marketable securities	3,720	1,084	–
Cash used in investing activities	(1,735)	(8,156)	(201)
Financing activities:			
Repayment of long-term debt	(45)	(847)	(18)
Proceeds from issuance of convertible and redeemable preferred stock, net	–	35,638	–
Repurchase of stock options	–	(7,023)	–
Indemnity holdback release	(1,554)	–	–
Proceeds from exercise of common stock options	–	270	–
Repurchase of common stock	–	(19,468)	–
Cash (used in) provided by financing activities	(1,599)	8,570	(18)
Change in cash and cash equivalents	(829)	2,586	19
Cash and cash equivalents at beginning of period	4,144	1,558	1,539
Cash and cash equivalents at end of period	$ 3,315	$ 4,144	$ 1,558
Supplemental cash flow disclosures:			
Income taxes paid	$ 323	$ 95	$ –
Interest paid	$ 36	$ 59	$ –
Capitalized property, plant and equipment included in accounts payable	$ 387	$ 269	$ 198

The accompanying notes are an integral part of these financial statements.

ALPHA TEKNOVA, INC.
Notes to Financial Statements

Note 1—Nature of the Business

The company was founded in 1996 and initially incorporated in California on May 30, 2000 under the name "eTeknova Inc." On January 11, 2019, the company filed a certificate of merger and merged with and into Alpha Teknova, Inc., a Delaware corporation, which continued as the surviving entity bearing the corporate name of "Alpha Teknova, Inc." ("Teknova"). Teknova provides critical reagents that enable the discovery, development, and production of biopharmaceutical products such as drug therapies, novel vaccines, and molecular diagnostics. Product offerings include pre-poured media plates for cell growth and cloning, liquid cell culture media and supplements for cellular expansion, and molecular biology reagents for sample manipulation, resuspension, and purification. Teknova supports customers spanning the life sciences market, including pharmaceutical and biotechnology companies, contract development and manufacturing organization, *in vitro* diagnostic franchises, and academic and government research institutions, with catalog and custom, made-to-order products.

Teknova manufactures its products at its Hollister, California headquarters and stocks inventory of raw materials, components, and finished goods at that location. The company ships products directly from its warehouses in Hollister, California and Mansfield, Massachusetts.

Teknova manufactures its products under Research Use Only or good manufacturing processes regulatory standards, the latter of which refers to a more stringent level of quality standards supported by additional levels of documentation, testing, and traceability. In 2017, Teknova achieved ISO 13485:2016 certification, enabling the company to manufacture products for use in diagnostic and therapeutic applications.

On January 14, 2019, Teknova entered into a stock purchase agreement with Telegraph Hill Partners IV, L.P. and THP IV Affiliates Fund, LLC (collectively "THP"), pursuant to which THP acquired 9,342,092 shares of the company's Series A preferred stock, representing 80.6% of the then-outstanding voting power of the company (on a fully diluted basis), and Teknova received an aggregate of $35.9 million from the issuance of such shares to THP (the "THP Transaction"). Teknova used $26.5 million of the proceeds from the THP Transaction to repurchase shares of the company's common stock and options to acquire shares of its common stock with the remainder being used for general corporate purposes, including working capital, capital investment, and continued development of the company's products. See "Note 3—THP Transaction and Pushdown Accounting" for further details.

Note 2—Summary of Significant Accounting Policies

Basis of Accounting and Presentation

The accompanying financial statements and related notes are prepared in accordance with U.S. generally accepted accounting principles ("GAAP"). As a result of the THP Transaction, there was a change-in-control and Teknova elected to apply "pushdown" accounting by applying the guidance in the FASB Accounting Standards Codification ("ASC") Topic 805, *Business Combinations* ("ASC 805"), including recognizing the company's post-THP Transaction assets and liabilities at fair value as of January 14, 2019, and similarly recognizing goodwill calculated based on the terms of the transaction and the fair value of the new basis of net assets of the company. Accordingly, the financial statements of Teknova for periods before and after the THP Transaction reflect different bases of accounting, and the financial positions and results of operations of those periods are not comparable. The accompanying financial statements are presented for two periods: predecessor and successor, which relate to the periods preceding and succeeding the THP Transaction, respectively. The change of

control effected by the THP Transaction resulted in a new basis of accounting beginning on January 14, 2019 and the financial reporting periods are presented as follows:

- the “2019 Predecessor Period” means the period from January 1, 2019 through January 13, 2019;
- the “2019 Successor Period” means the period from January 14, 2019 through December 31, 2019; and
- the “2020 Successor Period” means the year ended December 31, 2020.

Impact of COVID-19

In March 2020, the World Health Organization declared that the outbreak of COVID-19 was a global pandemic. Since Teknova’s business is categorized as part of the country’s critical infrastructure, the company was able to continue operations during the COVID-19 pandemic. During the first half of 2020, orders for Lab Essentials products declined because many research customers were required to close temporarily. Later in the year, Teknova developed and commercialized, and earned revenue on, sample transport medium for use in COVID-19 sample collection and transport. It is not possible to exactly predict the total impact of the global COVID-19 outbreak on the company’s future revenue or profitability, which will depend on future developments that are highly uncertain and cannot be predicted with confidence at this time, such as the effectiveness of public policy, the potential emergence and spread of new virus variants, and the degree to which vaccination efforts are successful, among other factors.

Segment Reporting

Operating segments are defined as components of an entity for which separate financial information is available and that is regularly reviewed by the Chief Operating Decision Maker (“CODM”) in deciding how to allocate resources to an individual segment and in assessing performance. Teknova’s CODM is its Chief Executive Officer, currently Stephen Gunstream. Teknova has determined that it operates in one reporting unit, one operating segment and one reportable segment, as the CODM reviews financial information presented on a consolidated basis for purposes of making operating decisions, allocating resources, and evaluating financial performance.

Use of Estimates

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect certain amounts of assets and liabilities, and disclosures of assets and liabilities, at the date of each financial statement, and the reported amount of revenues and expenses during the reporting period. The inputs into the company’s judgments and estimates consider the economic implications of COVID-19 on the company’s critical and significant accounting estimates, including those made in connection the valuation of goodwill and intangible assets, and income taxes. Actual results can differ from those estimates.

Concentration of Risk

Financial Instruments

Teknova’s financial instruments that are exposed to concentration of credit risk consist primarily of cash and cash equivalents and accounts receivable. The company places its cash and cash equivalents with high-quality banking institutions. At times, the company’s cash and cash equivalent balances may exceed the Federal Deposit Insurance Corporation (“FDIC”) insurance limit. Teknova has never experienced any losses related to its cash and cash equivalent balances. Teknova routinely

communicates with its customers regarding payments and has a history of limited write-offs so, as a consequence, believes that its accounts receivable credit risk exposure is limited.

Customers

For the 2020 Successor Period, the 2019 Successor Period and the 2019 Predecessor Period, Teknova's combined sales to its three largest customers accounted for approximately 33%, 42% and 62% of its total sales, respectively. Two of these customers, individually, represented 15% and 10% of total sales, respectively. The three customers also have combined accounts receivable balances as of December 31, 2020 (Successor) and 2019 (Successor) representing 25% and 49% of total receivables, respectively. Two of these customers are distributors representing highly diversified customer bases.

Suppliers

For the 2020 Successor Period, the 2019 Successor Period and the 2019 Predecessor Period, purchases from two of Teknova's suppliers accounted for 54%, 52% and 36% of all of the company's inventory purchases, respectively. The amounts due to Teknova's largest supplier comprised approximately 20% and 15% of total accounts payable as of December 31, 2020 (Successor) and 2019 (Successor), respectively.

Cash and Cash Equivalents

Teknova's cash and cash equivalents include cash on hand, cash held in banks, and highly-liquid investments with maturities of three months or less at the date of acquisition. Teknova maintains its cash in bank deposit accounts in financial institutions that are insured by the FDIC up to a balance of $250.0 thousand. Cash equivalents are stated at carrying value, which approximates fair value.

Marketable Investments

Teknova's short-term marketable investments consist of corporate debt securities, U.S. treasury bills, and government agency obligations. Teknova believes its short-term debt securities are available for use in its current operations and that the company has the ability, if necessary, to liquidate any of its short-term debt securities to meet its liquidity needs in the next twelve months. Accordingly, those investments with contractual maturities greater than one-year from the date of purchase are classified as short-term investments on the accompanying Balance Sheets. Teknova classifies its short-term debt investments as available-for-sale at the time of purchase and evaluates such classification as of each balance sheet date. All short-term debt investments are recorded at estimated fair value. Unrealized gains and losses are reported as a component of other comprehensive income, net of any related tax effect. Unrealized losses are charged against income when a decline in the fair value of an individual security is determined to be other-than-temporary. Realized gains and losses and other-than-temporary impairments on investments are included in "other income, net" in the Statements of Operations and Comprehensive Loss.

Fair Value of Financial Instruments

The carrying amounts of certain of Teknova's financial instruments, including cash equivalents, accounts receivable, inventories, accounts payable and accrued liabilities, approximate fair value due to their relatively short maturities.

Accounts Receivable

Accounts receivable are stated at invoice value, less estimated allowances for doubtful accounts. Teknova uses the allowance method to account for uncollectible accounts receivable, calculated by

management using the historical average of uncollectible accounts. The company continually monitors its customer payments and maintains an allowance for estimated losses resulting from its customers' inability to make required payments. Accounts receivable are considered past due once customer payment terms have been exceeded. Receivables are written off when deemed uncollectible. Recoveries of trade receivables previously written off are recorded when received.

Inventories

Inventory, consisting of raw materials, work in process and finished goods, is stated at the lower of cost or net realizable value, on a first-in, first-out basis. Teknova writes down its inventory for estimated obsolescence or inventory in excess of reasonably expected near-term sales or unmarketable inventory, in an amount equal to the difference between the cost of inventory and the estimated net realizable value, based upon assumptions about future demand and market conditions. If actual market conditions are less favorable than those projected by Teknova, additional inventory write-downs may be required. Inventory impairment charges establish a new cost basis for inventory, and charges are not reversed subsequently to income, even if circumstances later suggest that increased carrying amounts are recoverable. As of December 31, 2020 (Successor) and 2019 (Successor), the allowance for inventory obsolescence was insignificant.

Notes Receivable from Related Parties

In 2016, Teknova's founder and former Chief Executive Officer, a current stockholder of the company, executed a promissory note in favor of the company. This is recognized as a note receivable. Teknova recognizes interest income on notes receivable on the accrual method. Teknova evaluates the collectability of both interest and principal on its notes receivable to determine whether the notes receivable are impaired. A note is considered to be impaired when, based on current information and events, it is probable that the company will be unable to collect all amounts due, according to the existing contractual terms. When a note is considered to be impaired, the amount of loss is calculated by comparing the recorded investment to the fair value of the underlying collateral, less costs to sell. During the 2020 Successor Period and the 2019 Successor Period, there was no significant uncertainty of collection; therefore, interest income was recognized. As of December 31, 2020 (Successor) and 2019 (Successor), the company determined that no allowance for collectability was necessary. See "Note 14—Related Parties" for further information regarding the company's notes receivable with its founder and former Chief Executive Officer, a current stockholder of the company.

Property, Plant and Equipment

Teknova records property, plant and equipment at fair value when it is acquired in a business combination or at cost for all other purchases of property, plant and equipment. Property, plant and equipment is depreciated over the estimated useful lives of the assets, using the straight-line method. Any leasehold improvements are amortized on a straight-line basis over the shorter of the estimated useful life of the asset or the estimated remaining life of the lease. Costs for repairs and maintenance that do not significantly increase the value or estimated lives of property, plant and equipment are expensed as incurred. Upon retirement or sale, the cost and related accumulated depreciation are removed from the Balance Sheets, and the resulting gain or loss is reflected in the Statements of Operations and Comprehensive Loss.

ALPHA TEKNOVA, INC.
Notes to Financial Statements

The estimated useful lives of the major classes of property and equipment are as follows:

	Estimated Useful Lives
Machinery and equipment	7 years
Office furniture and equipment	3 –7 years
Vehicles	5 years
Leasehold improvements	4 –7 years

Impairment of Long-Lived Assets

Teknova evaluates its long-lived assets for impairment when events or changes in circumstances indicate a possible inability to recover carrying amounts. Recoverability is assessed by comparing the carrying value of the assets to estimated undiscounted future cash flows expected to be generated by the assets. Impairment losses are recorded on long-lived assets used in operations when indicators of impairment are present and the undiscounted cash flows estimated to be generated during the life of those assets are less than the assets' carrying amounts. If an asset is impaired, the loss is measured as the amount by which the asset's carrying value exceeds its fair value. There were no indicators of impairment during the 2020 Successor Period, the 2019 Successor Period, and the 2019 Predecessor Period.

Goodwill

Goodwill is the excess of the company's fair value over the company's fair value accounting basis of the company's net assets and liabilities under pushdown accounting. Goodwill is not amortized, but is tested for impairment annually as of October 1, or more frequently if events or circumstances indicate that the carrying value may no longer be recoverable and that an impairment may have occurred.

Teknova first considers qualitative factors that indicate whether impairment may have occurred. Such indicators may include, macro-economic conditions, such as adverse industry or market conditions and entity-specific events, such as increasing costs, declining financial performance, or loss of key personnel. If the company's assessment of such qualitative factors indicates that a reduction in the carrying value is more likely than not to have occurred, Teknova performs a quantitative assessment, comparing the fair value of the company (in this capacity, the "Reporting Unit") to the carrying value, including goodwill, of the Reporting Unit. If the carrying value of the Reporting Unit exceeds its fair value, an impairment has occurred, and an impairment charge is recognized for the difference up to the carrying value of the Reporting Unit's goodwill. The fair value of the Reporting Unit is primarily determined based on the income approach. The income approach is a valuation technique in which fair value is assessed on forecasted future cash flows, discounted at the appropriate rate of return commensurate with the risk, as well as current rates of return for equity and debt capital as of the valuation date. There was no impairment of goodwill during the 2020 Successor Period, the 2019 Successor Period and the 2019 Predecessor Period.

Intangible Assets

Teknova's intangible assets consist of the Teknova trade name and customer relationships.

Indefinite-lived intangible assets are not amortized but are tested for impairment at least annually as of October 1, or more frequently if events or circumstances indicate that it is more likely than not that an asset is impaired. If the fair value of the asset is less than its carrying amount, an impairment charge would be recognized in an amount equal to the difference between the carrying amount and the fair value.

ALPHA TEKNOVA, INC.
Notes to Financial Statements

Finite-lived intangible assets are amortized over the estimated economic useful lives of the assets, which is the period during which expected cash flows support the fair value of such intangible assets. Teknova reviews finite-lived intangible assets for impairment whenever events or changes in circumstances indicate that the carrying amount of the assets or an asset group may not be recoverable. When such an event occurs, management determines whether there has been impairment by comparing the anticipated undiscounted future net cash flows to the related assets' or asset group's carrying value.

There was no impairment of intangible assets during the 2020 Successor Period, the 2019 Successor Period and the 2019 Predecessor Period.

Leases

The company's leases are reviewed and classified as either capital or operating leases at their inception. Teknova may receive renewals or expansion options, rent holidays, and other incentives in certain of its lease agreements. For operating leases, Teknova recognizes lease costs, once control of the leased space is achieved, on a straight-line basis, without regard to deferred payment terms, such as rent holidays, that defer the commencement date of required payments. Additionally, incentives received are treated as reductions of costs over the term of the lease agreements.

Revenue Recognition

Teknova adopted accounting standards update ("ASU") No. 2014-09, *Revenue from Contracts with Customers (Topic 606)* ("ASU 606") on January 1, 2019. Accordingly, the company recognizes revenue to depict the transfer of promised goods to the customer in an amount that reflects the consideration the company expects to be entitled to receive in exchange for such goods. The adoption of ASU 606 resulted in no material cumulative effect on the date of adoption.

Teknova recognizes revenue for sales of goods through the following steps:

- Identification of the contract, or contracts, with a customer, typically a purchase order
- Identification of the performance obligations in the contract
- Determination of the transaction price
- Allocation of the transaction price to the performance obligations in the contract
- Recognition of revenue when, or as, the company satisfies a performance obligation

Teknova recognizes its revenue from the sale of ready-to-use pre-poured media plates and broths for growth of bacterial, yeast and microbiological applications, and buffers and reagents for purification and analysis of proteins, DNA and mRNA. Revenue is recognized when performance obligations under the terms of a contract with a customer are satisfied. All of Teknova's contracts with customers contain a single performance obligation, delivery of consumable products (e.g., media plates, broths, buffers, reagents, etc.). Accordingly, the company recognizes revenue at a point in time when control of the products has been transferred to the customers, which is at the time of shipment. Revenue is recognized in an amount that reflects the consideration Teknova expects to be entitled to receive in exchange for the products. Sales and other similar taxes collected from customers on behalf of third parties are excluded from the sale price of the products.

Teknova records shipping and handling costs charged to customers as revenue. Shipping and handling charges are included in general and administrative expenses as revenue is recognized. Shipping and handling charges for the 2020 Successor Period and the 2019 Successor Period were

approximately $0.8 million and $1.3 million, respectively. Shipping and handling charges for the 2019 Predecessor Period were insignificant. Costs incurred to obtain contracts with customers are expensed immediately, because the amortization period for such costs is one year or less.

Teknova does not offer warranties on products.

ASU 606 requires an entity to estimate the amount of variable consideration to which the entity will be entitled, in exchange for transferring the promised goods to a customer, of a contract. Occasionally, Teknova offers rebates, discounts, and returns on its products, however returns and refunds are an extremely rare occurrence and are not explicitly or implicitly part of the purchase order. The company records rebates, discounts, and returns at the time in which they occur. The difference between recording these as they occur and estimating the amount of consideration in exchange for the transfer of promised goods would not have a material impact on the financial statements.

Teknova's sales are made directly to customers or through distributors, generally under agreements with payment terms typically shorter than 90 days and, in no case, exceeding one year. Therefore, Teknova's contracts do contain a significant financing component.

Contract Balances

Teknova's accounts receivable, net, includes amounts billed and currently due from customers. The amounts due are stated at their net estimated realizable value. Teknova maintains an allowance for doubtful accounts to provide for an estimated amount of receivables that will not be collected.

Disaggregation of Revenue

Teknova's revenue, disaggregated by product category, for the 2020 Successor Period, the 2019 Successor Period, and the 2019 Predecessor Period were as follows (in thousands):

	2020 Successor Period	2019 Successor Period	2019 Predecessor Period
Lab Essentials	$ 21,240	$ 17,479	$ 626
Clinical Solutions	4,807	1,336	24
Sample Transport	4,297	–	–
Other	953	1,279	36
Total Revenue	$ 31,297	$ 20,094	$ 686

Teknova's revenue, disaggregated by geographic region, for 2020 Successor Period, the 2019 Successor Period, and the 2019 Predecessor Period were as follows (in thousands):

	2020 Successor Period	2019 Successor Period	2019 Predecessor Period
United States	$ 30,138	$ 19,146	$ 668
International	1,159	948	18
Total Revenue	$ 31,297	$ 20,094	$ 686

Cost of Sales

Cost of sales includes salaries, wages and benefits, raw materials consumption (including direct and indirect material), payroll taxes, product testing and analytics expense, inbound freight charges, and other production overhead.

ALPHA TEKNOVA, INC.
Notes to Financial Statements

Research and Development Expenses

The company's research and development expenses primarily consist of employee-related expenses, including salaries, benefits and stock-based compensation expense for personnel in process engineering and product development functions; expenses related to occupancy costs, laboratory supplies, consulting fees and depreciation associated with various assets used in the research and development of the company's products.

Sales and Marketing Costs

The company's sales and marketing expenses primarily consist of employee-related expenses, including salaries and benefits, commissions, advertising, occupancy costs and stock-based compensation expense for sales and marketing employees.

General and Administrative Expenses

The company's general and administrative expenses primarily consist of costs associated with executive and administrative staff, and other expenses such as shipping charges, professional service fees, occupancy, IT systems, insurance, depreciation and stock-based compensation expense for executive and administrative staff.

Stock-Based Compensation

Teknova follows the fair value recognition provisions of ASU 718, *Compensation—Stock Compensation (Topic 718)*. The company accounts for stock-based compensation expense based on the estimated grant date fair value, using the Black-Scholes option-pricing model, which requires the company to make a number of assumptions, including expected volatility, the expected risk-free interest rate, the expected term and the expected dividend. Stock-based compensation expense is recognized over the requisite service period of the award, which generally represents the scheduled vesting period. Forfeitures are recognized as they occur.

In conjunction with the THP Transaction, all time-based stock options previously issued under the 2016 Stock Plan became fully vested and expensed in the 2019 Predecessor Period.

Teknova's 2020 Equity Incentive Plan (the "2020 Plan") provides for the grant of various equity-based incentive awards to employees, directors and consultants of the company. The types of equity-based awards that may be granted under the 2020 Plan include: options, restricted stock purchase rights, restricted stock bonuses, restricted stock unit awards or other stock-based awards. As of December 31, 2020 (Successor), there were 650,526 shares of common stock reserved for future issuance under the 2020 Plan.

Employee Benefit Plans

Teknova has a salary deferral 401(k) plan (the "Plan") covering substantially all employees. Contributions by the company to the Plan for the 2020 Successor Period and the 2019 Successor Period totaled approximately $0.4 million and $0.3 million, respectively. Contributions during the 2019 Predecessor Period were insignificant. Contributions payable as of December 31, 2020 (Successor) and 2019 (Successor), of approximately $0.2 million and $0.2 million, respectively, are included within accrued liabilities in the accompanying financial statements.

Income Taxes

Teknova uses the asset and liability method in accounting for its deferred income taxes. Under this method, deferred income taxes are provided for differences between the carrying amounts of assets

and liabilities for financial reporting and tax purposes, using the enacted tax rates and laws that will be in effect when the differences are expected to reverse. These differences result primarily from the use of different methods of accounting for depreciation and amortization for financial reporting and tax purposes at each fiscal year end. Deferred tax assets and liabilities are adjusted for the effects of the changes in tax laws and rates on the date of enactment. Deferred tax assets are reduced by a valuation allowance when, in the opinion of management, it is more likely than not that some or all of the deferred tax assets will not be realized. Based on the weight of the positive and negative evidence considered, management believes that it is more likely than not that the company will be able to realize its deferred tax assets in the future, and therefore, no valuation allowance is necessary.

Teknova accounts for unrecognized tax benefits based upon its assessment of whether tax benefits are more likely than not to be sustained upon examination by tax authorities. The company reports a liability for unrecognized tax benefits taken, or expected to be taken, in a tax return and recognizes associated interest and penalties, if any, in income tax expense. As of December 31, 2020 (Successor) and 2019 (Successor), the company had no liabilities recorded for unrecognized tax benefits.

Net Income (Loss) Per Share of Common Stock

Basic net income (loss) per share is computed using the two-class method. Diluted net income (loss) per share is computed using the more dilutive of (i) the treasury stock method or if-converted method, or (ii) the two-class method. The two-class method is an earnings allocation formula that determines net income per share for each class of common stock and participating security according to dividends declared and participation rights in undistributed earnings. The treasury stock method uses the number of new shares that may be created by unexercised in-the-money warrants and options, where the exercise price is less than the current share price. The if-converted method calculates the value of convertible securities as if they were converted into new shares. Per share amounts are computed by dividing net income (loss) attributable to common stockholders by the weighted average shares outstanding during each period. The diluted net income (loss) per share is computed by giving effect to all potential dilutive common stock equivalents outstanding for the period. For purposes of this calculation, options to purchase common stock and convertible and redeemable preferred stock are considered common stock equivalents.

Recently Adopted Accounting Pronouncements

In May 2014, the Financial Accounting Standards Board (“FASB”) issued ASU 606, which supersedes nearly all existing revenue recognition guidance under GAAP. As discussed in the Revenue Recognition policy above, the company adopted ASU 606 beginning January 1, 2019 using the modified retrospective application. The adoption of the new standard resulted in no material cumulative effect on the date of adoption.

In January 2017, the FASB issued ASU No. 2017-04, *Intangibles—Goodwill and Other (Topic 350): Simplifying the Accounting for Goodwill Impairment* (“ASU 350”). The revised guidance eliminates Step 2 of the current goodwill impairment analysis test, which requires hypothetical purchase price allocation to measure goodwill impairment. A goodwill impairment loss will instead be measured at the amount by which a reporting unit’s carrying amount exceeds its fair value, not to exceed the carrying amount of goodwill. ASU 350 will be in effect for annual and interim goodwill impairment tests in fiscal years beginning after December 15, 2022. Early adoption is permitted for interim or annual goodwill impairment tests with a measurement date on or after January 1, 2017. The revised guidance was early adopted by Teknova as of January 1, 2019 and did not have a material impact on the company’s financial statements.

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In June 2018, the FASB issued ASU No. 2018-07, *Compensation—Stock Compensation (Topic 718): Improvements to Nonemployee Share-Based Payment Accounting* ("ASU 718"), which expands the scope to include share-based payment transactions for acquiring goods and services from nonemployees. ASU 718 simplifies the accounting for share-based payments to nonemployees by aligning it with the accounting for share-based payments to employees, with certain exceptions. This update must be applied through a cumulative effect adjustment to retained earnings as of the beginning of the fiscal year of adoption. This guidance is effective for the fiscal years beginning after December 15, 2018, including interim periods within that fiscal year. Early adoption is permitted for any entity in any interim or annual period for which financial statements have not been issued or made available for issuance, but not before an entity adopts ASU 606. Teknova early adopted the standard on January 1, 2019, which did not result in a material impact on the company's financial statements and related disclosures.

In August 2018, the FASB issued ASU No. 2018-13, *Fair Value Measurement (Topic 820): Disclosure Framework—Changes to the Disclosure Requirements for Fair Value Measurement* ("ASU 820"), which eliminates certain disclosure requirements for fair value measurements for all entities, requires public entities to disclose certain new information and modifies some disclosure requirements. ASU 820 is effective for the fiscal years beginning after December 15, 2021 and for interim periods within those fiscal years, and early adoption is permitted. Teknova early-adopted ASU 820 as of January 1, 2019, which did not have a material impact on the company's financial statements.

Recently Issued Accounting Pronouncements

In February 2016, the FASB issued ASU No. 2016-02, *Leases (Topic 842)* ("ASU 842"). The new standard requires lessees to generally recognize operating and financing lease liabilities and corresponding right-of-use assets on the balance sheet. The new standard is effective with respect to Teknova beginning January 1, 2022 on a modified retrospective basis, and early adoption is permitted. Teknova is evaluating the impact of the pending adoption of this standard on the financial statements. Teknova expects that most of the operating lease commitments will be subject to the new standard and will be recognized as operating lease liabilities and right-of-use assets upon adoption of ASU 842, which will increase the company's total assets and total liabilities that are reported relative to such amounts prior to adoption.

In December 2019, the FASB issued ASU No. 2019-12, *Income Taxes (Topic 740): Simplifying the Accounting for Income Taxes* ("ASU 740"). ASU 740 removes certain exceptions to the general principles in ASU 740 and clarifies and amends certain guidance to promote consistent application. ASU 740 is effective for the company's annual and interim periods beginning after December 15, 2021, with early adoption permitted. Depending on the amendment, adoption may be applied on a retrospective, modified retrospective or prospective basis. Teknova is currently evaluating the impact of the adoption of the standard on the financial statements and does not anticipate the standard to have a significant impact.

In June 2016, the FASB issued ASU No. 2016-13 (Topic 326), *Financial Instruments—Credit Losses*. The standard introduces a new model for recognizing credit losses on financial instruments based on an estimate of current expected credit losses and will apply to accounts receivable. The new guidance will be effective for Teknova's annual and interim periods beginning after December 15, 2022. Teknova is currently evaluating the impact of the adoption of the standard on the financial statements and does not anticipate the standard to have a significant impact.

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Note 3—THP Transaction and Pushdown Accounting

On January 14, 2019, Teknova entered into a stock purchase agreement with THP, pursuant to which THP acquired 9,342,092 shares of Teknova's Series A preferred stock for a purchase price of $3.8469196 per share, and Teknova received an aggregate of $35.9 million from the issuance of such shares to THP. The transaction provided THP with a controlling 80.6% voting interest of the company, and 19.4% ownership remained with the company's original common stock and option holders on a fully diluted basis. The acquisition by THP was accounted for as a business combination under the acquisition method in accordance with ASC 805.

Teknova used a portion of the proceeds from the THP Transaction to repurchase 5,000,000 shares of the company's then-outstanding common stock and 1,890,000 options to purchase shares of the company's common stock, in each case at $3.84 per share, for an aggregate price of $26.5 million. The company held back $3.8 million from the repurchase of common stock and the options, which was retained as partial security for certain indemnification obligations. As of December 31, 2019 (Successor), $1.8 million of the holdback is recorded in accrued liabilities. There were no remaining holdback liabilities as of December 31, 2020 (Successor), as all amounts have been paid out.

Costs related to the issuance of Series A preferred stock totaled approximately $0.3 million and are recorded as a reduction to proceeds received in additional paid-in capital. Transaction costs related to the THP Transaction totaled approximately $2.6 million in the 2019 Predecessor Period and are recorded in general and administrative expenses in the Statement of Operations and Comprehensive Loss.

As a result of the THP Transaction, there was a change-in-control event at the company. Teknova has elected to apply pushdown accounting pursuant to the guidance in ASC 805. As such, Teknova's financial statements were adjusted to reflect the acquirer's accounting basis rather than the company's historical costs.

The following table summarizes the total allocable invested capital in applying pushdown accounting as of January 14, 2019 (in thousands):

	Fair value
Amount paid for controlling interest	$ 35,938
Noncontrolling interest fair value	4,478
Total fair value for allocation	$ 40,416

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The following table summarizes the allocation of the total allocable invested capital applying pushdown accounting as of January 14, 2019 (in thousands):

	Fair value
Net assets acquired:	
Tangible assets	
Cash and cash equivalents	$ 1,558
Accounts receivable, net	2,173
Inventories, net	3,547
Property, plant and equipment, net	3,343
Other current and noncurrent assets	1,098
Total tangible assets acquired	$ 11,719
Accounts payable and accrued liabilities	$ (4,278)
Deferred Tax Liability	(4,358)
Long-term and current portion of debt	(892)
Other noncurrent liabilities	(487)
Recognized amounts of liabilities assumed	$(10,015)
Total identifiable net tangible assets acquired	$ 1,704
Intangible assets acquired	
Trade name	$ 12,919
Customer relationships	9,180
Goodwill (non-tax deductible)	16,613
Net intangible assets	38,712
Total fair value of net assets	$ 40,416

The useful life assigned to customer relationships was eight years, and the trade name is an indefinite-lived intangible. The fair value step-up in inventory was approximately $1.5 million and recognized as cost of sales in the 2019 Successor Period. There were no contingent consideration assets or liabilities recognized as part of the purchase.

The fair value of the assets acquired and liabilities assumed were determined using market and cost valuation methodologies. The fair value measurements were based on significant unobservable inputs that were developed by the company using publicly available information, market participant assumptions, and cost and development assumptions. Because of the use of significant unobservable inputs, the fair value measurements represent a Level 3 measurement as defined in ASC 820. The market approach is a valuation technique that uses prices and other relevant information generated by market transactions involving identical or comparable assets, liabilities, or a group of assets or liabilities. The cost approach estimates value by determining the current cost of replacing an asset with another of equivalent utility. The cost to replace a given asset reflects the estimated reproduction or replacement cost for the property, less an allowance for loss in value due to depreciation. Both approaches were used, however, the cost approach was the primary approach used to value inventory and fixed assets. Fixed assets are depreciated on a straight-line basis over their expected remaining useful lives, ranging from 3 years to 7 years. The remaining current assets and current liabilities were recorded at their contractual or historical acquisition amounts, which approximate their fair value.

The fair value of identifiable intangible assets was determined using the income approach which is based on estimating the present value of net future economic benefits and includes methods such as

the relief from royalty method and the excess earnings method. The fair value measurements were based on significant unobservable inputs that were developed by the company including a discounted cash flow model, discount rates, royalty rates, and forecasted revenue and earnings before interest, taxes, depreciation and amortization ("EBITDA") margins. Because of the use of significant unobservable inputs, the fair value measurements represent a Level 3 measurement as defined in ASC 820. The relief from royalty method assumes that, in lieu of ownership, a licensee would be willing to pay a royalty in order to exploit the related benefits of the asset. The excess earnings method is used to identify residual cash flows attributable specifically to the asset being valued by applying a charge for the use of other contributory assets. The relief from royalty method and excess earnings method were used to value the trade name and customer relationships, respectively.

Note 4—Goodwill and Intangible Assets, Net

Goodwill and intangible assets relate to the application of pushdown accounting associated with the THP Transaction. See "Note 3—THP Transaction and Pushdown Accounting."

There were no changes in the carrying amount of goodwill during the 2020 Successor Period and the 2019 Successor Period.

The following is a summary of intangible assets with definite and indefinite lives (in thousands):

	2020 Successor Period			2019 Successor Period		
	Balance at December 31, 2020			Balance at December 31, 2019		
	Gross	Accumulated Amortization	Net	Gross	Accumulated Amortization	Net
Definite Lived:						
Customer relationships	$ 9,180	$ 2,247	$ 6,933	$ 9,180	$ 1,100	$ 8,080
Indefinite Lived:						
Tradename	12,919	–	12,919	12,919	–	12,919
Total intangible assets	$22,099	$ 2,247	$19,852	$22,099	$ 1,100	$20,999

For the 2020 Successor Period and the 2019 Successor Period, amortization expense was approximately $1.1 million and $1.1 million, respectively. There was no amortization expense for the 2019 Predecessor Period.

For the 2020 Successor Period, the remaining weighted-average useful life of definite lived intangible assets is six years. The estimated future amortization expense of intangible assets with definite lives is as follows (in thousands):

	Amount
2021	$1,148
2022	1,148
2023	1,148
2024	1,148
2025	1,148
2026 and thereafter	1,195
Estimated future amortization expense of definite-lived intangible assets	$6,935

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Note 5—Fair Value Measurements

Fair value is defined as the exchange price that would be received for an asset or paid to transfer a liability (an exit price), in the principal or most advantageous market for the asset or liability, in an orderly transaction between market participants on the measurement date. Valuation techniques used to measure fair value must maximize the use of observable inputs and minimize the use of unobservable inputs. ASU 820 establishes a fair value hierarchy, which prioritizes the inputs used in measuring fair value as follows:

- Level 1—Observable inputs such as quoted prices in active markets for identical assets or liabilities.
- Level 2—Inputs other than Level 1 that are observable, either directly or indirectly, such as quoted prices for similar assets or liabilities; quoted prices in markets that are not active; or other inputs that are observable or can be corroborated by observable market data for substantially the full term of the assets or liabilities.
- Level 3—Unobservable inputs that are supported by little or no market activity and that are significant to the fair value of the assets or liabilities.

Financial assets carried at fair value and measured on a recurring basis as of December 31, 2020 (Successor) are classified in the hierarchy as follows (in thousands):

	Total	Level 1	Level 2	Level 3
Cash equivalents:				
Money market funds	$ 286	$ 286	$ –	$ –
Total cash equivalents	286	286	–	–
Available-for-sale investments				
U.S. corporate debt securities	858	–	858	–
Foreign corporate debt securities	953	–	953	–
Total available-for-sale investments	1,811	–	1,811	–
Total financial assets carried at fair value	$2,097	$ 286	$1,811	$ –

Financial assets carried at fair value and measured on a recurring basis as of December 31, 2019 (Successor) are classified in the hierarchy as follows (in thousands):

	Total	Level 1	Level 2	Level 3
Cash equivalents:				
Money market funds	$ 24	$ 24	$ –	$ –
Total cash equivalents	24	24	–	–
Available-for-sale investments				
U.S. treasury bills and government agency obligations	800	800	–	–
U.S. corporate debt securities	3,343	–	3,343	–
Foreign corporate debt securities	1,389	–	1,389	–
Total available-for-sale investments	5,532	800	4,732	
Total financial assets carried at fair value	$5,556	$ 824	$4,732	$ –

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Teknova has not transferred any investment securities between the three levels of the fair value hierarchy. Money market funds are included in cash and cash equivalents in the balance sheets. Available-for-sale investments are included in short-term investments—marketable securities in the balance sheets.

Teknova classifies investments in money market funds and U.S. treasury bills and government agency obligations within Level 1 as the prices are available from quoted prices in active markets. The company's investments in debt securities are classified as Level 2. Investments in U.S. corporate debt securities are valued based on observable inputs such as the U.S. Treasury yield curve, market indicated spreads, and quoted prices for identical assets in markets that are not active and/or similar assets in markets that are active. Investments in foreign corporate securities are valued based on observable inputs such as the applicable, country-specific market yield curve, market indicated spreads by security rating and quoted prices for identical assets in markets that are not active and/or similar assets in markets that are active.

As of December 31, 2020 (Successor), short-term investments included $1.8 million of available-for-sale securities with contractual maturities less than one year. As of December 31, 2019 (Successor), short-term investments included $4.3 million of available-for-sale securities with contractual maturities less than one year and $1.2 million of available-for-sale securities with contractual maturities greater than one year but less than two years.

Unrealized gains and losses associated with the investments are reported in accumulated other comprehensive income. For the 2020 Successor Period and the 2019 Successor Period, the company recorded an insignificant amount in net unrealized gains associated with the short-term investments though other comprehensive income on the accompanying financial statements. The company had no unrealized gains and losses for the period from 2019 Predecessor Period.

Realized gains and losses associated with investments, if any, are reported in other expense, net. Teknova recognized an insignificant amount in realized losses for the 2020 Successor Period and the 2019 Successor Period. The company did not recognize any realized gains or losses during the period from 2019 Predecessor Period.

Note 6—Inventories, Net

Inventories consist of the following (in thousands):

	2020 Successor Period As of December 31, 2020	2019 Successor Period As of December 31, 2019
Finished goods, net	$ 2,093	$ 1,888
Work in process	137	14
Raw materials, net	1,352	664
Total inventories, net	$ 3,582	$ 2,566

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Note 7—Property, Plant and Equipment, Net

Property, plant and equipment consist of the following (in thousands):

	2020 Successor Period As of December 31, 2020	2019 Successor Period As of December 31, 2019
Machinery and equipment	$ 6,084	$ 2,238
Office furniture and equipment	315	263
Vehicles	128	128
Leasehold improvements	2,442	1,391
	8,969	4,020
Less—Accumulated depreciation	(995)	(223)
	7,974	3,796
Construction in progress	2,034	1,653
Total property, plant and equipment, net	$ 10,008	$ 5,450

Depreciation expense related to property, plant and equipment recorded during the 2020 Successor Period and the 2019 Successor Period was approximately $0.9 million and $0.5 million. Depreciation expense related to property, plant and equipment recorded during the 2019 Predecessor Period was insignificant.

Note 8—Accrued Liabilities

Accrued liabilities were comprised of the following (in thousands):

	2020 Successor Period As of December 31, 2020	2019 Successor Period As of December 31, 2019
Payroll-related	$ 1,482	$ 3,019
Indemnity holdback	–	1,554
Other	845	194
Total current accrued liabilities	$ 2,327	$ 4,767

Note 9—Long-Term Debt, Current Portion

On July 1, 2004, Teknova received a loan in the amount of $1.0 million. Under the loan agreement, the company initially made a monthly payment of principal and interest in the amount of $5.0 thousand after which the payment increased to $15.0 thousand per month as the company had available resources to pay off any remaining principal and deferred interest. Pursuant to an agreement effective January 1, 2018, the annual interest rate was changed from 5.00% to 4.38% and the monthly payment was increased to $15.0 thousand. As of December 31, 2019 (Successor), the remaining balance owed was $45.0 thousand and is included in the current portion of the long-term debt.

As of December 31, 2019 (Successor), the future minimum principal payments on long-term debt was $45.0 thousand. During the 2020 Successor Period, the remaining principal balance of $45.0 thousand was paid in full, and no amounts remain outstanding as of December 31, 2020 (Successor).

Note 10—Convertible and Redeemable Preferred Stock

The company entered into the THP Transaction on January 14, 2019, issuing 9,342,092 shares the company's Series A preferred stock, at $0.00001 par value per share, for a purchase price of

$3.8469196 per share and raised approximately $35.9 million in gross proceeds. Issuance costs associated with the THP Transaction were approximately $0.3 million.

As of December 31, 2020 (Successor), Series A preferred stock consisted of the following (in thousands, except share data):

	Shares Authorized	Shares Issued and Outstanding	Aggregate Liquidation Preference	Proceeds, net of Issuance Cost
Series A preferred stock	9,600,000	9,342,092	$ 41,586	$ 35,638

As of December 31, 2019 (Successor), Series A preferred stock consisted of the following (in thousands, except share data):

	Shares Authorized	Shares Issued and Outstanding	Aggregate Liquidation Preference	Proceeds, net of Issuance Cost
Series A preferred stock	9,600,000	9,342,092	$ 38,711	$ 35,638

As of December 31, 2020 (Successor), the Series A preferred stock had the followings rights and privileges:

Voting

Each holder of shares of Series A preferred stock is entitled to the number of votes equal to the number of shares of common stock into which the shares of Series A preferred stock held by such holder are convertible. The holders of shares of Series A preferred stock shall be entitled to vote on all matters on which the common stockholders are entitled to vote.

The holders of shares of Series A preferred stock are also entitled to elect three directors to the board. Additionally, there are certain matters that require approval of a majority of the holders of shares of Series A preferred stock.

Redemption and Liquidation Rights

In the event of any voluntary or involuntary liquidation, dissolution or winding up of the company, the holders of Teknova's shares of Series A preferred stock then outstanding shall be entitled to be paid out of the assets of the company available for distribution to its stockholders, and in the event of a Deemed Liquidation Event (as defined below), the holders of shares of Series A preferred stock then-outstanding shall be entitled to be paid out of the consideration payable to stockholders in such Deemed Liquidation Event or out of the Available Proceeds (as defined below), as applicable, before any payment shall be made to the holders of shares of common stock, an amount per share equal to the greater of (i) the applicable original issue price per share, plus any declared but unpaid dividends, or (ii) an amount per share as would have been payable had all the shares of Series A preferred stock been converted into common stock immediately prior to such liquidation, dissolution, winding up or Deemed Liquidation Event (the "Series A Liquidation Amount"). In the event the company has insufficient assets to pay the holders of shares of Series A preferred stock the full liquidation preference, the holders of shares of Series A preferred stock would be paid ratably in proportion to the full amounts to which they would otherwise be entitled.

In the event of any voluntary or involuntary liquidation, dissolution or winding up of the company, after the payment in full of all Series A Liquidation Amounts required to be paid to the holders of shares

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of Series A preferred stock, the remaining assets of the company available for distribution to its stockholders or, in the case of a Deemed Liquidation Event, the consideration not payable to the holders of shares of Series A preferred stock or the remaining Available Proceeds, as the case may be, shall be distributed among the holders of shares of common stock, pro rata based on the number of shares held by each such holder.

Each of the following events shall be considered a "Deemed Liquidation Event" unless the holders of shares of at least a majority of the outstanding shares of Series A preferred stock voting as a single class on an as-converted basis (the "Requisite Holders") elect otherwise: (i) a merger or consolidation in which the shares of capital stock of the company outstanding immediately prior to such merger or consolidation do not continue to represent immediately following such merger or consolidation at least a majority, by voting power, of the outstanding capital stock of the surviving or resulting corporation or the parent corporation that wholly owns the surviving or resulting corporation, or (ii) a sale, lease, transfer, exclusive license or other disposition of all or substantially all of the assets of the company and its subsidiaries (other than to a wholly-owned subsidiary of the company).

"Available Proceeds" refers to consideration received by the company for a Deemed Liquidation Event (net of any retained liabilities associated with the assets sold or technology licensed, as determined in good faith by the board of directors), together with any other assets of the company available for distribution to its stockholders, all to the extent permitted by Delaware law governing distributions to stockholders.

Dividend

The holders of shares of Series A preferred stock are entitled to receive cumulative dividends (the "Series A Accruing Dividends") at a rate of 8% per annum based on the Series A preferred stock issuance price of $3.8469196 per share of Series A preferred stock issued and outstanding, subject to appropriate adjustments for any stock dividends, stock splits, combinations, recapitalizations, or the like. Dividends are due and payable only upon a Deemed Liquidation Event. In the event of a dividend declared on undistributed earnings, the preferred stockholders would participate in the dividend equally along with common stockholders. The preferred shares participate equally with common stockholders on earnings, but do not participate in losses.

After payment of dividends under a deemed liquidation event to the holders of shares of the Series A preferred stock, any additional dividends shall be distributed among all holders of shares of the company's common stock and Series A preferred stock in proportion to the number of shares of common stock that would be held by each such holder if all shares of Series A preferred stock were converted to common stock.

In the event any shares of Series A preferred stock are converted into common stock prior to a Deemed Liquidation Transaction, then such shares will not be entitled to receive any Series A Accruing Dividends.

Optional Conversion

Each share of Series A preferred stock shall be convertible at any time at the option of the holder into such number of fully paid and non-assessable shares of common stock as is determined by dividing the original issue price for Series A preferred stock by the conversion price in effect at the time of conversion. The Series A conversion price is initially set at $3.8469196.

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Mandatory Conversion

All outstanding shares of Series A preferred stock shall automatically be converted into shares of common stock, at the then-effective conversion rate upon either (i) the closing of the sale of shares of common stock to the public at a price of at least $11.5407588 per share (as adjusted for any stock dividends, stock splits, combinations, recapitalizations, or the like), in a firm-commitment underwritten public offering pursuant to an effective registration statement resulting in proceeds to the company of at least $50.0 million, net of the underwriting discount and commissions, and in connection with such offering the common stock is listed for trading on a stock exchange or marketplace approved the board of directors, including the approval of at least one Series A Director, as defined in the Series A Stock Purchase Agreement, dated January 14, 2019, or (ii) the date and time, or the occurrence of an event, specified by vote or written consent of the holders of shares of at least a majority of the outstanding shares of Series A preferred stock voting as a single class on an as-converted basis.

Conversion Price Adjustments

The conversion price per share of Series A preferred stock will be reduced if the company issues any additional shares of common stock without consideration or for consideration per share less than the Series A preferred stock conversion price in effect.

Classification

As a Deemed Liquidation Event can result in repurchase of the Series A preferred stock, and the board of directors of Teknova is controlled by the Series A holders, the Series A preferred stock is redeemable contingent upon the occurrence of an event that is not currently probable. Accordingly, the company has presented the Series A preferred stock outside of permanent equity as mezzanine equity. The Series A preferred stock has been recorded at its issuance date fair value of the net proceeds raised through the issuance of Series A preferred stock. The Series A preferred stock does not require subsequent measurement until the Series A preferred stock is probable to become redeemable.

Note 11—Common Stock

As of December 31, 2020 (Successor), the company has 30,000,000 authorized shares of common stock with a par value of $0.00001 per share. As of December 31, 2020 (Successor), there were 1,920,000 shares of common stock issued and outstanding. The voting, dividend and liquidation rights of the holders of the common stock are subject to and qualified by the rights, powers and preferences of the holders of the Series A preferred stock.

In connection with the THP Transaction, the company repurchased 5,000,000 shares of its common stock and 1,890,000 options to purchase its common stock pursuant to stock repurchase agreements, dated as of January 14, 2019, for $3.8469 per share.

Common stock reserved for future issuance

As of December 31, 2020 (Successor), the company has reserved 171,863 shares and 650,526 shares of common stock for issuance to officers, directors, employees and consultants of the company pursuant to its 2016 Stock Plan and its 2020 Equity Incentive Plan, respectively. Additionally, the company shall, at all times when the Series A preferred stock shall be outstanding, reserve and keep available out of its authorized but unissued capital stock, for the purpose of effecting the conversion of the Series A preferred stock, such number of its duly authorized shares of common stock as shall be sufficient to effect the conversion of all outstanding Series A preferred stock.

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Note 12—Stock-Based Compensation

2016 Stock Plan

Certain employees, directors and consultants to the company have been granted options to purchase common shares under the 2016 Stock Plan and related agreements. The 2016 Stock Plan authorizes options to be granted in the form of Incentive Stock Options ("ISO") or Nonstatutory Stock Options ("NSO"). As of December 31, 2020 (Successor), 171,863 shares of common stock are authorized to be issued under the 2016 Plan.

Teknova granted time-based and performance-based options for a term of ten years under the 2016 Plan. Time-based options vest over a four-year period with a one-year cliff. The company recognizes compensation expense for stock options over the vesting period. Forfeitures are recognized as incurred. Prior to the execution of the THP Transaction, 2,107,828 time-based options were fully vested. The remaining 792,172 unvested time-based options accelerated and became fully vested immediately upon the execution of the THP Transaction. The company repurchased 1,890,000 common stock options pursuant to the THP Transaction for $3.8469 per share. The company granted 151,863 performance-based options that vest upon a change of control, which excludes the THP Transaction.

When the 2020 Equity Incentive Plan became effective, no additional stock awards were granted under the 2016 Plan, although all outstanding stock awards granted under the 2016 Plan will continue to be subject to the terms and conditions as set forth in the agreements evidencing such stock awards and the terms of the 2016 Plan.

The following table summarizes the activity under the 2016 Stock Plan for the indicated periods (in thousands, except share and per share data):

	Number of Shares	Weighted Average Exercise Price per Share	Weighted Average Remaining Contractual Term (in years)	Aggregate Intrinsic Value
Balance at January 1, 2019	2,900,000	$ 0.30	7.98	$ 10,266
Granted	151,863	0.85	–	–
Exercised	(900,000)	0.30	–	–
Cancelled or forfeited	(1,980,000)	0.30	–	–
Balance at December 31, 2019	171,863	0.79	8.80	525
Granted	–	–	–	–
Exercised	–	–	–	–
Cancelled or forfeited	–	–	–	–
Balance at December 31, 2020	171,863	0.79	7.80	525
Exercisable at December 31, 2020	20,000	$ 0.30	5.98	$ 71
Vested and expected to vest at December 31, 2020	20,000	$ 0.30	5.98	$ 71

The stock-based employee compensation expense recorded for awards under the stock option plans was approximately $0.1 million for the 2019 Predecessor Period and is recorded in general and administrative expenses in the accompanying financial statements. There was no stock-based employee compensation expense recorded in the 2019 Successor Period as options outstanding were

performance-based and the performance condition was not probable. As of December 31, 2020 (Successor), unrecognized stock compensation expense was $0.5 million.

2020 Equity Incentive Plan

Teknova's board of directors and its stockholders approved the 2020 Plan, which reserved 1,677,077 shares of common stock for issuance thereunder.

The company granted time-based and performance-based options for a term of ten years under the 2020 Plan. The time-based options vest over a four-year period. Options to purchase common stock are granted with an exercise price equal to the fair market value of the company's stock on the day of grant. The company recognizes compensation expense for stock options over the vesting period. Forfeitures are recognized as incurred. Performance-based options vest upon the meeting of certain expectations based on pre-established goals for growth in revenue and earnings before interest, taxes, depreciation and amortization ("EBITDA").

Activity from January 1, 2020 through December 31, 2020 was as follows (in thousands, except share and per share data):

	Number of Shares	Weighted Average Exercise Price per Share	Weighted Average Remaining Contractual Term (in years)	Aggregate Intrinsic Value
Balance at January 1, 2020	–	$ –	–	$ –
Granted	1,026,551	1.96	–	–
Exercised	–	–	–	–
Cancelled or forfeited	–	–	–	–
Balance at December 31, 2020	1,026,551	1.96	9.75	8,463
Exercisable at December 31, 2020	123,610	$ 1.57	9.75	$ 1,067
Vested and expected to vest at December 31, 2020	123,610	$ 1.57	9.75	$ 1,067

The stock-based employee compensation expense recorded for awards under the stock option plans was approximately $0.3 million for the 2020 Successor Period and is recorded in general and administrative expenses in the accompanying financial statements. Unrecognized compensation expense related to stock options was $2.7 million at December 31, 2020 (Successor), which is expected to be recognized as expense over the weighted-average period of 2.9 years.

Teknova uses the Black-Scholes option-pricing model to determine the fair value of stock options. The valuation model for stock compensation expense requires the company to make assumptions and judgments about the variables used in the calculation, including the expected term, expected volatility and fair value of the company's common stock, and an assumed risk-free interest rate. The assumptions used in the Black-Scholes option-pricing model were determined as follows:

Volatility. Since the company is not a publicly traded entity and therefore has limited historical data on volatility of its stock, expected volatility is based on the volatility of the stock of similar publicly traded entities. In evaluating similarity, the company considered factors such as industry, stage of life cycle, size, and financial leverage.

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Fair value of underlying common stock. Because the company's common stock is not yet publicly traded, the company must estimate the fair value of common stock. Management considers numerous objective and subjective factors to determine the fair value of the company's common stock. The factors considered include, but are not limited to: (i) the results of contemporaneous independent third-party valuations of the company's common stock; (ii) the prices, rights, preferences, and privileges of the company's convertible preferred stock relative to those of its common stock; (iii) the lack of marketability of the company's common stock; (iv) actual operating and financial results; (v) current business conditions and projections; (vi) the likelihood of achieving a liquidity event, such as an initial public offering or sale of the company, given prevailing market conditions; and (vii) precedent transactions involving the company's shares.

Risk-free interest rate. The risk-free rate that the company uses is based on U.S. Treasury zero-coupon issues with remaining terms similar to the expected term on the options.

Expected life. As the company does not have sufficient historical exercise activity to estimate expected life, the expected life of options granted was determined using the "simplified" method, as illustrated in the Securities and Exchange Commission's Staff Accounting Bulletin (SAB) No. 107, as amended by SAB No. 110. Under this approach, the expected term is presumed to be the average of the weighted average vesting term and the contractual term of the option.

*Dividend yield***.** Teknova has never declared or paid any cash dividends and does not plan to pay cash dividends in the foreseeable future. Therefore, the company used an expected dividend yield of zero.

The weighted average assumptions used in the Black-Scholes option-pricing model are as follows:

	2020 Successor Period For the Year Ended December 31, 2020	2019 Successor Period For the Year Ended December 31, 2019
Estimated dividend yield	–%	–%
Weighted-average expected stock price volatility	36.13%	27.03%
Weighted-average risk-free interest rate	0.45%	2.23%
Expected term of options (in years)	6.25	6.25
Weighted-average fair value of common stock	$ 4.84	$ 0.30
Weighted-average fair value per option	$ 3.15	$ 0.10

Note 13—Net Income (Loss) Per Share Attributable to Common Stockholders

Basic and diluted net income (loss) per share is computed using the two-class method when it has issued shared that meet the definition of participating securities. Basic net income (loss) per share is computed by dividing net income (loss) attributable to common stockholders by the weighted-average number of common shares outstanding during the period without consideration for common stock equivalents. Diluted net income (loss) per share attributable to common stockholders is computed by dividing net income by the weighted-average number of common shares outstanding during the period and potentially dilutive common stock equivalents, except in cases where the effect of the common stock equivalent would be anti-dilutive. Potential common stock equivalents consist of common stock issuable upon exercise of stock options and convertible preferred stock. For periods of net loss, basic and diluted earnings per share are the same as the effect of the assumed exercise of stock options and convertible preferred stock is anti-dilutive.

ALPHA TEKNOVA, INC.
Notes to Financial Statements

The following table sets forth the computation of basic and diluted net income (loss) per share attributable to common stockholders for the 2020 Successor Period, the 2019 Successor Period and the 2019 Predecessor Period (in thousands, except share and per share data):

	2020 and 2019 Successor Period		2019 Predecessor Period
	For the Year Ended December 31, 2020	For the Period from January 14, 2019 through December 31, 2019	For the Period from January 1, 2019 through January 13, 2019
Net income (loss) attributable to stockholders	$ 3,570	$ (1,305)	$ (135)
Undistributed income attributable to preferred stockholders	(2,962)	–	–
Net income (loss) attributable to common stockholders	$ 608	$ (1,305)	$ (135)
Basic weighted-average common stock outstanding	1,920,000	1,879,294	6,080,714
Weighted-average effect of potentially dilutive securities:			
Stock options	450,827	–	–
Convertible Series A preferred stock	9,342,092	–	–
Dilutive weighted-average common stock	11,712,919	1,879,294	6,080,714
Earnings per share attributable to common stockholders:			
Basic	$ 0.32	$ (0.69)	$ (0.02)
Diluted	$ 0.30	$ (0.69)	$ (0.02)

The following is a summary of the common stock equivalents for the securities outstanding during the respective periods that have been excluded from the computation of diluted net loss per common share, as their effect would be anti-dilutive:

	2020 and 2019 Successor Period		2019 Predecessor Period
	For the Year Ended December 31, 2020	For the Period from January 14, 2019 through December 31, 2019	For the Period from January 1, 2019 through January 13, 2019
Stock options to purchase common stock	–	219,420	2,900,000
Convertible Series A preferred stock	–	9,342,092	–
Total	–	9,561,512	2,900,000

Note 14—Related Parties

The company has identified the following as related parties through common control: Meeches, LLC and Thomas E. Davis, LLC, as the entities are controlled by Ted Davis, Teknova's founder and a current director and five percent stockholder of the company.

ALPHA TEKNOVA, INC.
Notes to Financial Statements

The company leases certain real property and has a related party note receivable totaling approximately $0.5 million and $0.6 million as of December 31, 2020 (Successor) and 2019 (Successor), respectively, from Thomas E. Davis, LLC. The related party notes receivable are secured by a first priority Deed of Trust on the leased property and bears interest at 6% per annum, and interest payments are received monthly. The principal balance is payable in one payment and had an original maturity date of July 1, 2019, which was extended by the company to July 1, 2020. On June 16, 2020 the company executed an additional amendment to the note receivable to extend the maturity date to July 1, 2021. On March 31, 2021 the $0.5 million note receivable was paid in full.

The company leases certain real property from Meeches, LLC and does not have any outstanding balances owed to Meeches LLC.

Note 15—Commitments and Contingencies

Obligations under Operating Leases

The company has various non-cancelable operating leases for buildings and land for office and manufacturing space in Hollister, California. The leases have a lease term with varying expiration dates, which represent the non-cancelable periods of the leases and include extension options.

The lease agreement with Thomas E Davis, LLC, a related party (see “Note 14—Related Parties”) commenced in March 2017, with a payment of $5.0 thousand a month and a one-year term. The company has the option to extend the term of the lease for two additional separate, successive terms of one year each, following the expiration of the initial term of the lease. The company must give notice of exercise of at least ninety days prior to the commencement of the option term. The company entered into a lease extension in June 2020 and extended the lease term until June 2021.

The lease agreement with Meeches, LLC, a related party (see “Note 14—Related Parties”) commenced in September 2019, with a payment of $20.0 thousand a month and a five-year term.

Rent expense for the 2020 Successor Period and the 2019 Successor Period was $1.2 million and $0.8 million, respectively. Rent expense during the 2019 Predecessor Period was insignificant.

Future minimum lease payments with unrelated and related parties as of the end of the 2020 Successor Period are as follows (in thousands):

	Unrelated	Related	Total
2021	$ 1,384	$ 285	$1,669
2022	1,468	267	1,735
2023	1,498	279	1,777
2024	1,537	191	1,728
2025	1,060	–	1,060
2026 and thereafter	–	–	–
Total future minimum lease payments	$ 6,947	$1,022	$7,969

Litigation

Teknova’s industry is characterized by frequent claims and litigation, including claims regarding intellectual property and product liability. As a result, the company may be subject to various legal proceedings from time to time. The results of any current or future litigation cannot be predicted with certainty, and regardless of the outcome, litigation can have an adverse impact on the company because of defense and settlement costs, diversion of management resources, and other factors. Any current litigation is considered immaterial and counter claims have been assessed as remote.

ALPHA TEKNOVA, INC.
Notes to Financial Statements

Note 16—Income Taxes

Teknova's provision for (benefit from) income taxes consists of the following for the following periods (in thousands):

	2020 and 2019 Successor Period		2019 Predecessor Period
	For the Year Ended December 31, 2020	For the Period from January 14, 2019 through December 31, 2019	For the Period from January 1, 2019 through January 13, 2019
Current:			
Federal	$ (1,196)	$ (21)	$ (91)
State	262	(17)	3
Total current	(934)	(38)	(88)
Deferred:			
Federal	1,953	(361)	(2,000)
State	136	(96)	(513)
Total deferred	2,090	(457)	(2,513)
Income tax expense (benefit)	$ 1,156	$ (495)	$ (2,601)

A reconciliation of the statutory tax rate to the company's effective tax rate is as follows:

	2020 and 2019 Successor Period		2019 Predecessor Period
	For the Year Ended December 31, 2020	For the Period from January 14, 2019 through December 31, 2019	For the Period from January 1, 2019 through January 13, 2019
Statutory federal income tax rate	21.0%	21.0%	21.0%
State income tax rate	7.0	6.1	5.3
Permanent items	(0.2)	0.5	(1.0)
Stock compensation	1.7	–	(0.7)
Repurchase of cancelled options	–	–	67.2
CARES Act	(4.7)	–	–
Other	(0.3)	(0.1)	3.4
Effective tax rate	24.5%	27.5%	95.2%

ALPHA TEKNOVA, INC.
Notes to Financial Statements

Income taxes are provided for the tax effects of transactions reported in the financial statements and consist of taxes currently due, plus deferred taxes. Deferred taxes are recognized for differences between the basis of assets and liabilities for financial statement and income tax purposes. The deferred tax assets and liabilities represent the future tax return consequences of those differences, which will be either deductible or taxable when the assets and liabilities are recovered or settled. The company's component of net deferred tax liability and assets consists of the following as of the end of the 2020 Successor Period and the 2019 Successor Period (in thousands):

	2020 Successor Period As of December 31, 2020	2019 Successor Period As of December 31, 2019
Deferred tax asset		
Net operating loss	$ 692	$ 1,720
Accrued compensation	214	617
Stock compensation	–	113
Tax credit carryforwards	53	–
Accruals and other	88	38
Total deferred tax asset	1,047	2,488
Deferred tax liability		
Fixed assets	(1,746)	(852)
Intangibles	(5,291)	(5,536)
Total deferred tax liability	(7,037)	(6,388)
Valuation allowance	–	–
Net deferred tax liability	$ (5,990)	$ (3,900)

As of the end of December 31, 2020 (Successor), Teknova has federal and state net operating loss ("NOL") carryforwards of $2.0 million and $4.1 million, respectively. The federal NOL carryforwards will carryforward indefinitely but are subject to an 80% taxable income limitation. The state NOL carryforwards begin to expire in 2039. As of December 31, 2020 (Successor), the company has federal research and development tax credit carryforwards that are insignificant and will begin to expire in 2035. NOLs and tax credit carryforwards may become subject to an annual limitation in the event of certain cumulative changes in the ownership interest of significant stockholders, as defined under Sections 382 and 383 of the Internal Revenue Code of 1986, as amended, as well as similar state tax provisions. This could limit the amount of NOLs and tax credits that the company can utilize annually to offset future taxable income or tax liabilities.

On March 27, 2020, the Coronavirus Aid, Relief, and Economic Security Act ("CARES Act") was enacted. The CARES Act, among other things, includes changes to the tax provisions that benefits business entities and makes certain technical corrections to the 2017 Tax Cuts and Jobs Act, including, permitting NOLs, carryovers and carrybacks to offset 100% of taxable income for taxable years beginning before 2021. In addition, the CARES Act allows NOLs incurred in 2018, 2019, and 2020 to be carried back to each of the five preceding taxable years to generate a refund of previously paid income taxes. As a result, the company's effective tax rate includes an income tax benefit related to the anticipated refunds from tax losses generated during 2019 that are permitted to be carried back to certain years when the U.S. federal income tax rate was 34%.

ALPHA TEKNOVA, INC.
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On June 29, 2020, the California legislature enacted California Assembly Bill 85 (AB 85), which suspends the use of California NOLs and limits the use of California research tax credits for tax years beginning in 2020 and before 2023. The company's 2020 state income tax has increased as a result of restrictions on the utilization of tax attributes.

The company had no unrecognized tax benefits at December 31, 2020 (Successor) and 2019 (Successor). In connection with FASB's *Accounting for Uncertainty in Income Taxes*, the company recognizes interest and penalties accrued on any unrecognized tax benefits as a component of income tax expense. The company does not expect to recognize any unrecognized tax benefits over the next twelve months. Consequently, the company has not accrued interest or penalties related to uncertain tax positions as of the end of December 31, 2020 (Successor) or 2019 (Successor).

Teknova files income tax returns in the U.S. federal jurisdiction and various states. The company is no longer subject to U.S. federal income tax examinations for tax years prior to 2017. The company is no longer subject to state income tax examinations for tax years prior to 2016. The company is currently not under examination by the Internal Revenue Service or any other taxing authorities.

Note 17—Subsequent Events

Teknova has evaluated all events occurring from January 1, 2021 through April 2, 2021, the date the financial statements were available to be issued.

On March 26, 2021, the company entered into a Credit Agreement ("Credit Agreement") with MidCap Financial Funding (MidCap Financial Services, LLC, as servicer for MidCap Financial Trust), as an administrative agent, and such other banks and financial institutions as may be arranged by MidCap Financial Funding. The Credit Agreement provides for a $27.0 million credit facility consisting of a $22.0 million senior, secured term loan (the "Term Loan"), and a $5.0 million working capital facility. The Term Loan is staged such that $12.0 million is available immediately, an additional $5.0 million is available on September 30, 2021, and $5.0 million is available in 2022, but such final borrowing is contingent upon achieving revenue and EBITDA targets (as defined in the Credit Agreement). The interest on the Term Loan is based on the annual rate of one-month London Inter-Bank Offered Rate (LIBOR) plus 6.45%, subject to a LIBOR floor of 1.50%. The Credit Agreement contains a financial covenant based upon trailing twelve months of net revenue, including requirement of $32.0 million in the twelve months ended December 31, 2021. The outstanding balance on the credit facility will be due in full on March 1, 2026.

ALPHA TEKNOVA, INC.
Condensed Balance Sheets
(in thousands, except share and per share data)

	As of March 31, 2021 (Unaudited)	As of December 31, 2020
ASSETS		
Current assets:		
Cash and cash equivalents	$ 14,466	$ 3,315
Short-term investments - marketable securities	–	1,811
Accounts receivable, net of allowance for doubtful accounts of $111 thousand (unaudited) and $23 thousand	4,197	4,623
Inventories	3,879	3,582
Income taxes receivable	1,594	1,417
Prepaid expenses and other current assets	2,247	1,137
Related party notes receivable	–	529
Total current assets	26,383	16,414
Property, plant and equipment, net	13,526	10,008
Goodwill	16,613	16,613
Intangible assets, net	19,565	19,852
Other non-current assets	33	24
Total assets	$ 76,120	$ 62,911
LIABILITIES, CONVERTIBLE AND REDEEMABLE PREFERRED STOCK AND STOCKHOLDERS' EQUITY		
Current liabilities:		
Accounts payable	$ 2,918	$ 1,635
Accrued liabilities	3,174	2,327
Total current liabilities	6,092	3,962
Deferred tax liabilities	5,825	5,990
Other accrued liabilities	331	350
Long term debt	11,736	–
Deferred rent	210	204
Total liabilities	$ 24,194	$ 10,506
Commitments and contingencies (See "Note 15—Commitments and Contingencies.")		
Series A convertible and redeemable preferred stock, $0.00001 par value, 9,600,000 shares authorized, 9,342,092 shares issued and outstanding at March 31, 2021 (unaudited) and December 31, 2020; aggregate liquidation preference of $42,305 thousand and $41,586 thousand as of March 31, 2021 (unaudited) and December 31, 2020, respectively	35,638	35,638
Stockholders' equity:		
Common stock, $0.00001 par value, 30,000,000 shares authorized, 1,920,000 shares issued and outstanding at March 31, 2021 (unaudited) and December 31, 2020, respectively	–	–
Additional paid-in capital	14,678	14,495
Retained earnings	1,610	2,265
Accumulated other comprehensive income	–	7
Total stockholders' equity	16,288	16,767
Total liabilities, convertible and redeemable preferred stock and stockholders' equity	$ 76,120	$ 62,911

The accompanying notes are an integral part of these interim condensed financial statements.

ALPHA TEKNOVA, INC.
Condensed Statements of Operations and Comprehensive Income (Loss)
(in thousands, except share and per share data)

	For the Three Months Ended March 31,	
	2021	2020
	(unaudited)	
Revenue	$ 9,078	$ 6,112
Cost of sales	4,053	2,483
Gross profit	5,025	3,629
Operating expenses:		
Research and development	700	326
Sales and marketing	705	349
General and administrative	4,161	1,655
Amortization of intangible assets	287	287
Total operating expenses	5,853	2,617
(Loss) income from operations	(828)	1,012
Other income (expenses), net		
Interest income	7	32
Other income (expense), net	1	(21)
Total other income, net	8	11
(Loss) income before income taxes	(820)	1,023
(Benefit from) provision for income taxes	(165)	75
Net (loss) income	(655)	948
Change in unrealized loss on available-for-sale securities, net of tax	(7)	(34)
Comprehensive (loss) income	$ (648)	$ 914
Net (loss) income available to common stockholders		
Net (loss) income	(655)	948
Less: undistributed income attributable to preferred stockholders	–	(787)
Net (loss) income attributable to common stockholders	$ (655)	$ 161
Net (loss) income per share attributable to common stockholders		
Basic	$ (0.34)	$ 0.08
Diluted	$ (0.34)	$ 0.08
Weighted average shares used in computing net (loss) income per share attributable to common stockholders		
Basic	1,920,000	1,920,000
Diluted	1,920,000	1,940,000

The accompanying notes are an integral part of these interim condensed financial statements.

ALPHA TEKNOVA, INC.
Condensed Statements of Convertible and Redeemable Preferred Stock and Stockholders' Equity
(in thousands, except share and per share data)

(unaudited)

	Convertible and Redeemable Preferred Stock		Common Stock		Additional Paid-in Capital	Accumulated Other Comprehensive Income (Loss)	Retained Earnings (Accumulated Deficit)	Stockholders' Equity
	Shares	Amount	Shares	Amount				
Balance at December 31, 2019	9,342,092	$35,638	1,920,000	$ —	$ 14,195	$ 20	$ (1,305)	$ 12,910
Unrealized loss on available-for-sale securities	—	—	—	—	—	(34)	—	(34)
Net income	—	—	—	—	—	—	948	948
Balance at March 31, 2020 (unaudited)	9,342,092	$35,638	1,920,000	$ —	$ 14,195	(14)	(357)	13,824
Balance at December 31, 2020	9,342,092	$35,638	1,920,000	$ —	$ 14,495	$ 7	$ 2,265	$ 16,767
Stock-based compensation	—	—	—	—	183	—	—	183
Unrealized loss on available-for-sale securities	—	—	—	—	—	(7)	—	(7)
Net loss	—	—	—	—	—	—	(655)	(655)
Balance at March 31, 2021 (unaudited)	9,342,092	$35,638	1,920,000	$ —	$ 14,678	$ —	$ 1,610	$ 16,288

The accompanying notes are an integral part of these interim condensed financial statements.

ALPHA TEKNOVA, INC.
Condensed Statements of Cash Flows
(in thousands)

	For the Three Months Ended	
	March 31, 2021	March 31, 2020
	(unaudited)	
Operating activities:		
Net (loss) income	$ (655)	$ 948
Adjustments to reconcile net (loss) income to net cash provided by operating activities:		
Bad debt expense	(88)	(5)
Depreciation and amortization	652	453
Stock-based compensation	183	—
Inventory reserve	(2)	—
Realized (gain) loss on marketable securities	(1)	16
Amortization of premium on marketable securities	(9)	4
Deferred taxes	(164)	1,215
Changes in operating assets and liabilities:		
Accounts receivable	400	(900)
Inventories	(295)	(358)
Prepaid expenses and other assets	263	(1,186)
Accounts payable, accrued liabilities, and other current and noncurrent liabilities	2,111	(278)
Deferred rent	6	9
Cash provided by (used in) operating activities	2,401	(82)
Investing activities:		
Purchase of property, plant and equipment	(3,884)	(359)
Proceeds from loan to related party	529	7
Purchase of short-term marketable securities	—	(1,786)
Proceeds on sales of short-term marketable securities	1,132	1,747
Proceeds from maturities of short-term marketable securities	695	1,775
Cash (used in) provided by investing activities	(1,528)	1,384
Financing activities:		
Proceeds from long-term debt, net	11,889	—
Debt issuance costs	(153)	—
Repayment of long-term debt	—	(45)
Payment of costs related to an initial public offering	(1,458)	—
Cash provided by (used in) financing activities	10,278	(45)
Change in cash and cash equivalents	11,151	1,257
Cash and cash equivalents at beginning of period	3,315	4,144
Cash and cash equivalents at end of period	$ 14,466	$ 5,401
Supplemental cash flow disclosures:		
Income taxes paid	$ —	$ —
Interest paid	$ 13	$ 10
Capitalized property, plant and equipment included in accounts payable	$ 673	$ 59
Deferred offering costs included in accrued liabilities and accounts payable	$ 1,425	$ —

The accompanying notes are an integral part of these interim condensed financial statements.

ALPHA TEKNOVA, INC.
Notes to Unaudited Interim Condensed Financial Statements

Note 1. Nature of the Business

The company was founded in 1996 and initially incorporated in California on May 30, 2000 under the name “eTeknova Inc.” On January 11, 2019, the company filed a certificate of merger and merged with and into Alpha Teknova, Inc., a Delaware corporation, which continued as the surviving entity bearing the corporate name of “Alpha Teknova, Inc.” (“Teknova”). Teknova provides critical reagents that enable the discovery, development, and production of biopharmaceutical products such as drug therapies, novel vaccines, and molecular diagnostics. Product offerings include pre-poured media plates for cell growth and cloning, liquid cell culture media and supplements for cellular expansion, and molecular biology reagents for sample manipulation, resuspension, and purification. Teknova supports customers spanning the life sciences market, including pharmaceutical and biotechnology companies, contract development and manufacturing organization, in vitro diagnostic franchises, and academic and government research institutions, with catalog and custom, made-to-order products.

Teknova manufactures its products at its Hollister, California headquarters and stocks inventory of raw materials, components, and finished goods at that location. The company ships products directly from its warehouses in Hollister, California and Mansfield, Massachusetts.

Teknova manufactures its products under Research Use Only or good manufacturing processes regulatory standards, the latter of which refers to a more stringent level of quality standards supported by additional levels of documentation, testing, and traceability. In 2017, Teknova achieved ISO 13485:2016 certification, enabling the company to manufacture products for use in diagnostic and therapeutic applications.

Note 2. Summary of Significant Accounting Policies

The condensed balances sheet at December 31, 2020 was derived from amounts included in the company’s annual financial statements for the year ended December 31, 2020. Refer to Note 2, *Summary of Significant Accounting Policies*, within the annual financial statements presented elsewhere in this prospectus for the full list of our significant accounting policies. The details in those notes have not changed except as discussed below and as a result of normal adjustments in the interim periods.

Basis of Accounting and Presentation

The accompanying interim condensed financial statements and related notes are prepared in accordance with U.S. generally accepted accounting principles (“GAAP”) and applicable rules and regulations of the Securities and Exchange Commission (“SEC”) regarding interim financial reporting. Certain information and footnote disclosures normally included in the financial statements prepared in accordance with GAAP have been condensed or omitted in accordance with such rules and regulations.

Unaudited Interim Condensed Financial Statements

The accompanying condensed balance sheet as of March 31, 2021, and condensed statements of operations and comprehensive income (loss), condensed statements of cash flows, and condensed statements of convertible and redeemable preferred stock and stockholders’ equity for the three months ended March 31, 2021 and 2020, are unaudited. The interim condensed financial statements have been prepared on a basis consistent with the audited annual financial statements as of and for the year ended December 31, 2020, and, in the opinion of management, reflect all adjustments, consisting solely of normal recurring adjustments, necessary for the fair presentation of the company's financial position as of March 31, 2021, and the condensed results of its operations and comprehensive income (loss) and its cash flows for the three months ended March 31, 2021 and 2020.

ALPHA TEKNOVA, INC.
Notes to Unaudited Interim Condensed Financial Statements

The financial data and other information disclosed in these notes related to the three months ended March 31, 2021 and 2020 are also unaudited. The condensed results of operations and comprehensive income (loss) for the three months ended March 31, 2021 are not necessarily indicative of the results to be expected for the full year ending December 31, 2021 or any other period.

Impact of COVID-19

In March 2020, the World Health Organization declared that the outbreak of COVID-19 was a global pandemic. Since Teknova's business is categorized as part of the country's critical infrastructure, the company was able to continue operations during the COVID-19 pandemic. During the first half of 2020, orders for Lab Essentials products declined because many research customers were required to close temporarily. Later in the year, Teknova developed and commercialized, and earned revenue on, sample transport medium for use in COVID-19 sample collection and transport. It is not possible to exactly predict the total impact of the global COVID-19 outbreak on the company's future revenue or profitability, which will depend on future developments that are highly uncertain and cannot be predicted with confidence at this time, such as the effectiveness of public policy, the potential emergence and spread of new virus variants, and the degree to which vaccination efforts are successful, among other factors.

Deferred Offering Costs

Deferred offering costs consist of direct incremental legal, accounting, and consulting fees relating to the company's proposed Initial Public Offering (the "IPO"). The deferred offering costs will be offset against IPO proceeds upon the consummation of an IPO. In the event the planned IPO is terminated, the deferred offering costs will be expensed. As of March 31, 2021, there was $1.5 million of deferred offering costs capitalized in prepaid expenses and other current assets in the condensed balance sheets. There were no material deferred offering costs recorded as of December 31, 2020.

Debt Issuance Costs

Debt issuance costs represent legal, consulting, and other financial costs associated with debt financing and are presented on the balance sheets as a direct reduction from the carrying amount of the related debt instrument. Debt issuance costs on the term debt and revolving line of credit are amortized to interest expense over the term of the respective debt agreements.

Use of Estimates

The preparation of interim condensed financial statements in conformity with GAAP requires management to make estimates and assumptions that affect certain amounts of assets and liabilities, and disclosures of assets and liabilities, at the date of each financial statement, and the reported amount of revenues and expenses during the reporting period. The inputs into the company's judgments and estimates consider the economic implications of COVID-19 on the company's critical and significant accounting estimates, including those made in connection the valuation of goodwill and intangible assets, and income taxes. Actual results can differ from those estimates.

Concentration of Risk

Financial Instruments

Teknova's financial instruments that are exposed to concentration of credit risk consist primarily of cash and cash equivalents and accounts receivable. The company places its cash and cash equivalents with high-quality banking institutions. At times, the company's cash and cash equivalent balances may exceed the Federal Deposit Insurance Corporation ("FDIC") insurance limit. Teknova

has never experienced any losses related to its cash and cash equivalent balances. Teknova routinely communicates with its customers regarding payments and has a history of limited write-offs so, as a consequence, believes that its accounts receivable credit risk exposure is limited.

Customers

For the three months ended March 31, 2021 and 2020, Teknova's combined sales to its three largest customers accounted for approximately 29% and 39% of its total sales, respectively. Two of these customers, individually, represented 15% and 8% of total sales, respectively, for the three months ended March 31, 2021. The three customers also have combined accounts receivable balances as of March 31, 2021 and December 31, 2020 representing 35% and 25% of total receivables, respectively. Two of these customers are distributors representing a highly diversified customer base.

Suppliers

For the three months ended March 31, 2021 and 2020, purchases from two of Teknova's suppliers accounted for 52% and 53%, of all of the company's inventory purchases, respectively. The amounts due to Teknova's largest supplier comprised approximately 13% and 20% of total accounts payable as of March 31, 2021 and December 31, 2020, respectively.

Recently Issued Accounting Pronouncements

In February 2016, the FASB issued ASU No. 2016-02, *Leases (Topic 842)* ("ASU 842"). The new standard requires lessees to generally recognize operating and financing lease liabilities and corresponding right-of-use assets on the balance sheet. The new standard is effective with respect to Teknova beginning January 1, 2022 on a modified retrospective basis, and early adoption is permitted. Teknova is evaluating the impact of the pending adoption of this standard on the interim condensed financial statements. Teknova expects that most of the operating lease commitments will be subject to the new standard and will be recognized as operating lease liabilities and right-of-use assets upon adoption of ASU 842, which will increase the company's total assets and total liabilities that are reported relative to such amounts prior to adoption.

In December 2019, the FASB issued ASU No. 2019-12, *Income Taxes (Topic 740): Simplifying the Accounting for Income Taxes* ("ASU 740"). ASU 740 removes certain exceptions to the general principles in ASU 740 and clarifies and amends certain guidance to promote consistent application. ASU 740 is effective for the company's annual and interim periods beginning after December 15, 2021, with early adoption permitted. Depending on the amendment, adoption may be applied on a retrospective, modified retrospective or prospective basis. Teknova is currently evaluating the impact the standard will have on its financial statements and does not anticipate the standard to have a significant impact.

In June 2016, the FASB issued ASU No. 2016-13 (Topic 326), Financial Instruments—Credit Losses. The standard introduces a new model for recognizing credit losses on financial instruments based on an estimate of current expected credit losses and will apply to accounts receivable. The new guidance will be effective for Teknova's annual and interim periods beginning after December 15, 2022. Teknova is currently evaluating the impact the standard will have on its financial statements and does not anticipate the standard to have a significant impact.

Note 3. Revenue Recognition

Teknova recognizes its revenue from the sale of ready-to-use pre-poured media plates and broths for growth of bacterial, yeast and microbiological applications, and buffers and reagents for purification

and analysis of proteins, DNA and mRNA. Revenue is recognized when performance obligations under the terms of a contract with a customer are satisfied. All of Teknova's contracts with customers contain a single performance obligation, delivery of consumable products (e.g., media plates, broths, buffers, reagents, etc.). Accordingly, the company recognizes revenue at a point in time when control of the products has been transferred to the customers, which is at the time of shipment. Revenue is recognized in an amount that reflects the consideration Teknova expects to be entitled to receive in exchange for the products. Sales and other similar taxes collected from customers on behalf of third parties are excluded from the sale price of the products.

Teknova records shipping and handling costs charged to customers as revenue. Shipping and handling charges are included in general and administrative expenses as revenue is recognized. Shipping and handling charges for the three months ended March 31, 2021 and 2020 were approximately $0.2 million and $0.3 million, respectively. Costs incurred to obtain contracts with customers are expensed immediately because the amortization period for such costs is one year or less.

Teknova does not offer warranties on products.

ASU 606 requires an entity to estimate the amount of variable consideration to which the entity will be entitled, in exchange for transferring the promised goods to a customer of a contract. Occasionally, Teknova offers rebates, discounts, and returns on its products, however, returns and refunds are an extremely rare occurrence and are not explicitly or implicitly part of the purchase order. The company records rebates, discounts, and returns at the time in which they occur. The difference between recording these as they occur and estimating the amount of consideration in exchange for the transfer of promised goods would not have a material impact on the interim condensed financial statements.

Teknova's sales are made directly to customers or through distributors, generally under agreements with payment terms typically shorter than 90 days and, in no case, exceeding one year. Therefore, Teknova's contracts do contain a significant financing component.

Contract Balances

Teknova's accounts receivable, net, includes amounts billed and currently due from customers. The amounts due are stated at their net estimated realizable value. Teknova maintains an allowance for doubtful accounts to provide for an estimated amount of receivables that will not be collected.

Disaggregation of Revenue

Teknova's revenue, disaggregated by product category was as follows (in thousands):

	For the Three Months Ended March 31,	
	2021	2020
	(unaudited)	
Lab Essentials	$ 6,790	$ 5,249
Clinical Solutions	1,071	579
Sample Transport	924	–
Other	293	284
Total Revenue	$ 9,078	$ 6,112

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Notes to Unaudited Interim Condensed Financial Statements

Teknova's revenue, disaggregated by geographic region was as follows (in thousands):

	For the Three Months Ended March 31,	
	2021	2020
	(unaudited)	
United States	$ 8,715	$ 5,821
International	363	291
Total Revenue	$ 9,078	$ 6,112

Note 4. Goodwill and Intangible Assets, Net

Goodwill and intangible assets relate to the application of pushdown accounting associated with the THP Transaction.

There were no changes in the carrying amount of goodwill during the three months ended March 31, 2021 and 2020.

The following is a summary of intangible assets with definite and indefinite lives (in thousands):

	Balance at March 31, 2021 (unaudited)			Balance at December 31, 2020		
	Gross	Accumulated Amortization	Net	Gross	Accumulated Amortization	Net
Definite Lived:						
Customer relationships	$ 9,180	$ 2,534	$ 6,646	$ 9,180	$ 2,247	$ 6,933
Indefinite Lived:						
Tradename	12,919	–	12,919	12,919	–	12,919
Total intangible assets	$22,099	$ 2,534	$ 19,565	$22,099	$ 2,247	$19,852

For the three months ended March 31, 2021 and 2020 amortization expense was approximately $0.3 million in each period, respectively.

As of March 31, 2021, the remaining weighted-average useful life of definite lived intangible assets is 5.8 years. The estimated future amortization expense of intangible assets with definite lives is as follows (in thousands):

	Amount
	(unaudited)
Remainder of 2021	$ 861
2022	1,148
2023	1,148
2024	1,148
2025	1,148
2026 and thereafter	1,193
Estimated future amortization expense of definite-lived intangible assets	$ 6,646

Note 5. Fair Value Measurements

Fair value is defined as the exchange price that would be received for an asset or paid to transfer a liability (an exit price), in the principal or most advantageous market for the asset or liability, in an

orderly transaction between market participants on the measurement date. Valuation techniques used to measure fair value must maximize the use of observable inputs and minimize the use of unobservable inputs. ASU 820 establishes a fair value hierarchy, which prioritizes the inputs used in measuring fair value as follows:

- Level 1—Observable inputs such as quoted prices in active markets for identical assets or liabilities.
- Level 2—Inputs other than Level 1 that are observable, either directly or indirectly, such as quoted prices for similar assets or liabilities; quoted prices in markets that are not active; or other inputs that are observable or can be corroborated by observable market data for substantially the full term of the assets or liabilities.
- Level 3—Unobservable inputs that are supported by little or no market activity and that are significant to the fair value of the assets or liabilities.

There are no financial instruments measured at fair value as of March 31, 2021.

Financial assets carried at fair value and measured on a recurring basis as of December 31, 2020 are classified in the hierarchy as follows (in thousands):

	Total	Level 1	Level 2	Level 3
Cash equivalents:				
Money market funds	$ 286	$ 286	$ –	$ –
Total cash equivalents	286	286	–	–
Available-for-sale investments				
U.S. corporate debt securities	858	–	858	–
Foreign corporate debt securities	953	–	953	–
Total available-for-sale investments	1,811	–	1,811	–
Total financial assets carried at fair value	$2,097	$ 286	$1,811	$ –

Teknova has not transferred any investment securities between the three levels of the fair value hierarchy. Money market funds are included in cash and cash equivalents in the condensed balance sheets. Available-for-sale investments are included in short-term investments – marketable securities in the condensed balance sheets.

Teknova classifies investments in money market funds and U.S. treasury bills and government agency obligations within Level 1 as the prices are available from quoted prices in active markets. The company's investments in debt securities are classified as Level 2. Investments in U.S. corporate debt securities are valued based on observable inputs such as the U.S. Treasury yield curve, market indicated spreads, and quoted prices for identical assets in markets that are not active and/or similar assets in markets that are active. Investments in foreign corporate securities are valued based on observable inputs such as the applicable, country-specific market yield curve, market indicated spreads by security rating and quoted prices for identical assets in markets that are not active and/or similar assets in markets that are active.

As of March 31, 2021 the company does not hold any short-term investments. As of December 31, 2020 short-term investments included $1.8 million of available-for-sale securities with contractual maturities less than one year.

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Unrealized gains and losses associated with the investments are reported in accumulated other comprehensive income. For the three months ended March 31, 2021 and 2020, the company recorded an insignificant amount in net unrealized gains/(losses) associated with the short-term investments through other comprehensive income on the accompanying interim condensed financial statements.

Realized gains and losses associated with investments, if any, are reported in other income (expense), net. Teknova recognized an insignificant amount in realized losses for the three months ended March 31, 2021 and 2020.

Note 6. Inventories, Net

Inventories consist of the following (in thousands):

	As of March 31, 2021 (unaudited)	As of December 31, 2020
Finished goods, net	$ 2,333	$ 2,093
Work in process	78	137
Raw materials, net	1,468	1,352
Total inventories, net	$ 3,879	$ 3,582

Note 7. Property, Plant and Equipment, Net

Property, plant and equipment consist of the following (in thousands):

	As of March 31, 2021 (unaudited)	As of December 31, 2020
Machinery and equipment	$ 6,845	$ 6,084
Office furniture and equipment	422	315
Vehicles	70	128
Leasehold improvements	2,530	2,442
	9,867	8,969
Less—Accumulated depreciation	(1,302)	(995)
	8,565	7,974
Construction in progress	4,961	2,034
Total property, plant and equipment, net	$ 13,526	$ 10,008

Depreciation expense related to property, plant and equipment recorded during the three months ended March 31, 2021 and 2020 was approximately $0.4 million and $0.2 million, respectively.

Note 8. Accrued Liabilities

Accrued liabilities were comprised of the following (in thousands):

	As of March 31, 2021 (unaudited)	As of December 31, 2020
Payroll-related	$ 1,269	$ 1,482
Other	1,905	845
Total current accrued liabilities	$ 3,174	2,327

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Note 9. Long-Term Debt

On March 26, 2021, the company entered into a Credit Agreement ("Credit Agreement") with MidCap Financial Funding (MidCap Financial Services, LLC, as servicer for MidCap Financial Trust), as an administrative agent, and such other banks and financial institutions as may be arranged by MidCap Financial Funding. The Credit Agreement provides for a $27.0 million credit facility consisting of a $22.0 million senior, secured term loan (the "Term Loan"), and a $5.0 million working capital facility. The Term Loan is staged such that $12.0 million is available immediately, an additional $5.0 million is available on September 30, 2021, and $5.0 million is available in 2022, but such final borrowing is contingent upon achieving trailing twelve months of net revenue of $37.0 million if the proposed funding date is on or after January 1, 2022 and before July 1, 2022 or $38.5 million if the proposed funding date is on or after July 1, 2022 and on or before September 30, 2022 and EBITDA targets (as defined in the Credit Agreement). Borrowings on the working capital facility are limited to a borrowing base calculation and initial borrowing is subject to completion of an initial field exam with respect to such borrowing base assets. The interest on the Term Loan is based on the annual rate of one-month London Inter-Bank Offered Rate (LIBOR) plus 6.45%, subject to a LIBOR floor of 1.50%. If any advance under the Term Loan is prepaid at any time, the prepayment fee is based on the amount being prepaid and an applicable percentage amount, such as 3%, 2%, or 1%, based on the date the prepayment is made after the closing date of the Term Loan. The Credit Agreement contains a financial covenant based upon a trailing twelve months of net revenue, including a requirement of $32.0 million in the twelve months ending December 31, 2021. As of March 31, 2021, the company was in compliance with these requirements. The outstanding balance on the credit facility will be due in full on March 1, 2026. At the end of the term loan, the company will pay an exit fee of $0.6 million, which represents 5% of the $12.0 million in borrowings made available immediately on March 26, 2021. Such fee is being accreted to interest expense over the life of the Term Loan. The company incurred $0.3 million of debt issuance costs which are recorded in long-term debt, net of current portion in the condensed balance sheets.

On March 26, 2021, the company drew the full $12.0 million of the Term Loan available. As of March 31, 2021, the outstanding long term debt, net of debt issuance costs is $11.7 million and is presented as long term debt on the condensed balance sheets.

At March 31, 2021, the scheduled maturities, of the Term Loan were as follows (in thousands):

	Amount (unaudited)
Remainder of 2021	$ –
2022	–
2023	–
2024	4,500
2025	6,000
2026	1,500
Total	$ 12,000

Note 10. Convertible and Redeemable Preferred Stock

The company entered into the THP Transaction on January 14, 2019, issuing 9,342,092 shares the company's Series A preferred stock, at $0.00001 par value per share, for a purchase price of $3.8469196 per share and raised approximately $35.9 million in gross proceeds. Issuance costs associated with the THP Transaction were approximately $0.3 million.

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As of March 31, 2021 Series A preferred stock consisted of the following (in thousands, except share data):

	Shares Authorized	Shares Issued and Outstanding	Aggregate Liquidation Preference	Proceeds, net of Issuance Cost
		(unaudited)		
Series A preferred stock	9,600,000	9,342,092	$ 42,305	$ 35,638

As of December 31, 2020 Series A preferred stock consisted of the following (in thousands, except share data):

	Shares Authorized	Shares Issued and Outstanding	Aggregate Liquidation Preference	Proceeds, net of Issuance Cost
Series A preferred stock	9,600,000	9,342,092	$ 41,586	$ 35,638

Note 11. Common Stock

As of March 31, 2021 and December 31, 2020, the company has 30,000,000 authorized shares of common stock with a par value of $0.00001 per share. As of March 31, 2021 and December 31, 2020, there were 1,920,000 shares of common stock issued and outstanding. The voting, dividend and liquidation rights of the holders of the common stock are subject to and qualified by the rights, powers and preferences of the holders of the Series A preferred stock.

Common stock reserved for future issuance

As of March 31, 2021 and December 31, 2020, the company has reserved 171,863 shares of common stock pursuant to its 2016 Stock Plan, and 550,526 and 650,526 shares of common stock pursuant to its 2020 Equity Incentive Plan, respectively, for issuance to officers, directors, employees and consultants of the company. Additionally, the company shall, at all times when the Series A preferred stock shall be outstanding, reserve and keep available out of its authorized but unissued capital stock, for the purpose of effecting the conversion of the Series A preferred stock, such number of its duly authorized shares of common stock as shall be sufficient to effect the conversion of all outstanding Series A preferred stock.

Note 12. Stock-Based Compensation

2016 Stock Plan

Certain employees, directors and consultants to the company have been granted options to purchase common shares under the 2016 Stock Plan and related agreements. The 2016 Stock Plan authorizes options to be granted in the form of Incentive Stock Options (“ISO”) or Nonstatutory Stock Options (“NSO”). As of March 31, 2021 and December 31, 2020, 171,863 shares of common stock are authorized to be issued under the 2016 Plan.

Teknova granted time-based and performance-based options for a term of ten years under the 2016 Plan. Time-based options vest over a four-year period with a one-year cliff. The company recognizes compensation expense for stock options over the vesting period. Forfeitures are recognized as incurred. Prior to the execution of the THP Transaction, 2,107,828 time-based options were fully vested. The remaining 792,172 unvested time-based options accelerated and became fully vested immediately upon the execution of the THP Transaction. The company repurchased 1,890,000

common stock options pursuant to the THP Transaction for $3.8469 per share. The company granted 151,863 performance-based options that vest upon a change of control, which excludes the THP Transaction.

When the 2020 Equity Incentive Plan became effective, no additional stock awards were granted under the 2016 Plan, although all outstanding stock awards granted under the 2016 Plan will continue to be subject to the terms and conditions as set forth in the agreements evidencing such stock awards and the terms of the 2016 Plan.

The following table summarizes the activity under the 2016 Stock Plan for the indicated periods (unaudited) (in thousands, except share and per share data):

	Number of Shares	Weighted Average Exercise Price per Share	Weighted Average Remaining Contractual Term (in years)	Aggregate Intrinsic Value
Balance at December 31, 2020	171,863	$ 0.79	7.80	$ 525
Granted	–	$ –	–	–
Exercised	–	$ –	–	–
Cancelled or forfeited	–	$ –	–	–
Balance at March 31, 2021	171,863	$ 0.79	7.55	$ 525
Exercisable at March 31, 2021	20,000	$ 0.30	5.73	$ 71
Vested and expected to vest at March 31, 2021	20,000	$ 0.30	5.73	$ 71

As of March 31, 2021 and December 31, 2020, unrecognized stock compensation expense was $0.5 million.

2020 Equity Incentive Plan

Teknova's board of directors and its stockholders approved the 2020 Plan, which reserved 1,677,077 shares of common stock for issuance thereunder.

The company granted time-based and performance-based options for a term of ten years under the 2020 Plan. The time-based options vest over a four-year period. Options to purchase common stock are granted with an exercise price equal to the fair market value of the company's stock on the day of grant. The company recognizes compensation expense for stock options over the vesting period. Forfeitures are recognized as incurred. Performance-based options vest upon the meeting of certain expectations based on pre-established goals for growth in revenue and earnings before interest, taxes, depreciation and amortization ("EBITDA").

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Notes to Unaudited Interim Condensed Financial Statements

The following table summarizes the activity under the 2020 Stock Plan for the indicated periods (unaudited) (in thousands, except share and per share data):

	Number of Shares	Weighted Average Exercise Price per Share	Weighted Average Remaining Contractual Term (in years)	Aggregate Intrinsic Value
Balance at December 31, 2020	1,026,551	$ 1.96	9.75	$ 8,463
Granted	105,000	$ 10.20	–	–
Exercised	–	$ –	–	–
Cancelled or forfeited	(5,000)	$ 3.46	–	–
Balance at March 31, 2021	1,126,551	$ 2.72	9.54	$ 8,430
Exercisable at March 31, 2021	154,513	$ 1.57	9.42	$ 1,334
Vested and expected to vest at March 31, 2021	154,513	$ 1.57	9.42	$ 1,334

Unrecognized compensation expense related to stock options was $2.9 million at March 31, 2021, which is expected to be recognized as expense over the weighted-average period of 2.82.

Stock-based compensation expense included in accompanying interim condensed financial statements was as follows (in thousands):

	For the Three Months Ended	
	March 31, 2021	March 31, 2020
	(unaudited)	
Research and Development	$ 26	$ –
Sales and Marketing	22	–
General and administrative	135	–
Total stock-based compensation expense	$ 183	$ –

Teknova uses the Black-Scholes option-pricing model to determine the fair value of stock options. The valuation model for stock compensation expense requires the company to make assumptions and judgments about the variables used in the calculation, including the expected term, expected volatility and fair value of the company's common stock, and an assumed risk-free interest rate. The assumptions used in the Black-Scholes option-pricing model were determined as follows:

Volatility. Since the company is not a publicly traded entity and therefore has limited historical data on volatility of its stock, expected volatility is based on the volatility of the stock of similar publicly traded entities. In evaluating similarity, the company considered factors such as industry, stage of life cycle, size, and financial leverage.

Fair value of underlying common stock. Because the company's common stock is not yet publicly traded, the company must estimate the fair value of common stock. Management considers numerous objective and subjective factors to determine the fair value of the company's common stock. The factors considered include, but are not limited to: (i) the results of contemporaneous independent third-party valuations of the company's common stock; (ii) the prices, rights, preferences, and privileges of

the company's convertible preferred stock relative to those of its common stock; (iii) the lack of marketability of the company's common stock; (iv) actual operating and financial results; (v) current business conditions and projections; (vi) the likelihood of achieving a liquidity event, such as an initial public offering or sale of the company, given prevailing market conditions; and (vii) precedent transactions involving the company's shares.

Risk-free interest rate. The risk-free rate that the company uses is based on U.S. Treasury zero-coupon issues with remaining terms similar to the expected term on the options.

Expected life. As the company does not have sufficient historical exercise activity to estimate expected life, the expected life of options granted was determined using the "simplified" method, as illustrated in the Securities and Exchange Commission's Staff Accounting Bulletin (SAB) No. 107, as amended by SAB No. 110. Under this approach, the expected term is presumed to be the average of the weighted average vesting term and the contractual term of the option.

*Dividend yield***.** Teknova has never declared or paid any cash dividends and does not plan to pay cash dividends in the foreseeable future. Therefore, the company used an expected dividend yield of zero.

The weighted average assumptions used in the Black-Scholes option-pricing model are as follows:

	As of March 31, 2021	As of December 31, 2020
	(unaudited)	
Estimated dividend yield	–%	–%
Weighted-average expected stock price volatility	36.16%	36.13%
Weighted-average risk-free interest rate	0.48%	0.45%
Expected term of options (in years)	6.25	6.25
Weighted-average fair value of common stock	$ 5.31	$ 4.84
Weighted-average fair value per option	$ 3.19	$ 3.15

Note 13. Net (Loss) Income Per Share Attributable to Common Stockholders

Basic and diluted net (loss) income per share is computed using the two-class method when it has issued shared that meet the definition of participating securities. Basic net (loss) income per share is computed by dividing net (loss) income attributable to common stockholders by the weighted-average number of common shares outstanding during the period without consideration for common stock equivalents. Diluted net (loss) income per share attributable to common stockholders is computed by dividing net income by the weighted-average number of common shares outstanding during the period and potentially dilutive common stock equivalents, except in cases where the effect of the common stock equivalent would be anti-dilutive. Potential common stock equivalents consist of common stock issuable upon exercise of stock options and convertible preferred stock. For periods of net loss, basic and diluted earnings per share are the same as the effect of the assumed exercise of stock options and convertible preferred stock is anti-dilutive.

ALPHA TEKNOVA, INC.
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The following table sets forth the computation of basic and diluted net (loss) income per share attributable to common stockholders (in thousands, except share and per share data):

	For the Three Months Ended March 31,	
	2021	2020
	(unaudited)	
Net (loss) income attributable to stockholders	$ (652)	$ 948
Undistributed income attributable to preferred stockholders	–	(787)
Net (loss) income attributable to common stockholders	$ (652)	$ 161
Basic weighted-average common stock outstanding	1,920,000	1,920,000
Weighted-average effect of potentially dilutive securities:		
Stock options	–	20,000
Convertible Series A preferred stock	–	–
Dilutive weighted-average common stock	1,920,000	1,940,000
Earnings per share attributable to common stockholders:		
Basic	$ (0.34)	$ 0.08
Diluted	$ (0.34)	$ 0.08

The following is a summary of the common stock equivalents for the securities outstanding during the respective periods that have been excluded from the computation of diluted net loss per common share, as their effect would be anti-dilutive:

	For the Three Months Ended March 31,	
	2021	2020
	(unaudited)	
Stock options to purchase common stock	1,200,692	–
Convertible Series A preferred stock	9,342,092	9,342,092
Total	10,542,784	9,342,092

Note 14. Related Parties

The company has identified the following as related parties through common control: Meeches, LLC and Thomas E. Davis, LLC, as the entities are controlled by Ted Davis, Teknova's founder and a current director and five percent stockholder of the company.

The company leases certain real property and has a related party note receivable totaling approximately $0.5 million as of December 31, 2020 from Thomas E. Davis, LLC. The related party notes receivable were secured by a first priority Deed of Trust on the leased property and bore interest at 6% per annum, and interest payments were received monthly. The principal balance was payable in one payment and had an original maturity date of July 1, 2019, which was extended by the company to July 1, 2020. On June 16, 2020 the company executed an additional amendment to the note receivable to extend the maturity date to July 1, 2021. On March 31, 2021, the $0.5 million note receivable was paid in full.

The company leases certain real property from Meeches, LLC and does not have any outstanding balances owed to Meeches LLC.

ALPHA TEKNOVA, INC.
Notes to Unaudited Interim Condensed Financial Statements

Note 15. Commitments and Contingencies

Obligations under Operating Leases

The company has various non-cancelable operating leases for buildings and land for office and manufacturing space in Hollister, California. The leases have a lease term with varying expiration dates, which represent the non-cancelable periods of the leases and include extension options.

The lease agreement with Thomas E Davis, LLC, a related party (see “Note 14. Related Parties”) commenced in March 2017, with a payment of $5.0 thousand a month and a one-year term. The company has the option to extend the term of the lease for two additional separate, successive terms of one year each, following the expiration of the initial term of the lease. The company must give notice of exercise of at least ninety days prior to the commencement of the option term. The company entered into a lease extension in June 2020 and extended the lease term until June 2021.

The lease agreement with Meeches, LLC, a related party (see “Note 14. Related Parties”) commenced in September 2019, with a payment of $20.0 thousand a month and a five-year term.

Rent expense for the three months ended March 31, 2021 and 2020 was $0.4 million and $0.3 million, respectively.

Future minimum lease payments with unrelated and related parties as of March 31, 2021 are as follows (in thousands):

	Unrelated	Related	Total
		(unaudited)	
Remainder of 2021	$ 1,051	$ 207	$1,258
2022	1,468	267	1,735
2023	1,498	279	1,777
2024	1,537	191	1,728
2025	1,060	–	1,060
2026 and thereafter	–	–	–
Total future minimum lease payments	$ 6,599	$ 944	$7,558

Future minimum lease payments with unrelated and related parties as of December 31, 2020 are as follows (in thousands):

	Unrelated	Related	Total
2021	$ 1,384	$ 285	$1,669
2022	1,468	267	1,735
2023	1,498	279	1,777
2024	1,537	191	1,728
2025	1,060	–	1,060
2026 and thereafter	–	–	–
Total future minimum lease payments	$ 6,947	$1,022	$7,969

Litigation

Teknova’s industry is characterized by frequent claims and litigation, including claims regarding intellectual property and product liability. As a result, the company may be subject to various legal

proceedings from time to time. The results of any current or future litigation cannot be predicted with certainty, and regardless of the outcome, litigation can have an adverse impact on the company because of defense and settlement costs, diversion of management resources, and other factors. Any current litigation is considered immaterial and counter claims have been assessed as remote.

Note 16. Income Taxes

For the three months ended March 31, 2021 and March 31, 2020, the company recorded an income tax benefit of $0.2 million and income tax expense of $0.1 million, respectively. The effective tax rate was approximately 20.5% for the three months ended March 31, 2021, compared to 7.3% for the period ended March 31, 2020. The effective tax rate for the three months ended March 31, 2021 was lower than the statutory tax rate due to state losses not expected to be benefited. In March 2020, in response to the COVID-19 pandemic, the Coronavirus Aid, Relief and Economic Security Act (“CARES Act”) was signed into law. The CARES Act provides numerous tax provisions and other stimulus measures, including temporary changes regarding the prior and future utilization of net operating losses. The CARES Act amends the Net Operating Loss (“NOL”) provisions of the Tax Cuts and Jobs Act, allowing for the carryback of losses arising in tax years 2018, 2019 and 2020, to each of the five taxable years to generate a refund of previously paid income taxes. As of March 31, 2021, the company had an income tax receivable of $1.2 million related to anticipated refund claims.

The company had no unrecognized tax benefits at March 31, 2021 and 2020. The company recognizes interest and penalties accrued on any unrecognized tax benefits as a component of income tax expense. The company does not expect the balance of unrecognized tax benefits will change significantly over the next twelve months. The company has not accrued interest or penalties related to uncertain tax positions as of March 31, 2021.

Note 17. Subsequent Events

Teknova has evaluated all events occurring from March 31, 2021 through May 14, 2021, the date the interim condensed financial statements were available to be issued.

Shares

Alpha Teknova, Inc.

Common Stock

Joint Book-Running Managers

Cowen **William Blair**

Co-Managers

BTIG **Stephens Inc.**

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

PART II
INFORMATION NOT REQUIRED IN PROSPECTUS

Item 13. Other Expenses of Issuance and Distribution.

The following table sets forth all expenses, other than the underwriting discounts and commissions, payable by Alpha Teknova, Inc. (the "Registrant") in connection with this offering. All amounts shown are estimates except for the SEC registration fee, the FINRA filing fee, and The Nasdaq Stock Market LLC initial listing fee.

SEC registration fee	$8,182.50
FINRA filing fee	11,750
Nasdaq initial listing fee	*
Printing and engraving expenses	*
Legal fees and expenses	*
Accounting fees and expenses	*
Transfer agent and registrar fees	*
Miscellaneous expenses	*
Total	$*

* To be provided by amendment.

Item 14. Indemnification of Directors and Officers.

Section 102 of the General Corporation Law of the State of Delaware ("DGCL") permits a corporation to eliminate or limit the personal liability of directors of a corporation to the corporation or its stockholders for monetary damages for a breach of fiduciary duty as a director, except where the director breached his or her duty of loyalty to the corporation or its stockholders, failed to act in good faith, engaged in intentional misconduct or knowingly violated a law, authorized the payment of a dividend or approved a stock repurchase or redemption in violation of the DGCL or derived an improper personal benefit. The Registrant's amended and restated certificate of incorporation, which will become effective immediately prior to the closing of the offering, provides that no director of the Registrant shall be personally liable to it or its stockholders for monetary damages for any breach of fiduciary duty as a director, notwithstanding any provision of law imposing such liability, except to the extent that the DGCL prohibits the elimination or limitation of liability of directors for breaches of fiduciary duty.

Section 145 of the DGCL provides that a corporation has the power to indemnify a director, officer, employee or agent of the corporation, or a person serving at the request of the corporation for another corporation, partnership, joint venture, trust or other enterprise in related capacities against expenses (including attorneys' fees), judgments, fines and amounts paid in settlement actually and reasonably incurred by the person in connection with an action, suit or proceeding to which he or she was or is a party or is threatened to be made a party to any threatened, pending or completed action, suit or proceeding by reason of such position, if such person acted in good faith and in a manner he or she reasonably believed to be in or not opposed to the best interests of the corporation, and, in any criminal action or proceeding, had no reasonable cause to believe his or her conduct was unlawful, except that, in the case of actions brought by or in the right of the corporation, no indemnification shall be made with respect to judgments, fines and amounts paid in settlement in connection with such action, suit or proceeding or with respect to any claim, issue or matter as to which such person shall have been adjudged to be liable to the corporation unless and only to the extent that the Court of Chancery or other adjudicating court determines that, despite the adjudication of liability but in view of all of the circumstances of the case, such person is fairly and reasonably entitled to indemnity for such expenses which the Court of Chancery or such other court shall deem proper. The Registrant's

amended and restated certificate of incorporation that will be in effect upon the closing of this offering permits the Registrant to indemnify its directors, officers, employees and other agents to the maximum extent permitted by the DGCL, and the Registrant's amended and restated bylaws that will be in effect upon the closing of this offering provide that the Registrant will indemnify its directors and officers and permit the Registrant to indemnify its employees and other agents, in each case to the maximum extent permitted by the DGCL.

The Registrant has entered, and expects to continue to enter, into indemnification agreements with its directors and officers, that may be broader than the specific indemnification provisions contained in the DGCL. These agreements, among other things, require the Registrant to indemnify each director and officer to the fullest extent permitted by Delaware law, including indemnification of expenses such as attorneys' fees, judgments, penalties, fines and settlement amounts actually and reasonably incurred by the director or executive officer in any action or proceeding, including any action or proceeding by or in right of us, arising out of the person's services as a director or executive officer. These indemnification agreements also require the Registrant to advance all expenses incurred by the directors and executive officers in investigating or defending any such action, suit or proceeding, subject to certain exceptions.

The Registrant's amended and restated bylaws will provide that the Registrant may purchase and maintain insurance, at its expense, to protect itself and any director, officer, employee or agent of the Registrant or another corporation, partnership, joint venture, trust or other enterprise (including, without limitation, any employee benefit plan) against any liability, expense or loss incurred by him or her in any such capacity, or arising out of his or her status as such, whether or not the Registrant would have the power to indemnify such person against such expense, liability or loss under the DGCL. The Registrant will obtain prior to the closing of the offering insurance under which, subject to the limitations of the insurance policies, coverage is provided to the Registrant's directors and executive officers against loss arising from claims made by reason of breach of fiduciary duty or other wrongful acts as a director or executive officer, including claims related to various liabilities arising under the Securities Act of 1933, as amended (the "Securities Act"), and the Securities Exchange Act of 1934, as amended (the "Exchange Act"), and to the Registrant with respect to payments that may be made by the Registrant to these directors and executive officers pursuant to the Registrant's indemnification obligations or otherwise as a matter of law.

At present, there is no pending litigation or proceeding involving a director or officer of the Registrant regarding which indemnification is sought, nor is the Registrant aware of any threatened litigation that may result in claims for indemnification.

The underwriting agreement filed as Exhibit 1.1 to this registration statement provides for indemnification by the underwriters of the Registrant and its officers and directors for certain liabilities arising under the Securities Act, and otherwise. The Registrant's investors' rights agreement with certain stockholders also provides for cross-indemnification in connection with the registration of the Registrant's common stock on behalf of such investors.

Item 15. Recent Sales of Unregistered Securities.

Since January 1, 2018, the Registrant has issued the following unregistered securities:

(a) Sale of Series A Preferred Stock

On January 14, 2019, the Registrant issued and sold an aggregate of 9,342,092 shares of its Series A preferred stock at a purchase price of $3.8469196 per share for aggregate consideration of approximately $35.9 million to two affiliated investors.

No broker-dealers were involved in the foregoing issuances of securities. The securities described in this section (a) of Item 15 were issued to investors in reliance upon the exemption from the registration requirements of the Securities Act, as set forth in Section 4(a)(2) under the Securities Act and Regulation D promulgated thereunder, as a transaction by an issuer not involving a public offering. Each of the investors in the transaction described above represented to the Registrant in connection with their purchase that they were accredited investors and were acquiring the securities for their own account for investment purposes only and not with a view to, or for sale in connection with, any distribution thereof and that they could hold the securities for an indefinite period of time. The holders received written disclosures that the securities had not been registered under the Securities Act and that any resale must be made pursuant to a registration statement or an available exemption from such registration.

(b) Grants and Exercises of Stock Options

Since January 1, 2018 through the date hereof the Registrant granted to its employees, directors and consultants stock options to purchase an aggregate of 1,283,414 shares of common stock under its 2016 Plan and 2020 Plan at exercise prices per share ranging from $0.85 to $10.20. The grants were as follows:

- on January 10, 2019, the Registrant granted stock options to purchase an aggregate of 151,863 shares of its common stock with an exercise price of $0.85 per share pursuant to the 2016 Plan;
- on August 31, 2020, the Registrant granted stock options to purchase an aggregate of 816,551 shares of its common stock with an exercise price of $1.5686 per share pursuant to the 2020 Plan;
- on December 23, 2020, the Registrant granted stock options to purchase an aggregate of 165,000 shares of its common stock with an exercise price of $3.46 per share pursuant to the 2020 Plan;
- on December 28, 2020, the Registrant granted stock options to purchase an aggregate of 45,000 shares of its common stock with an exercise price of $3.46 per share pursuant to the 2020 Plan; and
- on March 30, 2021, the Registrant granted stock options to purchase an aggregate of 105,000 shares of its common stock with an exercise price of $10.20 per share pursuant to the 2020 Plan.

On January 31, 2019, options to purchase 900,000 shares of the Registrant's common stock were exercised for aggregate consideration in the amount of $270,000.

The issuances of the securities described above were exempt from registration pursuant to Section 4(a)(2) of the Securities Act as transactions by an issuer not involving a public offering or Rule 701 promulgated under the Securities Act as transactions pursuant to compensatory benefit plans. The shares of common stock issued upon the exercise of options are deemed to be restricted securities for purposes of the Securities Act.

Item 16. Exhibits and Financial Statement Schedules.

(a) *Exhibits.*

Exhibit Number		Exhibit Description
1.1	*	Form of Underwriting Agreement.
3.1		Amended and Restated Certificate of Incorporation of Alpha Teknova, Inc., as currently in effect.
3.2		Bylaws of Alpha Teknova, Inc., as currently in effect.
3.3	*	Amended and Restated Certificate of Incorporation of Alpha Teknova, Inc., to be effective immediately prior to the closing of this offerin

Exhibit Number		Exhibit Description
3.4	*	Amended and Restated Bylaws of Alpha Teknova, Inc., to be effective immediately prior to the closing of this offering.
4.1	*	Form of Common Stock Certificate.
4.2		Investors' Rights Agreement, dated as of January 14, 2019, by and among Alpha Teknova, Inc., and certain of its stockholders.
5.1	*	Opinion of Paul Hastings LLP.
10.1	+	Alpha Teknova, Inc. 2016 Stock Plan, as amended.
10.2	+	Alpha Teknova, Inc. 2016 Stock Plan Form of Stock Option Agreement.
10.3	+	Alpha Teknova, Inc. 2020 Equity Incentive Plan, as amended.
10.4	+	Alpha Teknova, Inc. 2020 Equity Incentive Plan Form of Stock Option Agreement.
10.5	+*	Alpha Teknova, Inc. 2021 Equity Incentive Plan.
10.6	+*	Alpha Teknova, Inc. 2021 Equity Incentive Plan Form of Stock Option Agreement.
10.7	+*	Alpha Teknova, Inc. 2021 Equity Incentive Plan Form of Restricted Stock Unit Award Agreement.
10.8	+*	Alpha Teknova, Inc. 2021 Employee Stock Purchase Plan.
10.9	+#	Offer Letter, dated as of November 16, 2019, between Alpha Teknova, Inc. and Stephen Gunstream.
10.10	+	Offer Letter, dated as of January 14, 2019, between Alpha Teknova, Inc. and Ted Davis.
10.11	+	Offer Letter, dated as of January 14, 2019, between Alpha Teknova, Inc. and Irene Davis.
10.12	+	Offer Letter, dated as of August 18, 2020, between Alpha Teknova, Inc. and Damon Terrill.
10.13	+	Offer Letter, dated as of January 22, 2021, between Alpha Teknova, Inc. and Matthew Lowell.
10.14	+	Offer Letter, dated as of November 4, 2020, between Alpha Teknova, Inc. and Lisa Hood.
10.15	+	Offer Letter, dated as of November 24, 2020, between Alpha Teknova, Inc. and Neal Goodwin.
10.16	+*	Form of Indemnification Agreement between Alpha Teknova, Inc. and each of its directors and officers.
10.17	+*	Alpha Teknova, Inc. Annual Incentive Bonus Plan.
10.18		Lease Agreement, dated December 1, 2015, between Michael and Paige McCullough and Alpha Teknova, Inc.
10.19		Lease Agreement, dated November 1, 2015, between McMar LLC and Alpha Teknova, Inc., as amended.
10.20		Lease, dated September 1, 2019, between Meeches LLC and Alpha Teknova, Inc.
10.21		Lease Agreement, dated December 29, 2020, between Simmco LLC and Alpha Teknova, Inc.
10.22		Warehouse Lease Agreement, dated January 1, 2021, between Mooney Family LP and Alpha Teknova, Inc.
10.23		Commercial Lease Agreement, dated October 7, 2020, between Ken and Jill Gimelli, LLC and Alpha Teknova, Inc.

Exhibit Number		Exhibit Description
10.24	§	Credit and Security Agreement (Revolving Loan), dated as of March 26, 2021, by and among Alpha Teknova, Inc. and MidCap Financial Trust, as agent and as a lender, and the additional lenders from time to time party thereto.
10.25	§	Credit and Security Agreement (Term Loan), dated as of March 26, 2021, by and among Alpha Teknova, Inc. and MidCap Financial Trust, as agent and as a lender, and the additional lenders from time to time party thereto.
23.1		Consent of Ernst & Young, LLP, Independent Registered Public Accounting Firm.
23.2	*	Consent of Paul Hastings LLP (included in Exhibit 5.1).
24.1		Power of Attorney (included on signature page of this registration statement).

* To be filed by amendment.
\+ Management contract or compensatory plan or arrangement.
\# Certain confidential information contained in this Exhibit has been omitted because it is both (i) not material and (ii) would be competitively harmful if publicly disclosed.
§ Non-material schedules and exhibits have been omitted pursuant to Item 601(a)(5) of Regulation S-K. The Registrant hereby undertakes to furnish supplemental copies of any of the omitted Schedules and exhibits upon request by the SEC.

(b) *Financial Statement Schedules*. All financial statement schedules are omitted because the information called for is not required or is shown either in the financial statements or in the notes thereto.

Item 17. Undertakings.

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

Insofar as indemnification for liabilities arising under the Securities Act may be permitted to directors, officers and controlling persons of the Registrant pursuant to the foregoing provisions, or otherwise, the Registrant has been advised that in the opinion of the SEC such indemnification is against public policy as expressed in the Securities Act and is, therefore, unenforceable. In the event that a claim for indemnification against such liabilities (other than the payment by the Registrant of expenses incurred or paid by a director, officer or controlling person of the Registrant in the successful defense of any action, suit or proceeding) is asserted by such director, officer or controlling person in connection with the securities being registered, the Registrant will, unless in the opinion of its counsel the matter has been settled by controlling precedent, submit to a court of appropriate jurisdiction the question whether such indemnification by it is against public policy as expressed in the Securities Act and will be governed by the final adjudication of such issue.

The undersigned Registrant hereby undertakes that:

(1) For purposes of determining any liability under the Securities Act, the information omitted from the form of prospectus filed as part of this registration statement in reliance upon Rule 430A and contained in a form of prospectus filed by the Registrant pursuant to Rule 424(b)(1) or (4) or 497(h) under the Securities Act shall be deemed to be part of this registration statement as of the time it was declared effective.

(2) For the purpose of determining any liability under the Securities Act, each post-effective amendment that contains a form of prospectus shall be deemed to be a new registration statement relating to the securities offered therein, and the offering of such securities at that time shall be deemed to be the initial *bona fide* offering thereof.

SIGNATURES

Pursuant to the requirements of the Securities Act of 1933, as amended, the registrant has duly caused this registration statement on Form S-1 to be signed on its behalf by the undersigned, thereunto duly authorized, in Hollister, California, on the 4th day of June, 2021.

Alpha Teknova, Inc.

By: /s/ STEPHEN GUNSTREAM
Stephen Gunstream
President and Chief Executive Officer

POWER OF ATTORNEY

KNOW ALL PERSONS BY THESE PRESENTS, that each person whose signature appears below constitutes and appoints Stephen Gunstream and Matt Lowell, and each of them, as his or her true and lawful attorneys-in-fact and agents, with full power of substitution and resubstitution and full power to act without the other, for him or her and to act in his or her name, place and stead, in any and all capacities, to execute the Registration Statement on Form S-1 of Alpha Teknova, Inc. and any or all amendments (including post-effective amendments) thereto and any new registration statement with respect to the offering contemplated hereby filed pursuant to Rule 462(b) of the Securities Act of 1933, as amended, and to file the same, with all exhibits thereto, and other documents in connection therewith, with the Securities and Exchange Commission, granting unto said attorneys-in-fact and agents full power and authority to do and perform each and every act and thing requisite or necessary to be done in and about the premises hereby ratifying and confirming all that said attorneys-in-fact and agents, or his or their substitute or substitutes, may lawfully do or cause to be done by virtue hereof.

Pursuant to the requirements of the Securities Act of 1933, as amended, this registration statement on Form S-1 has been signed by the following persons in the capacities and on the dates indicated.

Signature	Title	Date
/s/ STEPHEN GUNSTREAM Stephen Gunstream	President, Chief Executive Officer and Director (Principal Executive Officer)	June 4, 2021
/s/ MATT LOWELL Matt Lowell	Chief Financial Officer (Principal Financial and Accounting Officer)	June 4, 2021
/s/ PAUL GROSSMAN Paul Grossman	Chairman of the Board	June 4, 2021
/s/ IRENE DAVIS Irene Davis	Director	June 4, 2021
/s/ TED DAVIS Ted Davis	Director	June 4, 2021
/s/ ALEXANDER HERZICK Alexander Herzick	Director	June 4, 2021

Signature	Title	Date
/s/ J. MATTHEW MACKOWSKI J. Matthew Mackowski	Director	June 4, 2021
/s/ ROBERT MCNAMARA Robert McNamara	Director	June 4, 2021
/s/ BRETT ROBERTSON Brett Robertson	Director	June 4, 2021
/s/ ALEXANDER VOS Alexander Vos	Director	June 4, 2021

Exhibit 3.1

AMENDED AND RESTATED
CERTIFICATE OF INCORPORATION
OF
ALPHA TEKNOVA, INC.

(Pursuant to Sections 242 and 245 of the
General Corporation Law of the State of Delaware)

Alpha Teknova, Inc., a corporation organized and existing under and by virtue of the provisions of the General Corporation Law of the State of Delaware (the "**General Corporation Law**"),

DOES HEREBY CERTIFY:

1. That the name of this corporation is Alpha Teknova, Inc., and that this corporation was originally incorporated pursuant to the General Corporation Law on January 7, 2019.

2. That the Board of Directors duly adopted resolutions proposing to amend and restate the Certificate of Incorporation of this corporation, declaring said amendment and restatement to be advisable and in the best interests of this corporation and its stockholders, and authorizing the appropriate officers of this corporation to solicit the consent of the stockholders therefor, which resolution setting forth the proposed amendment and restatement is as follows:

RESOLVED, that the Certificate of Incorporation of this corporation be amended and restated in its entirety to read as follows:

FIRST: The name of this corporation is Alpha Teknova, Inc. (the "**Corporation**").

SECOND: The address of the registered office of the Corporation in the State of Delaware is 1013 Centre Road, Suite 403-B, Wilmington, County of New Castle, 19805. The name of its registered agent at such address is Vcorp Services, LLC.

THIRD: The nature of the business or purposes to be conducted or promoted is to engage in any lawful act or activity for which corporations may be organized under the General Corporation Law.

FOURTH: The total number of shares of all classes of stock which the Corporation shall have authority to issue is (i) 30,000,000 shares of Common Stock, $0.00001 par value per share ("**Common Stock**") and (ii) 9,600,000 shares of Preferred Stock, $0.00001 par value per share ("**Preferred Stock**").

The following is a statement of the designations and the powers, privileges and rights, and the qualifications, limitations or restrictions thereof in respect of each class of capital stock of the Corporation.

A. COMMON STOCK

1. General. The voting, dividend and liquidation rights of the holders of the Common Stock are subject to and qualified by the rights, powers and preferences of the holders of the Preferred Stock set forth herein.

2. Voting. The holders of the Common Stock are entitled to one vote for each share of Common Stock held at all meetings of stockholders (and written actions in lieu of meetings); provided, however, that, except as otherwise required by law, holders of Common Stock, as such, shall not be entitled

to vote on any amendment to this Amended and Restated Certificate of Incorporation that relates solely to the terms of one or more outstanding series of Preferred Stock if the holders of such affected series are entitled, either separately or together with the holders of one or more other such series, to vote thereon pursuant to this Amended and Restated Certificate of Incorporation or pursuant to the General Corporation Law. The number of authorized shares of Common Stock may be increased or decreased (but not below the number of shares thereof then outstanding) by (in addition to any vote of the holders of one or more series of Preferred Stock that may be required by the terms of this Amended and Restated Certificate of Incorporation) the affirmative vote of the holders of shares of capital stock of the Corporation representing a majority of the votes represented by all outstanding shares of capital stock of the Corporation entitled to vote, irrespective of the provisions of Section 242(b)(2) of the General Corporation Law. No person entitled to vote at an election for directors may cumulate votes.

B. PREFERRED STOCK

9,600,000 shares of the authorized and unissued Preferred Stock of the Corporation are hereby designated "**Series A Preferred Stock**" with the following rights, preferences, powers, privileges and restrictions, qualifications and limitations. Unless otherwise indicated, references to "sections" or "subsections" in this Part B of this Article Fourth refer to sections and subsections of Part B of this Article Fourth.

1. Dividends.

For so long as any shares of Series A Preferred Stock remain issued and outstanding, dividends at the rate per annum of eight percent (8%) of the Series A Original Issue Price (as defined below) shall accrue on such shares of Series A Preferred Stock (subject to appropriate adjustment in the event of any stock dividend, stock split, combination or other similar recapitalization with respect to the Series A Preferred Stock) (the "**Series A Accruing Dividends**"). The Series A Accruing Dividends shall only become due and upon a Deemed Liquidation Event as provided in Section 2.1. In the event any shares of Series A Preferred Stock are converted into Common Stock prior to the redemption of the Series A Preferred Stock or a Deemed Liquidation Transaction, then such Series A Preferred Stock shall not be entitled to receive any Series A Accruing Dividends. After payment of such dividends, any additional dividends shall be distributed among the holders of Series A Preferred Stock and Common Stock pro rata based on the number of shares of Common Stock then held by each holder (assuming conversion of all such Preferred Stock into Common Stock), calculated on the record date for determination of holders entitled to such dividend. The "**Series A Original Issue Price**" shall mean $3.8469196 per share, subject to appropriate adjustment in the event of any stock dividend, stock split, combination or other similar recapitalization with respect to the Series A Preferred Stock.

2. Liquidation, Dissolution or Winding Up; Certain Mergers, Consolidations and Asset Sales.

2.1 Preferential Payments to Holders of Series A Preferred Stock. In the event of any voluntary or involuntary liquidation, dissolution or winding up of the Corporation, the holders of shares of Series A Preferred Stock then outstanding shall be entitled to be paid out of the assets of the Corporation available for distribution to its stockholders, and in the event of a Deemed Liquidation Event (as defined below), the holders of shares of Series A Preferred Stock then outstanding shall be entitled to be paid out of the consideration payable to stockholders in such Deemed Liquidation Event or out of the Available Proceeds (as defined below), as applicable, before any payment shall be made to the holders of Common Stock by reason of their ownership thereof, an amount per share equal to the greater of (i) the Series A Original Issue Price, plus any dividends declared but unpaid thereon, including, but not limited to, the Series A Accruing Dividends, or (ii) such amount per share as would have been payable had all shares of Series A Preferred Stock been converted into Common Stock pursuant to Section 4 immediately prior to

such liquidation, dissolution, winding up or Deemed Liquidation Event (the amount payable pursuant to this sentence is hereinafter referred to as the "**Series A Liquidation Amount**"). If upon any such liquidation, dissolution or winding up of the Corporation or Deemed Liquidation Event, the assets of the Corporation available for distribution to its stockholders shall be insufficient to pay the holders of shares of Series A Preferred Stock the full amount to which they shall be entitled under this Subsection 2.1, the holders of shares of Series A Preferred Stock shall share ratably in any distribution of the assets available for distribution in proportion to the respective amounts which would otherwise be payable in respect of the shares held by them upon such distribution if all amounts payable on or with respect to such shares were paid in full.

2.2 Payments to Holders of Common Stock. In the event of any voluntary or involuntary liquidation, dissolution or winding up of the Corporation, after the payment in full of all Series A Liquidation Amounts required to be paid to the holders of shares of Series A Preferred Stock, the remaining assets of the Corporation available for distribution to its stockholders or, in the case of a Deemed Liquidation Event, the consideration not payable to the holders of shares of Series A Preferred Stock pursuant to Section 2.1 or the remaining Available Proceeds, as the case may be, shall be distributed among the holders of shares of Common Stock, pro rata based on the number of shares held by each such holder.

2.3 Deemed Liquidation Events.

2.3.1 Definition. Each of the following events shall be considered a "**Deemed Liquidation Event**" unless the holders of at least a majority of the outstanding shares of Series A Preferred Stock voting as a single class on an as-converted basis (the "**Requisite Holders**") elect otherwise by written notice sent to the Corporation at least 10 days prior to the effective date of any such event:

(a) a merger or consolidation in which

(i) the Corporation is a constituent party or

(ii) a subsidiary of the Corporation is a constituent party and the Corporation issues shares of its capital stock pursuant to such merger or consolidation,

except any such merger or consolidation involving the Corporation or a subsidiary in which the shares of capital stock of the Corporation outstanding immediately prior to such merger or consolidation continue to represent, or are converted into or exchanged for shares of capital stock that represent, immediately following such merger or consolidation, at least a majority, by voting power, of the capital stock of (1) the surviving or resulting corporation; or (2) if the surviving or resulting corporation is a wholly owned subsidiary of another corporation immediately following such merger or consolidation, the parent corporation of such surviving or resulting corporation; or

(b) (1) the sale, lease, transfer, exclusive license or other disposition, in a single transaction or series of related transactions, by the Corporation or any subsidiary of the Corporation of all or substantially all the assets of the Corporation and its subsidiaries taken as a whole, or (2) the sale or disposition (whether by merger, consolidation or otherwise, and whether in a single transaction or a series of related transactions) of one or more subsidiaries of the Corporation if substantially all of the assets of the Corporation and its subsidiaries taken as a whole are held by such subsidiary or subsidiaries, except where such sale, lease, transfer, exclusive license or other disposition is to a wholly owned subsidiary of the Corporation.

2.3.2 Effecting a Deemed Liquidation Event.

(a) The Corporation shall not have the power to effect a Deemed Liquidation Event referred to in Subsection 2.3.1(a)(i) unless the agreement or plan of merger or consolidation for such transaction (the "**Merger Agreement**") provides that the consideration payable to the stockholders of the Corporation in such Deemed Liquidation Event shall be paid to the holders of capital stock of the Corporation in accordance with Subsections 2.1 and 2.2.

(b) In the event of a Deemed Liquidation Event referred to in Subsection 2.3.1(a)(ii) or 2.3.1(b), if the Corporation does not effect a dissolution of the Corporation under the General Corporation Law within ninety (90) days after such Deemed Liquidation Event, then (i) the Corporation shall send a written notice to each holder of Series A Preferred Stock no later than the ninetieth (90th) day after the Deemed Liquidation Event advising such holders of their right (and the requirements to be met to secure such right) pursuant to the terms of the following clause; (ii) to require the redemption of such shares of Series A Preferred Stock, and (iii) the Corporation shall use the consideration received by the Corporation for such Deemed Liquidation Event (net of any retained liabilities associated with the assets sold or technology licensed, as determined in good faith by the Board of Directors of the Corporation)**,** together with any other assets of the Corporation available for distribution to its stockholders, all to the extent permitted by Delaware law governing distributions to stockholders (the "**Available Proceeds**"), on the one hundred fiftieth (150th) day after such Deemed Liquidation Event, to redeem all outstanding shares of Series A Preferred Stock at a price per share equal to the Series A Liquidation Amount. Notwithstanding the foregoing, in the event of a redemption pursuant to the preceding sentence, if the Available Proceeds are not sufficient to redeem all outstanding shares of Series A Preferred Stock, the Corporation shall redeem a pro rata portion of each holder's shares of Series A Preferred Stock to the fullest extent of such Available Proceeds, based on the respective amounts which would otherwise be payable in respect of the shares to be redeemed if the Available Proceeds were sufficient to redeem all such shares, and shall redeem the remaining shares as soon as it may lawfully do so under Delaware law governing distributions to stockholders. Prior to the distribution or redemption provided for in this Subsection 2.3.2(b), the Corporation shall not expend or dissipate the consideration received for such Deemed Liquidation Event, except to discharge expenses incurred in connection with such Deemed Liquidation Event.

2.3.3 Amount Deemed Paid or Distributed. The amount deemed paid or distributed to the holders of capital stock of the Corporation upon any such merger, consolidation, sale, transfer, exclusive license, other disposition or redemption shall be the cash or the value of the property, rights or securities to be paid or distributed to such holders pursuant to such Deemed Liquidation Event. The value of such property, rights or securities shall be determined in good faith by the Board of Directors of the Corporation.

2.3.4 Allocation of Escrow and Contingent Consideration. In the event of a Deemed Liquidation Event pursuant to Subsection 2.3.1(a)(i), if any portion of the consideration payable to the stockholders of the Corporation is payable only upon satisfaction of contingencies (the "**Additional Consideration**"), the Merger Agreement shall provide that (a) the portion of such consideration that is not Additional Consideration (such portion, the "**Initial Consideration**") shall be allocated among the holders of capital stock of the Corporation in accordance with Subsections 2.1 and 2.2 as if the Initial Consideration were the only consideration payable in connection with such Deemed Liquidation Event; and (b) any Additional Consideration which becomes payable to the stockholders of the Corporation upon satisfaction of such contingencies shall be allocated among the holders of capital stock of the Corporation in accordance with Subsections 2.1 and 2.2 after taking into account the previous payment of the Initial Consideration as part of the same transaction. For the purposes of this Subsection 2.3.4, consideration placed into escrow or retained as a holdback to be available for satisfaction of indemnification or similar obligations in connection with such Deemed Liquidation Event shall be deemed to be Additional Consideration.

3. Voting.

3.1 General. On any matter presented to the stockholders of the Corporation for their action or consideration at any meeting of stockholders of the Corporation (or by written consent of stockholders in lieu of meeting), each holder of outstanding shares of Series A Preferred Stock shall be entitled to cast the number of votes equal to the number of whole shares of Common Stock into which the shares of Series A Preferred Stock held by such holder are convertible as of the record date for determining stockholders entitled to vote on such matter. Except as provided by law or by the other provisions of this Amended and Restated Certificate of Incorporation, holders of Series A Preferred Stock shall vote together with the holders of Common Stock as a single class and on an as-converted to Common Stock basis.

3.2 Election of Directors. The holders of record of the shares of Series A Preferred Stock, exclusively and as a separate class, shall be entitled to elect three (3) directors of the Corporation (the "**Series A Directors**"). Any director elected as provided in the preceding sentence may be removed without cause by, and only by, the affirmative vote of the holders of the shares of the class or series of capital stock entitled to elect such director or directors, given either at a special meeting of such stockholders duly called for that purpose or pursuant to a written consent of stockholders. If the holders of shares of Series A Preferred Stock fail to elect a sufficient number of directors to fill all directorships for which they are entitled to elect directors, voting exclusively and as a separate class, pursuant to the first sentence of this Subsection 3.2, then any directorship not so filled shall remain vacant until such time as the holders of the Series A Preferred Stock elect a person to fill such directorship by vote or written consent in lieu of a meeting; and no such directorship may be filled by stockholders of the Corporation other than by the stockholders of the Corporation that are entitled to elect a person to fill such directorship, voting exclusively and as a separate class. The holders of record of the shares of Common Stock and of any other class or series of voting stock (including the Series A Preferred Stock), exclusively and voting together as a single class, shall be entitled to elect the balance of the total number of directors of the Corporation. At any meeting held for the purpose of electing a director, the presence in person or by proxy of the holders of a majority of the outstanding shares of the class or series entitled to elect such director shall constitute a quorum for the purpose of electing such director. Except as otherwise provided in this Subsection 3.2, a vacancy in any directorship filled by the holders of any class or series shall be filled only by vote or written consent in lieu of a meeting of the holders of such class or series or by any remaining director or directors elected by the holders of such class or series pursuant to this Subsection 3.2.

3.3 Series A Preferred Stock Protective Provisions. At any time when at least 4,764,447 shares of Series A Preferred Stock (subject to appropriate adjustment in the event of any stock dividend, stock split, combination or other similar recapitalization with respect to the Series A Preferred Stock) are outstanding, the Corporation shall not, either directly or indirectly by amendment, merger, consolidation or otherwise, do any of the following without (in addition to any other vote required by law or this Amended and Restated Certificate of Incorporation) the written consent or affirmative vote of the Requisite Holders given in writing or by vote at a meeting, consenting or voting (as the case may be) separately as a class, and any such act or transaction entered into without such consent or vote shall be null and void *ab initio*, and of no force or effect.

3.3.1 liquidate, dissolve or wind-up the business and affairs of the Corporation, effect any merger or consolidation or any other Deemed Liquidation Event, or consent to any of the foregoing;

3.3.2 amend, alter or repeal any provision of this Amended and Restated Certificate of Incorporation or Bylaws of the Corporation in a manner that adversely affects the powers, preferences or rights of the Series A Preferred Stock;

3.3.3 create, or authorize the creation of, or issue or obligate itself to issue shares of, any additional class or series of capital stock unless the same ranks junior to the Series A Preferred Stock with respect to the distribution of assets on the liquidation, dissolution or winding up of the Corporation and the payment of dividends, or increase the authorized number of shares of Series A Preferred Stock or increase the authorized number of shares of any additional class or series of capital stock of the Corporation;

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

3.3.5 purchase or redeem (or permit any subsidiary to purchase or redeem) or pay or declare any dividend or make any distribution on, any shares of capital stock of the Corporation other than (i) redemptions of or dividends or distributions on the Series A Preferred Stock as expressly authorized herein, (ii) dividends or other distributions payable on the Common Stock solely in the form of additional shares of Common Stock and (iii) repurchases of stock from former employees, officers, directors, consultants or other persons who performed services for the Corporation or any subsidiary in connection with the cessation of such employment or service at no greater than the original purchase price thereof;

3.3.6 create, or authorize the creation of, or issue, or authorize the issuance of any debt security or create any lien or security interest (except for purchase money liens or statutory liens of landlords, mechanics, materialmen, workmen, warehousemen and other similar persons arising or incurred in the ordinary course of business) or incur other indebtedness for borrowed money, including but not limited to obligations and contingent obligations under guarantees, or permit any subsidiary to take any such action with respect to any debt security lien, security interest or other indebtedness for borrowed money, if the aggregate indebtedness of the Corporation and its subsidiaries for borrowed money following such action would exceed $1,000,000;

3.3.7 increase the number of shares reserved for issuance under the Corporation’s equity compensation plans or arrangements;

3.3.8 create, or hold capital stock in, any subsidiary that is not wholly owned (either directly or through one or more other subsidiaries) by the Corporation, or permit any subsidiary to create, or authorize the creation of, or issue or obligate itself to issue, any shares of any class or series of capital stock, or sell, transfer or otherwise dispose of any capital stock of any direct or indirect subsidiary of the Corporation, or permit any direct or indirect subsidiary to sell, lease, transfer, exclusively license or otherwise dispose (in a single transaction or series of related transactions) of all or substantially all of the assets of such subsidiary; or

3.3.9 increase or decrease the authorized number of directors constituting the Board of Directors.

4. Optional Conversion.

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

4.1 Right to Convert.

4.1.1 Conversion Ratio. Each share of Series A Preferred Stock shall be convertible, at the option of the holder thereof, at any time and from time to time, and without the payment of additional consideration by the holder thereof, into such number of fully paid and non-assessable shares of Common Stock as is determined by dividing the Series A Original Issue Price by the Series A Conversion Price (as defined below) in effect at the time of conversion. The "**Series A Conversion Price**" shall initially be equal to $3.8469196. Such initial Series A Conversion Price, and the rate at which shares of Series A Preferred Stock may be converted into shares of Common Stock, shall be subject to adjustment as provided below.

4.1.2 Termination of Conversion Rights. In the event of a liquidation, dissolution or winding up of the Corporation or a Deemed Liquidation Event, the Conversion Rights shall terminate at the close of business on the last full day preceding the date fixed for the payment of any such amounts distributable on such event to the holders of Series A Preferred Stock.

4.2 Fractional Shares. No fractional shares of Common Stock shall be issued upon conversion of the Series A Preferred Stock. In lieu of any fractional shares to which the holder would otherwise be entitled, the Corporation shall pay cash equal to such fraction multiplied by the fair market value of a share of Common Stock as determined in good faith by the Board of Directors of the Corporation. 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 A 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.

4.3 Mechanics of Conversion.

4.3.1 Notice of Conversion. In order for a holder of Series A Preferred Stock to voluntarily convert shares of Series A Preferred Stock into shares of Common Stock, such holder shall (a) provide written notice to the Corporation's transfer agent at the office of the transfer agent for the Series A Preferred Stock (or at the principal office of the Corporation if the Corporation serves as its own transfer agent) that such holder elects to convert all or any number of such holder's shares of Series A Preferred Stock and, if applicable, any event on which such conversion is contingent and (b), if such holder's shares are certificated, surrender the certificate or certificates for such shares of Series A Preferred Stock (or, if such registered holder alleges that such certificate has been lost, stolen or destroyed, a lost certificate affidavit and agreement reasonably acceptable to the Corporation to indemnify the Corporation against any claim that may be made against the Corporation on account of the alleged loss, theft or destruction of such certificate), at the office of the transfer agent for the Series A Preferred Stock (or at the principal office of the Corporation if the Corporation serves as its own transfer agent). Such notice shall state such holder's name or the names of the nominees in which such holder wishes the shares of Common Stock to be issued. If required by the Corporation, any certificates surrendered for conversion shall be endorsed or accompanied by a written instrument or instruments of transfer, in form satisfactory to the Corporation, duly executed by the registered holder or his, her or its attorney duly authorized in writing. The close of business on the date of receipt by the transfer agent (or by the Corporation if the Corporation serves as its own transfer agent) of such notice and, if applicable, certificates (or lost certificate affidavit and agreement) shall be the time of conversion (the "**Conversion Time**"), and the shares of Common Stock issuable upon conversion of the specified shares shall be deemed to be outstanding of record as of such date. The Corporation shall, as soon as practicable after the Conversion Time (i) issue and deliver to such holder of Series A Preferred Stock, or to his, her or its nominees, a certificate or certificates for the number of full shares of Common Stock issuable upon such conversion in accordance with the provisions hereof

and a certificate for the number (if any) of the shares of Series A Preferred Stock represented by the surrendered certificate that were not converted into Common Stock, (ii) pay in cash such amount as provided in Subsection 4.2 in lieu of any fraction of a share of Common Stock otherwise issuable upon such conversion and (iii) pay all declared but unpaid dividends on the shares of Series A Preferred Stock converted.

4.3.2 Reservation of Shares. The Corporation shall at all times when the Series A Preferred Stock shall be outstanding, reserve and keep available out of its authorized but unissued capital stock, for the purpose of effecting the conversion of the Series A Preferred Stock, such number of its duly authorized shares of Common Stock as shall from time to time be sufficient to effect the conversion of all outstanding Series A Preferred Stock; and if at any time the number of authorized but unissued shares of Common Stock shall not be sufficient to effect the conversion of all then outstanding shares of the Series A Preferred Stock, the Corporation shall take such corporate action as may be necessary to increase its authorized but unissued shares of Common Stock to such number of shares as shall be sufficient for such purposes, including, without limitation, engaging in best efforts to obtain the requisite stockholder approval of any necessary amendment to this Amended and Restated Certificate of Incorporation. Before taking any action which would cause an adjustment reducing the Series A Conversion Price below the then par value of the shares of Common Stock issuable upon conversion of the Series A Preferred Stock, the Corporation will take any corporate action which may, in the opinion of its counsel, be necessary in order that the Corporation may validly and legally issue fully paid and non-assessable shares of Common Stock at such adjusted Series A Conversion Price.

4.3.3 Effect of Conversion. All shares of Series A Preferred Stock which shall have been surrendered for conversion as herein provided shall no longer be deemed to be outstanding and all rights with respect to such shares shall immediately cease and terminate at the Conversion Time, except only the right of the holders thereof to receive shares of Common Stock in exchange therefor, to receive payment in lieu of any fraction of a share otherwise issuable upon such conversion as provided in Subsection 4.2 and to receive payment of any dividends declared but unpaid thereon. Any shares of Series A Preferred Stock so converted shall be retired and cancelled and may not be reissued as shares of such series, and the Corporation may thereafter take such appropriate action (without the need for stockholder action) as may be necessary to reduce the authorized number of shares of Series A Preferred Stock accordingly.

4.3.4 No Further Adjustment. Upon any such conversion, no adjustment to the Series A Conversion Price shall be made for any declared but unpaid dividends on the Series A Preferred Stock surrendered for conversion or on the Common Stock delivered upon conversion.

4.3.5 Taxes. The Corporation shall pay any and all issue and other similar taxes that may be payable in respect of any issuance or delivery of shares of Common Stock upon conversion of shares of Series A Preferred Stock pursuant to this Section 4. The Corporation shall not, however, be required to pay any tax which may be payable in respect of any transfer involved in the issuance and delivery of shares of Common Stock in a name other than that in which the shares of Series A Preferred Stock so converted were registered, and no such issuance or delivery shall be made unless and until the person or entity requesting such issuance has paid to the Corporation the amount of any such tax or has established, to the satisfaction of the Corporation, that such tax has been paid.

4.4 Adjustments to Series A Conversion Price for Diluting Issues.

4.4.1 Special Definitions. For purposes of this Article Fourth, the following definitions shall apply:

(a) "**Option**" shall mean rights, options or warrants to subscribe for, purchase or otherwise acquire Common Stock or Convertible Securities.

(b) "**Series A Original Issue Date**" shall mean the date on which the first share of Series A Preferred Stock was issued.

(c) "**Convertible Securities**" shall mean any evidences of indebtedness, shares or other securities directly or indirectly convertible into or exchangeable for Common Stock, but excluding Options.

(d) "**Additional Shares of Common Stock**" shall mean all shares of Common Stock issued (or, pursuant to Subsection 4.4.3 below, deemed to be issued) by the Corporation after the Series A Original Issue Date, other than (1) the following shares of Common Stock and (2) shares of Common Stock deemed issued pursuant to the following Options and Convertible Securities (clauses (1) and (2), collectively, "**Exempted Securities**"):

(i) shares of Common Stock, Options or Convertible Securities issued as a dividend or distribution on Series A Preferred Stock;

(ii) shares of Common Stock, Options or Convertible Securities issued by reason of a dividend, stock split, split-up or other distribution on shares of Common Stock that is covered by Subsection 4.5, 4.6, 4.7 or 4.8**;**

(iii) shares of Common Stock or Options issued to employees or directors of, or consultants or advisors to, the Corporation or any of its subsidiaries pursuant to a plan, agreement or arrangement approved by the Board of Directors of the Corporation;,

(iv) shares of Common Stock or Convertible Securities actually issued upon the exercise of Options or shares of Common Stock actually issued upon the conversion or exchange of Convertible Securities, in each case provided such issuance is pursuant to the terms of such Option or Convertible Security;

(v) shares of Common Stock, Options or Convertible Securities issued to banks, equipment lessors or other financial institutions, or to real property lessors, pursuant to a debt financing, equipment leasing or real property leasing transaction approved by the Board of Directors of the Corporation, including the approval of Series A Directors;

(vi) shares of Common Stock, Options or Convertible Securities issued to suppliers or third party

service providers in connection with the provision of goods or services pursuant to transactions approved by the Board of Directors of the Corporation, including the approval of the Series A Directors;

(vii) shares of Common Stock, Options or Convertible Securities issued as acquisition consideration pursuant to the acquisition of another corporation by the Corporation by merger, purchase of substantially all of the assets or other reorganization or to a joint venture agreement, provided that such issuances are approved by the Board of Directors of the Corporation, including the approval of Series A Directors; or

(viii) shares of Common Stock, Options or Convertible Securities issued in connection with sponsored research, collaboration, technology license, development, OEM, marketing or other similar agreements or strategic partnerships approved by the Board of Directors of the Corporation, including the approval of Series A Directors.

4.4.2 No Adjustment of Series A Conversion Price. No adjustment in the Series A Conversion Price shall be made as the result of the issuance or deemed issuance of Additional Shares of Common Stock if the Corporation receives written notice from the Requisite Holders agreeing that no such adjustment shall be made as the result of the issuance or deemed issuance of such Additional Shares of Common Stock.

4.4.3 Deemed Issue of Additional Shares of Common Stock.

(a) If the Corporation at any time or from time to time after the Series A Original Issue Date shall issue any Options or Convertible Securities (excluding Options or Convertible Securities which are themselves Exempted Securities) or shall fix a record date for the determination of holders of any class of securities entitled to receive any such Options or Convertible Securities, then the maximum number of shares of Common Stock (as set forth in the instrument relating thereto, assuming the satisfaction of any conditions to exercisability, convertibility or exchangeability but without regard to any provision contained therein for a subsequent adjustment of such number) issuable upon the exercise of such Options or, in the case of Convertible Securities and Options therefor, the conversion or exchange of such Convertible Securities, shall be deemed to be Additional Shares of Common Stock issued as of the time of such issue or, in case such a record date shall have been fixed, as of the close of business on such record date.

(b) If the terms of any Option or Convertible Security, the issuance of which resulted in an adjustment to the Series A Conversion Price pursuant to the terms of Subsection 4.4.4, are revised as a result of an amendment to such terms or any other adjustment pursuant to the provisions of such Option or Convertible Security (but excluding automatic adjustments to such terms pursuant to anti-dilution or similar provisions of such Option or Convertible Security) to provide for either (1) any increase or decrease in the number of shares of Common Stock issuable upon the exercise, conversion and/or exchange of any such Option or Convertible Security or (2) any increase or decrease in the consideration payable to the Corporation upon such exercise, conversion and/or exchange, then,

effective upon such increase or decrease becoming effective, the Series A Conversion Price computed upon the original issue of such Option or Convertible Security (or upon the occurrence of a record date with respect thereto) shall be readjusted to such Series A Conversion Price as would have obtained had such revised terms been in effect upon the original date of issuance of such Option or Convertible Security. Notwithstanding the foregoing, no readjustment pursuant to this clause (b) shall have the effect of increasing the Series A Conversion Price to an amount which exceeds the lower of (i) the Series A Conversion Price in effect immediately prior to the original adjustment made as a result of the issuance of such Option or Convertible Security, or (ii) the Series A Conversion Price that would have resulted from any issuances of Additional Shares of Common Stock (other than deemed issuances of Additional Shares of Common Stock as a result of the issuance of such Option or Convertible Security) between the original adjustment date and such readjustment date.

(c) If the terms of any Option or Convertible Security (excluding Options or Convertible Securities which are themselves Exempted Securities), the issuance of which did not result in an adjustment to the Series A Conversion Price pursuant to the terms of Subsection 4.4.4 (either because the consideration per share (determined pursuant to Subsection 4.4.5) of the Additional Shares of Common Stock subject thereto was equal to or greater than the Series A Conversion Price then in effect, or because such Option or Convertible Security was issued before the Series A Original Issue Date), are revised after the Series A Original Issue Date as a result of an amendment to such terms or any other adjustment pursuant to the provisions of such Option or Convertible Security (but excluding automatic adjustments to such terms pursuant to anti-dilution or similar provisions of such Option or Convertible Security) to provide for either (1) any increase in the number of shares of Common Stock issuable upon the exercise, conversion or exchange of any such Option or Convertible Security or (2) any decrease in the consideration payable to the Corporation upon such exercise, conversion or exchange, then such Option or Convertible Security, as so amended or adjusted, and the Additional Shares of Common Stock subject thereto (determined in the manner provided in Subsection 4.4.3(a) shall be deemed to have been issued effective upon such increase or decrease becoming effective.

(d) Upon the expiration or termination of any unexercised Option or unconverted or unexchanged Convertible Security (or portion thereof) which resulted (either upon its original issuance or upon a revision of its terms) in an adjustment to the Series A Conversion Price pursuant to the terms of Subsection 4.4.4, the Series A Conversion Price shall be readjusted to such Series A Conversion Price as would have obtained had such Option or Convertible Security (or portion thereof) never been issued.

(e) If the number of shares of Common Stock issuable upon the exercise, conversion and/or exchange of any Option or Convertible Security, or the consideration payable to the Corporation upon such exercise, conversion and/or exchange, is calculable at the time such Option or Convertible Security is issued or amended but is subject to adjustment based upon subsequent events, any adjustment to the Series A Conversion Price provided for in this Subsection 4.4.3 shall be effected at the time of such issuance or amendment based on such number of shares or amount of consideration without regard to any provisions for subsequent adjustments (and any subsequent adjustments shall be treated as provided in clauses (b) and (c) of this Subsection 4.4.3). If the number of shares of Common Stock issuable upon the exercise, conversion and/or exchange of any Option or Convertible Security, or the consideration payable to the Corporation upon such exercise, conversion and/or exchange, cannot be calculated at all at the time such Option or Convertible Security is issued or amended, any adjustment to the Series A Conversion Price that would result under the terms of this Subsection 4.4.3 at the time of such issuance or amendment shall instead be effected at the time such number of shares and/or amount of consideration is first calculable (even if subject to subsequent adjustments), assuming for purposes of calculating such adjustment to the Series A Conversion Price that such issuance or amendment took place at the time such calculation can first be made.

4.4.4 Adjustment of Series A Conversion Price Upon Issuance of Additional Shares of Common Stock. In the event the Corporation shall at any time after the Series A Original Issue Date issue Additional Shares of Common Stock (including Additional Shares of Common Stock deemed to be issued pursuant to Subsection 4.4.3), without consideration or for a consideration per share less than the Series A Conversion Price in effect immediately prior to such issuance or deemed issuance, then the Series A Conversion Price shall be reduced, concurrently with such issue, to a price (calculated to the nearest one-hundredth of a cent) determined in accordance with the following formula:

$$CP_2 = CP_1 * (A + B) \div (A + C).$$

For purposes of the foregoing formula, the following definitions shall apply:

(a) "CP_2" shall mean the Series A Conversion Price in effect immediately after such issuance or deemed issuance of Additional Shares of Common Stock

(b) "CP_1" shall mean the Series A Conversion Price in effect immediately prior to such issuance or deemed issuance of Additional Shares of Common Stock;

(c) "A" shall mean the number of shares of Common Stock outstanding immediately prior to such issuance or deemed issuance of Additional Shares of Common Stock (treating for this purpose as outstanding all shares of Common Stock issuable upon exercise of Options outstanding immediately prior to such issuance or deemed issuance or upon conversion or exchange of Convertible Securities (including the Series A Preferred Stock) outstanding (assuming exercise of any outstanding Options therefor) immediately prior to such issue);

(d) "B" shall mean the number of shares of Common Stock that would have been issued if such Additional Shares of Common Stock had been issued or deemed issued at a price per share equal to CP_1 (determined by dividing the aggregate consideration received by the Corporation in respect of such issue by CP_1); and

(e) "C" shall mean the number of such Additional Shares of Common Stock issued in such transaction.

4.4.5 Determination of Consideration. For purposes of this Subsection 4.4, the consideration received by the Corporation for the issuance or deemed issuance of any Additional Shares of Common Stock shall be computed as follows:

(a) Cash and Property: Such consideration shall:

(i) insofar as it consists of cash, be computed at the aggregate amount of cash received by the Corporation, excluding amounts paid or payable for accrued interest;

(ii) insofar as it consists of property other than cash, be computed at the fair market value thereof at the time of such issue, as determined in good faith by the Board of Directors of the Corporation; and

(iii) in the event Additional Shares of Common Stock are issued together with other shares or securities or other assets of the Corporation for

consideration which covers both, be the proportion of such consideration so received, computed as provided in clauses (i) and (ii) above, as determined in good faith by the Board of Directors of the Corporation.

(b) Options and Convertible Securities. The consideration per share received by the Corporation for Additional Shares of Common Stock deemed to have been issued pursuant to Subsection 4.4.3, relating to Options and Convertible Securities, shall be determined by dividing:

(i) The total amount, if any, received or receivable by the Corporation as consideration for the issue of such Options or Convertible Securities, plus the minimum aggregate amount of additional consideration (as set forth in the instruments relating thereto, without regard to any provision contained therein for a subsequent adjustment of such consideration) payable to the Corporation upon the exercise of such Options or the conversion or exchange of such Convertible Securities, or in the case of Options for Convertible Securities, the exercise of such Options for Convertible Securities and the conversion or exchange of such Convertible Securities, by

(ii) the maximum number of shares of Common Stock (as set forth in the instruments relating thereto, without regard to any provision contained therein for a subsequent adjustment of such number) issuable upon the exercise of such Options or the conversion or exchange of such Convertible Securities, or in the case of Options for Convertible Securities, the exercise of such Options for Convertible Securities and the conversion or exchange of such Convertible Securities.

4.4.6 Multiple Closing Dates. In the event the Corporation shall issue on more than one date Additional Shares of Common Stock that are a part of one transaction or a series of related transactions and that would result in an adjustment to the Series A Conversion Price pursuant to the terms of Subsection 4.4.4, and such issuance dates occur within a period of no more than ninety (90) days from the first such issuance to the final such issuance, then, upon the final such issuance, the Series A Conversion Price shall be readjusted to give effect to all such issuances as if they occurred on the date of the first such issuance (and without giving effect to any additional adjustments as a result of any such subsequent issuances within such period).

4.5 Adjustment for Stock Splits and Combinations. If the Corporation shall at any time or from time to time after the Series A Original Issue Date effect a subdivision of the outstanding Common Stock, the Series A Conversion Price in effect immediately before that subdivision shall be proportionately decreased so that the number of shares of Common Stock issuable on conversion of each

share of such series shall be increased in proportion to such increase in the aggregate number of shares of Common Stock outstanding. If the Corporation shall at any time or from time to time after the Series A Original Issue Date combine the outstanding shares of Common Stock, the Series A Conversion Price in effect immediately before the combination shall be proportionately increased so that the number of shares of Common Stock issuable on conversion of each share of such series shall be decreased in proportion to such decrease in the aggregate number of shares of Common Stock outstanding. Any adjustment under this subsection shall become effective at the close of business on the date the subdivision or combination becomes effective.

4.6 Adjustment for Certain Dividends and Distributions. In the event the Corporation at any time or from time to time after the Series A Original Issue Date shall make or issue, or fix a record date for the determination of holders of Common Stock entitled to receive, a dividend or other distribution payable on the Common Stock in additional shares of Common Stock, then and in each such event the Series A Conversion Price in effect immediately before such event shall be decreased as of the time of such issuance or, in the event such a record date shall have been fixed, as of the close of business on such record date, by multiplying the Series A Conversion Price then in effect by a fraction:

(1) the numerator of which shall be the total number of shares of Common Stock issued and outstanding immediately prior to the time of such issuance or the close of business on such record date, and

(2) the denominator of which shall be the total number of shares of Common Stock issued and outstanding immediately prior to the time of such issuance or the close of business on such record date plus the number of shares of Common Stock issuable in payment of such dividend or distribution.

Notwithstanding the foregoing (a) if such record date shall have been fixed and such dividend is not fully paid or if such distribution is not fully made on the date fixed therefor, the Series A Conversion Price shall be recomputed accordingly as of the close of business on such record date and thereafter the Series A Conversion Price shall be adjusted pursuant to this subsection as of the time of actual payment of such dividends or distributions; and (b) that no such adjustment shall be made if the holders of Series A Preferred Stock simultaneously receive a dividend or other distribution of shares of Common Stock in a number equal to the number of shares of Common Stock as they would have received if all outstanding shares of Series A Preferred Stock had been converted into Common Stock on the date of such event.

4.7 Adjustments for Other Dividends and Distributions. In the event the Corporation at any time or from time to time after the Series A Original Issue Date shall make or issue, or fix a record date for the determination of holders of Common Stock entitled to receive, a dividend or other distribution payable in securities of the Corporation (other than a distribution of shares of Common Stock in respect of outstanding shares of Common Stock) or in other property and the provisions of Section 1 do not apply to such dividend or distribution, then and in each such event the holders of Series A Preferred Stock shall receive, simultaneously with the distribution to the holders of Common Stock, a dividend or other distribution of such securities or other property in an amount equal to the amount of such securities or other property as they would have received if all outstanding shares of Series A Preferred Stock had been converted into Common Stock on the date of such event.

4.8 Adjustment for Merger or Reorganization, etc. Subject to the provisions of Subsection 2.3, if there shall occur any reorganization, recapitalization, reclassification, consolidation or merger involving the Corporation in which the Common Stock (but not the Series A Preferred Stock) is converted into or exchanged for securities, cash or other property (other than a transaction covered by Subsections 4.4, 4.6 or 4.7), then, following any such reorganization, recapitalization, reclassification, consolidation or merger, each share of Series A Preferred Stock shall thereafter be convertible in lieu of the

Common Stock into which it was convertible prior to such event into the kind and amount of securities, cash or other property which a holder of the number of shares of Common Stock of the Corporation issuable upon conversion of one share of Series A Preferred Stock immediately prior to such reorganization, recapitalization, reclassification, consolidation or merger would have been entitled to receive pursuant to such transaction; and, in such case, appropriate adjustment (as determined in good faith by the Board of Directors of the Corporation) shall be made in the application of the provisions in this Section 4 with respect to the rights and interests thereafter of the holders of the Series A Preferred Stock, to the end that the provisions set forth in this Section 4 (including provisions with respect to changes in and other adjustments of the Series A Conversion Price) shall thereafter be applicable, as nearly as reasonably may be, in relation to any securities or other property thereafter deliverable upon the conversion of the Series A Preferred Stock.

4.9 Certificate as to Adjustments. Upon the occurrence of each adjustment or readjustment of the Series A Conversion Price pursuant to this Section 4, the Corporation at its expense shall, as promptly as reasonably practicable but in any event not later than ten (10) days thereafter, compute such adjustment or readjustment in accordance with the terms hereof and furnish to each holder of Series A Preferred Stock a certificate setting forth such adjustment or readjustment (including the kind and amount of securities, cash or other property into which the Series A Preferred Stock is convertible) and showing in detail the facts upon which such adjustment or readjustment is based. The Corporation shall, as promptly as reasonably practicable after the written request at any time of any holder of Series A Preferred Stock (but in any event not later than ten (10) days thereafter), furnish or cause to be furnished to such holder a certificate setting forth (i) the Series A Conversion Price then in effect, and (ii) the number of shares of Common Stock and the amount, if any, of other securities, cash or property which then would be received upon the conversion of Series A Preferred Stock.

4.10 Notice of Record Date. In the event:

(a) the Corporation shall take a record of the holders of its Common Stock (or other capital stock or securities at the time issuable upon conversion of the Series A Preferred Stock) for the purpose of entitling or enabling them to receive any dividend or other distribution, or to receive any right to subscribe for or purchase any shares of capital stock of any class or any other securities, or to receive any other security; or

(b) of any capital reorganization of the Corporation, any reclassification of the Common Stock of the Corporation, or any Deemed Liquidation Event; or

(c) of the voluntary or involuntary dissolution, liquidation or winding-up of the Corporation,

then, and in each such case, the Corporation will send or cause to be sent to the holders of the Series A Preferred Stock a notice specifying, as the case may be, (i) the record date for such dividend, distribution or right, and the amount and character of such dividend, distribution or right, or (ii) the effective date on which such reorganization, reclassification, consolidation, merger, transfer, dissolution, liquidation or winding-up is proposed to take place, and the time, if any is to be fixed, as of which the holders of record of Common Stock (or such other capital stock or securities at the time issuable upon the conversion of the Series A Preferred Stock) shall be entitled to exchange their shares of Common Stock (or such other capital stock or securities) for securities or other property deliverable upon such reorganization, reclassification, consolidation, merger, transfer, dissolution, liquidation or winding-up, and the amount per share and character of such exchange applicable to the Series A Preferred Stock and the Common Stock. Such notice shall be sent at least ten (10) days prior to the record date or effective date for the event specified in such notice.

5. Mandatory Conversion.

5.1 Trigger Events. Upon either (a) the closing of the sale of shares of Common Stock to the public at a price of at least $11.5407588 per share (subject to appropriate adjustment in the event of any stock dividend, stock split, combination or other similar recapitalization with respect to the Common Stock), in a firm-commitment underwritten public offering pursuant to an effective registration statement under the Securities Act of 1933, as amended, resulting in at least $50,000,000 of proceeds, net of the underwriting discount and commissions, to the Corporation and in connection with such offering the Common Stock is listed for trading on the Nasdaq Stock Market's National Market, the New York Stock Exchange or another exchange or marketplace approved the Board of Directors, including the approval of at least one Series A Director or (b) the date and time, or the occurrence of an event, specified by vote or written consent of the Requisite Holders (the time of such closing or the date and time specified or the time of the event specified in such vote or written consent is referred to herein as the "**Mandatory Conversion Time**"), then (i) all outstanding shares of Series A Preferred Stock shall automatically be converted into shares of Common Stock, at the then effective conversion rate as calculated pursuant to Subsection 4.1.1. and (ii) such shares may not be reissued by the Corporation.

5.2 Procedural Requirements. All holders of record of shares of Series A Preferred Stock shall be sent written notice of the Mandatory Conversion Time and the place designated for mandatory conversion of all such shares of Series A Preferred Stock pursuant to this Section 5. Such notice need not be sent in advance of the occurrence of the Mandatory Conversion Time. Upon receipt of such notice, each holder of shares of Series A Preferred Stock in certificated form shall surrender his, her or its certificate or certificates for all such shares (or, if such holder alleges that such certificate has been lost, stolen or destroyed, a lost certificate affidavit and agreement reasonably acceptable to the Corporation to indemnify the Corporation against any claim that may be made against the Corporation on account of the alleged loss, theft or destruction of such certificate) to the Corporation at the place designated in such notice. If so required by the Corporation, any certificates surrendered for conversion shall be endorsed or accompanied by written instrument or instruments of transfer, in form satisfactory to the Corporation, duly executed by the registered holder or by his, her or its attorney duly authorized in writing. All rights with respect to the Series A Preferred Stock converted pursuant to Subsection 5.1, including the rights, if any, to receive notices and vote (other than as a holder of Common Stock), will terminate at the Mandatory Conversion Time (notwithstanding the failure of the holder or holders thereof to surrender any certificates at or prior to such time), except only the rights of the holders thereof, upon surrender of any certificate or certificates of such holders (or lost certificate affidavit and agreement) therefor, to receive the items provided for in the next sentence of this Subsection 5.2. As soon as practicable after the Mandatory Conversion Time and, if applicable, the surrender of any certificate or certificates (or lost certificate affidavit and agreement) for Series A Preferred Stock, the Corporation shall (a) issue and deliver to such holder, or to his, her or its nominees, a certificate or certificates for the number of full shares of Common Stock issuable on such conversion in accordance with the provisions hereof and (b) pay cash as provided in Subsection 4.2 in lieu of any fraction of a share of Common Stock otherwise issuable upon such conversion and the payment of any declared but unpaid dividends on the shares of Series A Preferred Stock converted. Such converted Series A Preferred Stock shall be retired and cancelled and may not be reissued as shares of such series, and the Corporation may thereafter take such appropriate action (without the need for stockholder action) as may be necessary to reduce the authorized number of shares of Series A Preferred Stock accordingly.

6. Redeemed or Otherwise Acquired Shares. Any shares of Series A Preferred Stock that are redeemed or otherwise acquired by the Corporation or any of its subsidiaries shall be automatically and immediately cancelled and retired and shall not be reissued, sold or transferred. Neither the Corporation nor any of its subsidiaries may exercise any voting or other rights granted to the holders of Series A Preferred Stock following redemption.

7. Waiver. Any of the rights, powers, preferences and other terms of the Series A Preferred Stock set forth herein may be waived on behalf of all holders of Series A Preferred Stock by the affirmative written consent or vote of the holders of at least a majority of the shares of Series A Preferred Stock then outstanding.

8. Notices. Any notice required or permitted by the provisions of this Article Fourth to be given to a holder of shares of Series A Preferred Stock shall be mailed, postage prepaid, to the post office address last shown on the records of the Corporation, or given by electronic communication in compliance with the provisions of the General Corporation Law, and shall be deemed sent upon such mailing or electronic transmission.

FIFTH: Subject to any additional vote required by this Amended and Restated Certificate of Incorporation or Bylaws, in furtherance and not in limitation of the powers conferred by statute, the Board of Directors is expressly authorized to make, repeal, alter, amend and rescind any or all of the Bylaws of the Corporation.

SIXTH: Subject to any additional vote required by this Amended and Restated Certificate of Incorporation, the number of directors of the Corporation shall be determined in the manner set forth in the Bylaws of the Corporation. Each director shall be entitled to one vote on each matter presented to the Board of Directors.

SEVENTH: Elections of directors need not be by written ballot unless the Bylaws of the Corporation shall so provide.

EIGHTH: Meetings of stockholders may be held within or without the State of Delaware, as the Bylaws of the Corporation may provide. The books of the Corporation may be kept outside the State of Delaware at such place or places as may be designated from time to time by the Board of Directors or in the Bylaws of the Corporation.

NINTH: To the fullest extent permitted by law, a director of the Corporation shall not be personally liable to the Corporation or its stockholders for monetary damages for breach of fiduciary duty as a director. If the General Corporation Law or any other law of the State of Delaware is amended after approval by the stockholders of this Article Ninth to authorize corporate action further eliminating or limiting the personal liability of directors, then the liability of a director of the Corporation shall be eliminated or limited to the fullest extent permitted by the General Corporation Law as so amended.

Any repeal or modification of the foregoing provisions of this Article Ninth by the stockholders of the Corporation shall not adversely affect any right or protection of a director of the Corporation existing at the time of, or increase the liability of any director of the Corporation with respect to any acts or omissions of such director occurring prior to, such repeal or modification.

TENTH: To the fullest extent permitted by applicable law, the Corporation is authorized to provide indemnification of (and advancement of expenses to) directors, officers and agents of the Corporation (and any other persons to which General Corporation Law permits the Corporation to provide indemnification) through Bylaw provisions, agreements with such agents or other persons, vote of stockholders or disinterested directors or otherwise, in excess of the indemnification and advancement otherwise permitted by Section 145 of the General Corporation Law.

Any amendment, repeal or modification of the foregoing provisions of this Article Tenth shall not (a) adversely affect any right or protection of any director, officer or other agent of the Corporation

existing at the time of such amendment, repeal or modification or (b) increase the liability of any director of the Corporation with respect to any acts or omissions of such director, officer or agent occurring prior to, such amendment, repeal or modification.

ELEVENTH: The Corporation renounces, to the fullest extent permitted by law, any interest or expectancy of the Corporation in, or in being offered an opportunity to participate in, any Excluded Opportunity. An "**Excluded Opportunity**" is any matter, transaction or interest that is presented to, or acquired, created or developed by, or which otherwise comes into the possession of (i) any director of the Corporation who is not an employee of the Corporation or any of its subsidiaries, or (ii) any holder of Series A Preferred Stock or any partner, member, director, stockholder, employee, affiliate or agent of any such holder, other than someone who is an employee of the Corporation or any of its subsidiaries (collectively, the persons referred to in clauses (i) and (ii) are "**Covered Persons**"), unless such matter, transaction or interest is presented to, or acquired, created or developed by, or otherwise comes into the possession of, a Covered Person expressly and solely in such Covered Person's capacity as a director of the Corporation while such Covered Person is performing services in such capacity. Any repeal or modification of this Article Eleventh will only be prospective and will not affect the rights under this Article Eleventh in effect at the time of the occurrence of any actions or omissions to act giving rise to liability. Notwithstanding anything to the contrary contained elsewhere in this Amended and Restated Certificate of Incorporation, the affirmative vote of the holders of at least a majority of the shares of Series A Preferred Stock the outstanding, will be required to amend or repeal, or to adopt any provisions inconsistent with this Article Eleventh.

TWELFTH: Unless the Corporation consents in writing to the selection of an alternative forum, the Court of Chancery in the State of Delaware shall be the sole and exclusive forum for any stockholder (including a beneficial owner) to bring (i) any derivative action or proceeding brought on behalf of the Corporation, (ii) any action asserting a claim of breach of fiduciary duty owed by any director, officer or other employee of the Corporation to the Corporation or the Corporation's stockholders, (iii) any action asserting a claim against the Corporation, its directors, officers or employees arising pursuant to any provision of the Delaware General Corporation Law or the Corporation's certificate of incorporation or bylaws or (iv) any action asserting a claim against the Corporation, its directors, officers or employees governed by the internal affairs doctrine, except for, as to each of (i) through (iv) above, any claim as to which the Court of Chancery determines that there is an indispensable party not subject to the jurisdiction of the Court of Chancery (and the indispensable party does not consent to the personal jurisdiction of the Court of Chancery within ten days following such determination), which is vested in the exclusive jurisdiction of a court or forum other than the Court of Chancery, or for which the Court of Chancery does not have subject matter jurisdiction. If any provision or provisions of this Article Twelfth shall be held to be invalid, illegal or unenforceable as applied to any person or entity or circumstance for any reason whatsoever, then, to the fullest extent permitted by law, the validity, legality and enforceability of such provisions in any other circumstance and of the remaining provisions of this Article Twelfth (including, without limitation, each portion of any sentence of this Article Twelfth containing any such provision held to be invalid, illegal or unenforceable that is not itself held to be invalid, illegal or unenforceable) and the application of such provision to other persons or entities and circumstances shall not in any way be affected or impaired thereby.

THIRTEENTH: For purposes of Section 500 of the California Corporations Code (to the extent applicable), in connection with any repurchase of shares of Common Stock permitted under this Amended and Restated Certificate of Incorporation from employees, officers, directors or consultants of the Corporation in connection with a termination of employment or services pursuant to agreements or arrangements approved by the Board of Directors (in addition to any other consent required under this Amended and Restated Certificate of Incorporation), such repurchase may be made without regard to any "preferential dividends arrears amount" or "preferential rights amount" (as those

terms are defined in Section 500 of the California Corporations Code). Accordingly, for purposes of making any calculation under California Corporations Code Section 500 in connection with such repurchase, the amount of any "preferential dividends arrears amount" or "preferential rights amount" (as those terms are defined therein) shall be deemed to be zero (0).

* * *

3. That the foregoing amendment and restatement was approved by the holders of the requisite number of shares of this corporation in accordance with Section 228 of the General Corporation Law.

4. That this Certificate of Incorporation, which restates and integrates and further amends the provisions of this Corporation's Certificate of Incorporation, has been duly adopted in accordance with Sections 242 and 245 of the General Corporation Law.

[Signature Page Follows]

IN WITNESS WHEREOF, this Amended and Restated Certificate of Incorporation has been executed by a duly authorized officer of this corporation on this 14 day of January 2019.

By: /s/ Thomas E. Davis
Thomas E. Davis, Chief Executive Officer

BYLAWS

OF

ALPHA TEKNOVA, INC.

ARTICLE I

CORPORATE OFFICES

1.1 **Offices**

In addition to the corporation's registered office set forth in the certificate of incorporation, the Board of Directors may at any time establish other offices at any place or places where the corporation is qualified to do business.

ARTICLE II

MEETINGS OF STOCKHOLDERS

2.1 **Place Of Meetings**

Meetings of stockholders shall be held at any place, within or outside the state of Delaware, designated by the Board of Directors. The Board of Directors may, in its sole discretion, determine that a meeting of stockholders shall not be held at any place, but may instead be held solely by means of remote communication as authorized by Section 211(a)(2) of the Delaware General Corporation Law. In the absence of any such designation or determination, stockholders' meetings shall be held at the registered office of the corporation.

2.2 **Annual Meeting**

The annual meeting of stockholders shall be held on such date, time and place, either within or without the state of Delaware, as may be designated by resolution of the Board of Directors each year. At the meeting, directors shall be elected and any other proper business may be transacted.

2.3 **Special Meeting**

A special meeting of the stockholders may be called at any time by the Board of Directors, the chairperson of the board, the chief executive officer, the president or by one or more stockholders holding shares in the aggregate entitled to cast not less than 10% of the votes at that meeting.

If a special meeting is called by any person or persons other than the Board of Directors, the chairperson of the board, the chief executive officer or the president, the request shall be in writing, specifying the time of such meeting and the general nature of the business proposed to be transacted, and shall be delivered personally or sent by registered mail or by email, fax, telegraphic or other facsimile or electronic transmission to the chairperson of the board, the chief executive officer, the president or the secretary of the corporation. No business may be transacted at such special meeting otherwise than specified in such notice. The officer receiving the request shall cause notice to be promptly given to the stockholders entitled to vote, in accordance with the provisions of Sections 2.4 and 2.5 of this Article II,

that a meeting will be held at the time requested by the person or persons calling the meeting, not less than 35 nor more than 60 days after the receipt of the request. If the notice is not given within 20 days after the receipt of the request, the person or persons requesting the meeting may give the notice. Nothing contained in this paragraph of this Section 2.3 shall be construed as limiting, fixing, or affecting the time when a meeting of stockholders called by action of the Board of Directors may be held.

2.4 **Notice Of Stockholders' Meetings**

Unless otherwise provided by law, all notices of meetings with stockholders shall be in writing and shall be sent or otherwise given in accordance with Section 2.5 of these bylaws not less than 10 nor more than 60 days before the date of the meeting to each stockholder entitled to vote at such meeting, as of the record date for determining the stockholders entitled to notice of the meeting. The notice shall specify the place (if any), date and hour of the meeting, and in the case of a special meeting, the purpose or purposes for which the meeting is called.

2.5 **Manner Of Giving Notice; Affidavit Of Notice**

Written notice of any meeting of stockholders, if mailed, is given when deposited in the United States mail, postage prepaid, directed to the stockholder at his address as it appears on the records of the corporation. Without limiting the manner by which notice otherwise may be given effectively to stockholders, any notice to stockholders may be given by electronic mail or other electronic transmission, in the manner provided in Section 232 of the Delaware General Corporation Law. An affidavit of the secretary or an assistant secretary or of the transfer agent of the corporation that the notice has been given shall, in the absence of fraud, be prima facie evidence of the facts stated therein.

2.6 **Quorum**

The holders of a majority of the shares of stock issued and outstanding and entitled to vote thereat, present in person or represented by proxy, shall constitute a quorum at all meetings of the stockholders for the transaction of business except as otherwise provided by statute or by the certificate of incorporation. If, however, such quorum is not present or represented at any meeting of the stockholders, then either (a) the chairperson of the meeting or (b) holders of a majority of the shares of stock entitled to vote who are present, in person or by proxy, shall have power to adjourn the meeting to another place (if any), date or time.

2.7 **Adjourned Meeting; Notice**

When a meeting is adjourned to another place (if any), date or time, unless these bylaws otherwise require, notice need not be given of the adjourned meeting if the time and place (if any), thereof and the means of remote communications (if any) by which stockholders and proxyholders may be deemed to be present and vote at such adjourned meeting, are announced at the meeting at which the adjournment is taken. At the adjourned meeting the corporation may transact any business that might have been transacted at the original meeting. If the adjournment is for more than 30 days, or if after the adjournment a new record date is fixed for the adjourned meeting, notice of the place (if any), date and time of the adjourned meeting and the means of remote communications (if any) by which stockholders and proxy holders may be deemed to be present in person and vote at such adjourned meeting shall be given to each stockholder of record entitled to vote at the meeting.

2.8 **Organization; Conduct of Business**

Such person as the Board of Directors may have designated or, in the absence of such a person, the chief executive officer, or in his or her absence, the president or, in his or her absence, such person as may be chosen by the holders of a majority of the shares entitled to vote who are present, in person or by proxy, shall call to order any meeting of the stockholders and act as chairperson of the meeting. In the absence of the secretary of the corporation, the secretary of the meeting shall be such person as the chairperson of the meeting appoints.

The chairperson of any meeting of stockholders shall determine the order of business and the procedure at the meeting, including the manner of voting and the conduct of business. The date and time of opening and closing of the polls for each matter upon which the stockholders will vote at the meeting shall be announced at the meeting.

2.9 **Voting**

The stockholders entitled to vote at any meeting of stockholders shall be determined in accordance with the provisions of Section 2.12 of these bylaws, subject to the provisions of Sections 217 and 218 of the Delaware General Corporation Law (relating to voting rights of fiduciaries, pledgors and joint owners of stock and to voting trusts and other voting agreements).

Except as may be otherwise provided in the certificate of incorporation, each stockholder shall be entitled to one vote for each share of capital stock held by such stockholder. All elections shall be determined by a plurality of the votes cast, and except as otherwise required by law, all other matters shall be determined by a majority of the votes cast affirmatively or negatively.

2.10 **Waiver Of Notice**

Whenever notice is required to be given under any provision of the Delaware General Corporation Law or of the certificate of incorporation or these bylaws, a written waiver thereof, signed by the person entitled to notice, or waiver by electronic mail or other electronic transmission by such person, whether before or after the time stated therein, shall be deemed equivalent to notice. Attendance of a person at a meeting shall constitute a waiver of notice of such meeting, except when the person attends a meeting for the express purpose of objecting, at the beginning of the meeting, to the transaction of any business because the meeting is not lawfully called or convened. Neither the business to be transacted at, nor the purpose of, any regular or special meeting of the stockholders need be specified in any written waiver of notice, or any waiver of notice by electronic transmission, unless so required by the certificate of incorporation or these bylaws.

2.11 **Stockholder Action By Written Consent Without A Meeting**

Unless otherwise provided in the certificate of incorporation, any action required to be taken at any annual or special meeting of stockholders of the corporation, or any action that may be taken at any annual or special meeting of such stockholders, may be taken without a meeting, without prior notice, and without a vote if a consent in writing, setting forth the action so taken, is (a) signed by the holders of outstanding stock having not less than the minimum number of votes that would be necessary to authorize or take such action at a meeting at which all shares entitled to vote thereon were present and voted, and (b) delivered to the corporation in accordance with Section 228(a) of the Delaware General Corporation Law.

Every written consent shall bear the date of signature of each stockholder who signs the consent and no written consent shall be effective to take the corporate action referred to therein unless, within 60 days of the date the earliest dated consent is delivered to the corporation, a written consent or consents signed by a sufficient number of holders to take action are delivered to the corporation in the manner prescribed in this Section. A telegram, cablegram, electronic mail or other electronic transmission consenting to an action to be taken and transmitted by a stockholder or proxyholder, or by a person or persons authorized to act for a stockholder or proxyholder, shall be deemed to be written, signed and dated for purposes of this Section to the extent permitted by law. Any such consent shall be delivered in accordance with Section 228(d)(1) of the Delaware General Corporation Law.

Any copy, facsimile or other reliable reproduction of a consent in writing may be substituted or used in lieu of the original writing for any and all purposes for which the original writing could be used, provided that such copy, facsimile or other reproduction shall be a complete reproduction of the entire original writing.

Prompt notice of the taking of the corporate action without a meeting by less than unanimous written consent shall be given to those stockholders who have not consented in writing (including by electronic mail or other electronic transmission as permitted by law). If the action which is consented to is such as would have required the filing of a certificate under any section of the Delaware General Corporation Law if such action had been voted on by stockholders at a meeting thereof, then the certificate filed under such section shall state, in lieu of any statement required by such section concerning any vote of stockholders, that written notice and written consent have been given as provided in Section 228 of the Delaware General Corporation Law.

2.12 **Record Date For Stockholder Notice; Voting; Giving Consents**

(a) In order that the corporation may determine the stockholders entitled to notice of any meeting of stockholders or any adjournment thereof, or to express consent to corporate action in writing without a meeting, or entitled to receive payment of any dividend or other distribution or allotment of any rights, or entitled to exercise any rights in respect of any change, conversion or exchange of stock or for the purpose of any other lawful action, the Board of Directors may fix a record date, which record date shall not precede the date upon which the resolution fixing the record date is adopted by the Board of Directors, and which record date: (1) in the case of determination of stockholders entitled to notice of any meeting of stockholders or any adjournment thereof, shall, unless otherwise required by law, not be more than 60 nor less than 10 days before the date of such meeting and, unless the Board of Directors determines, at the time it fixes such record date, that a later date on or before the date of the meeting shall be the date for determining the stockholders entitled to vote at such meeting, the record date for determining the stockholders entitled to notice of such meeting shall also be the record date for determining the stockholders entitled to vote at such meeting; (2) in the case of determination of stockholders entitled to express consent to corporate action in writing without a meeting, shall not be more than 10 days from the date upon which the resolution fixing the record date is adopted by the Board of Directors; and (3) in the case of any other action, shall not be more than 60 days prior to such other action.

(b) If the Board of Directors does not so fix a record date: (1) the record date for determining stockholders entitled to notice of and to vote at a meeting of stockholders shall be at the close of business on the day next preceding the day on which notice is given, or, if notice is waived, at the close of business on the day next preceding the day on which the meeting is held; (2) the record date for determining stockholders entitled to express consent to corporate action in writing without a meeting, when no prior action of the Board of Directors is required by law, shall be the first date on which a signed written consent setting forth the action taken or proposed to be taken is delivered to the corporation in

accordance with applicable law, or, if prior action by the Board of Directors is required by law, shall be at the close of business on the day on which the Board of Directors adopts the resolution taking such prior action; and (3) the record date for determining stockholders for any other purpose shall be at the close of business on the day on which the Board of Directors adopts the resolution relating thereto.

(c) A determination of stockholders of record entitled to notice of or to vote at a meeting of stockholders shall apply to any adjournment of the meeting; provided, however, that the Board of Directors may fix a new record date for the determination of stockholders entitled to vote at the adjourned meeting, and in such case shall also fix as the record date for the stockholders entitled to notice of such adjourned meeting the same or an earlier date as that fixed for the determination of stockholders entitled to vote in accordance with the foregoing provisions of this Section 2.12 at the adjourned meeting.

2.13 **Proxies**

Each stockholder entitled to vote at a meeting of stockholders or to express consent or dissent to corporate action in writing without a meeting may authorize another person or persons to act for such stockholder by an instrument in writing or by an electronic transmission permitted by law filed with the secretary of the corporation, but no such proxy shall be voted or acted upon after three years from its date, unless the proxy provides for a longer period. A proxy shall be deemed signed if the stockholder's name is placed on the proxy (whether by manual signature, typewriting, facsimile, electronic or telegraphic transmission or otherwise) by the stockholder or the stockholder's attorney-in-fact. The revocability of a proxy that states on its face that it is irrevocable shall be governed by the provisions of Section 212(e) of the Delaware General Corporation Law.

ARTICLE III

DIRECTORS

3.1 **Powers**

Subject to the provisions of the Delaware General Corporation Law and any limitations in the certificate of incorporation or these bylaws relating to action required to be approved by the stockholders or by the outstanding shares, the business and affairs of the corporation shall be managed and all corporate powers shall be exercised by or under the direction of the Board of Directors.

3.2 **Number Of Directors**

The number of directors constituting the entire Board of Directors is five (5). This number may be changed by a resolution of the Board of Directors or of the stockholders, subject to Section 3.4 of these bylaws. No reduction of the authorized number of directors shall have the effect of removing any director before such director's term of office expires.

3.3 **Election, Qualification And Term Of Office Of Directors**

Except as provided in Section 3.4 of these bylaws, and unless otherwise provided in the certificate of incorporation, directors shall be elected at each annual meeting of stockholders to hold office until the next annual meeting. Directors need not be stockholders unless so required by the certificate of incorporation or these bylaws, wherein other qualifications for directors may be prescribed. Each director, including a director elected to fill a vacancy, shall hold office until his or her successor is elected and qualified or until his or her earlier resignation or removal.

Unless otherwise specified in the certificate of incorporation, elections of directors need not be by written ballot.

3.4 **Resignation And Vacancies**

Any director may resign at any time upon written notice to the attention of the Secretary of the corporation. Notwithstanding the provisions of Section 223(a)(1) and 223(a)(2) of the Delaware General Corporation Law, any vacancy or newly created directorship may be filled by a majority of the directors then in office (including any directors that have tendered a resignation effective at a future date), though less than a quorum, or by a sole remaining director, and the directors so chosen shall hold office until the next annual election and until their successors are duly elected and shall qualify, unless sooner displaced; provided, however, that where such vacancy or newly created directorship occurs among the directors elected by the holders of a class or series of stock, the holders of shares of such class or series may override the Board of Directors' action to fill such vacancy or newly created directorship by (i) voting for their own designee to fill such vacancy or newly created directorship at a meeting of the corporation's stockholders or (ii) written consent, if the consenting stockholders hold a sufficient number of shares to elect their designee at a meeting of the stockholders.

If at any time, by reason of death or resignation or other cause, the corporation should have no directors in office, then any officer or any stockholder or an executor, administrator, trustee or guardian of a stockholder, or other fiduciary entrusted with like responsibility for the person or estate of a stockholder, may call a special meeting of stockholders in accordance with the provisions of the certificate of incorporation or these bylaws, or may apply to the Court of Chancery for a decree summarily ordering an election as provided in Section 211 of the Delaware General Corporation Law.

If, at the time of filling any vacancy or any newly created directorship, the directors then in office constitute less than a majority of the whole board (as constituted immediately prior to any such increase), then the Court of Chancery may, upon application of any stockholder or stockholders holding at least 10% of the total number of the shares at the time outstanding having the right to vote for such directors, summarily order an election to be held to fill any such vacancies or newly created directorships, or to replace the directors chosen by the directors then in office as aforesaid, which election shall be governed by the provisions of Section 211 of the Delaware General Corporation Law as far as applicable.

3.5 **Place Of Meetings; Meetings By Telephone**

The Board of Directors of the corporation may hold meetings, both regular and special, either within or outside the state of Delaware.

Unless otherwise restricted by the certificate of incorporation or these bylaws, members of the Board of Directors, or any committee designated by the Board of Directors, may participate in a meeting of the Board of Directors, or any committee, by means of conference telephone or other communications equipment by means of which all persons participating in the meeting can hear each other, and such participation in a meeting shall constitute presence in person at the meeting.

3.6 **Regular Meetings**

Regular meetings of the Board of Directors may be held without notice at such time and at such place as shall from time to time be determined by the board.

3.7 **Special Meetings; Notice**

Special meetings of the Board of Directors for any purpose or purposes may be called at any time by the chairperson of the board, the chief executive officer, the president, the secretary or any two directors.

Notice of the time and place of special meetings shall be delivered personally or by telephone to each director or sent by first-class mail, facsimile, electronic transmission, or telegram, charges prepaid, addressed to each director at that director's address as it is shown on the records of the corporation. If the notice is mailed, it shall be deposited in the United States mail at least 4 days before the time of the holding of the meeting. If the notice is delivered personally or by facsimile, electronic transmission, telephone or telegram, it shall be delivered at least 24 hours before the time of the holding of the meeting. Any oral notice given personally or by telephone may be communicated either to the director or to a person at the office of the director who the person giving the notice has reason to believe will promptly communicate it to the director. The notice need not specify the purpose of the meeting. The notice need not specify the place of the meeting, if the meeting is to be held at the principal executive office of the corporation. Unless otherwise indicated in the notice thereof, any and all business may be transacted at a special meeting.

3.8 **Quorum**

At all meetings of the Board of Directors, a majority of the total number of duly elected directors then in office (but in no case less than 1/3 of the total number of authorized directors) shall constitute a quorum for the transaction of business and the act of a majority of the directors present at any meeting at which there is a quorum shall be the act of the Board of Directors, except as may be otherwise specifically provided by statute or by the certificate of incorporation. If a quorum is not present at any meeting of the Board of Directors, then the directors present thereat may adjourn the meeting from time to time, without notice other than announcement at the meeting, until a quorum is present.

A meeting at which a quorum is initially present may continue to transact business notwithstanding the withdrawal of directors, if any action taken is approved by at least a majority of the required quorum for that meeting.

3.9 **Waiver Of Notice**

Whenever notice is required to be given under any provision of the Delaware General Corporation Law or of the certificate of incorporation or these bylaws, a written waiver thereof, signed by the person entitled to notice, or waiver by electronic mail or other electronic transmission by such person, whether before or after the time stated therein, shall be deemed equivalent to notice. Attendance of a person at a meeting shall constitute a waiver of notice of such meeting, except when the person attends a meeting for the express purpose of objecting, at the beginning of the meeting, to the transaction of any business because the meeting is not lawfully called or convened. Neither the business to be transacted at, nor the purpose of, any regular or special meeting of the directors, or members of a committee of directors, need be specified in any written waiver of notice unless so required by the certificate of incorporation or these bylaws.

3.10 **Board Action By Written Consent Without A Meeting**

Unless otherwise restricted by the certificate of incorporation or these bylaws, any action required or permitted to be taken at any meeting of the Board of Directors, or of any committee thereof, may be taken without a meeting if all members of the board or committee, as the case may be, consent

thereto in writing or by electronic transmission, and the writing or writings or electronic transmission or transmissions are filed with the minutes of proceedings of the board or committee. Such filing shall be in paper form if the minutes are maintained in paper form and shall be in electronic form if the minutes are maintained in electronic form.

Any copy, facsimile or other reliable reproduction of a consent in writing may be substituted or used in lieu of the original writing for any and all purposes for which the original writing could be used, provided that such copy, facsimile or other reproduction shall be a complete reproduction of the entire original writing.

3.11 **Fees And Compensation Of Directors**

Unless otherwise restricted by the certificate of incorporation or these bylaws, the Board of Directors shall have the authority to fix the compensation of directors. No such compensation shall preclude any director from serving the corporation in any other capacity and receiving compensation therefor.

3.12 **Approval Of Loans To Officers**

The corporation may lend money to, or guarantee any obligation of, or otherwise assist any officer or other employee of the corporation or of its subsidiary, including any officer or employee who is a director of the corporation or its subsidiary, whenever, in the judgment of the directors, such loan, guaranty or assistance may reasonably be expected to benefit the corporation. The loan, guaranty or other assistance may be with or without interest and may be unsecured, or secured in such manner as the Board of Directors shall approve, including, without limitation, a pledge of shares of stock of the corporation. Nothing in this section shall be deemed to deny, limit or restrict the powers of guaranty or warranty of the corporation at common law or under any statute.

3.13 **Removal Of Directors**

Unless otherwise restricted by statute, by the certificate of incorporation or by these bylaws, any director or the entire Board of Directors may be removed, with or without cause, by, and only by, the affirmative vote of the holders of the shares of the class or series of stock entitled to elect such director or directors, given either at a special meeting of such stockholders duly called for that purpose or pursuant to a written consent of stockholders, and any vacancy thereby created may be filled by the holders of that class or series of stock represented at the meeting or pursuant to written consent; provided, however, that if the stockholders of the corporation are entitled to cumulative voting, if less than the entire Board of Directors is to be removed, no director may be removed without cause if the votes cast against his removal would be sufficient to elect him if then cumulatively voted at an election of the entire Board of Directors.

No reduction of the authorized number of directors shall have the effect of removing any director prior to the expiration of such director’s term of office.

3.14 **Chairperson Of The Board Of Directors**

The corporation may also have, at the discretion of the Board of Directors, a chairperson of the Board of Directors who shall not be considered an officer of the corporation.

ARTICLE IV

COMMITTEES

4.1 **Committees Of Directors**

The Board of Directors may designate one or more committees, each committee to consist of one or more of the directors of the corporation. The Board may designate 1 or more directors as alternate members of any committee, who may replace any absent or disqualified member at any meeting of the committee. In the absence or disqualification of a member of a committee, the member or members present at any meeting and not disqualified from voting, whether or not such member or members constitute a quorum, may unanimously appoint another member of the Board of Directors to act at the meeting in the place of any such absent or disqualified member. Any such committee, to the extent provided in the resolution of the Board of Directors, or in these bylaws, shall have and may exercise all the powers and authority of the Board of Directors in the management of the business and affairs of the corporation, and may authorize the seal of the corporation to be affixed to all papers which may require it; but no such committee shall have the power or authority in reference to the following matters: (i) approving or adopting, or recommending to the stockholders, any action or matter expressly required by the General Corporate Law of Delaware to be submitted to stockholders for approval or (ii) adopting, amending or repealing any Bylaw of the corporation.

4.2 **Committee Minutes**

Each committee shall keep regular minutes of its meetings and report the same to the Board of Directors when required.

4.3 **Meetings And Action Of Committees**

Meetings and actions of committees shall be governed by, and held and taken in accordance with, the provisions of Section 3.5 (place of meetings and meetings by telephone), Section 3.6 (regular meetings), Section 3.7 (special meetings and notice), Section 3.8 (quorum), Section 3.9 (waiver of notice), and Section 3.10 (action without a meeting) of these bylaws, with such changes in the context of such provisions as are necessary to substitute the committee and its members for the Board of Directors and its members; provided, however, that the time of regular meetings of committees may be determined either by resolution of the Board of Directors or by resolution of the committee, that special meetings of committees may also be called by resolution of the Board of Directors and that notice of special meetings of committees shall also be given to all alternate members, who shall have the right to attend all meetings of the committee. The Board of Directors may adopt rules for the government of any committee not inconsistent with the provisions of these bylaws.

ARTICLE V

OFFICERS

5.1 **Officers**

The officers of the corporation shall be a president and a secretary. The corporation may also have, at the discretion of the Board of Directors, a chief executive officer, a chief financial officer, a treasurer, one or more vice presidents, one or more assistant secretaries, one or more assistant treasurers, and any such other officers as may be appointed in accordance with the provisions of Section 5.3 of these bylaws. Any number of offices may be held by the same person.

5.2 **Appointment Of Officers**

The officers of the corporation, except such officers as may be appointed in accordance with the provisions of Sections 5.3 or 5.5 of these bylaws, shall be appointed by the Board of Directors, subject to the rights (if any) of an officer under any contract of employment.

5.3 **Subordinate Officers**

The Board of Directors may appoint, or empower the chief executive officer or the president to appoint, such other officers and agents as the business of the corporation may require, each of whom shall hold office for such period, have such authority, and perform such duties as are provided in these bylaws or as the Board of Directors may from time to time determine.

5.4 **Removal And Resignation Of Officers**

Subject to the rights (if any) of an officer under any contract of employment, any officer may be removed, either with or without cause, by an affirmative vote of the majority of the Board of Directors at any regular or special meeting of the board or, except in the case of an officer chosen by the Board of Directors, by any officer upon whom the power of removal is conferred by the Board of Directors.

Any officer may resign at any time by giving written notice to the corporation. Any resignation shall take effect at the date of the receipt of that notice or at any later time specified in that notice; and, unless otherwise specified in that notice, the acceptance of the resignation shall not be necessary to make it effective. Any resignation is without prejudice to the rights (if any) of the corporation under any contract to which the officer is a party.

5.5 **Vacancies In Offices**

Any vacancy occurring in any office of the corporation shall be filled by the Board of Directors.

5.6 **Chief Executive Officer**

Subject to such supervisory powers (if any) as may be given by the Board of Directors to the chairperson of the board (if any), the chief executive officer of the corporation (if such an officer is appointed) shall, subject to the control of the Board of Directors, have general supervision, direction, and control of the business and the officers of the corporation and shall have the general powers and duties of management usually vested in the office of chief executive officer of a corporation and shall have such other powers and duties as may be prescribed by the Board of Directors or these bylaws.

The person serving as chief executive officer shall also be the acting president of the corporation whenever no other person is then serving in such capacity.

5.7 **President**

Subject to such supervisory powers (if any) as may be given by the Board of Directors to the chairperson of the board (if any) or the chief executive officer, the president shall have general supervision, direction, and control of the business and other officers of the corporation. He or she shall have the general powers and duties of management usually vested in the office of president of a corporation and such other powers and duties as may be prescribed by the Board of Directors or these bylaws.

The person serving as president shall also be the acting chief executive officer, secretary or treasurer of the corporation, as applicable, whenever no other person is then serving in such capacity.

5.8 **Vice Presidents**

In the absence or disability of the chief executive officer and president, the vice presidents (if any) in order of their rank as fixed by the Board of Directors or, if not ranked, a vice president designated by the Board of Directors, shall perform all the duties of the president and when so acting shall have all the powers of, and be subject to all the restrictions upon, the president. The vice presidents shall have such other powers and perform such other duties as from time to time may be prescribed for them respectively by the Board of Directors, these bylaws, the president or the chairperson of the board.

5.9 **Secretary**

The secretary shall keep or cause to be kept, at the principal executive office of the corporation or such other place as the Board of Directors may direct, a book of minutes of all meetings and actions of directors, committees of directors, and stockholders. The minutes shall show the time and place of each meeting, the names of those present at directors' meetings or committee meetings, the number of shares present or represented at stockholders' meetings, and the proceedings thereof.

The secretary shall keep, or cause to be kept, at the principal executive office of the corporation or at the office of the corporation's transfer agent or registrar, as determined by resolution of the Board of Directors, a share register, or a duplicate share register, showing the names of all stockholders and their addresses, the number and classes of shares held by each, the number and date of certificates (if any) evidencing such shares, and the number and date of cancellation of every certificate (if any) surrendered for cancellation.

The secretary shall give, or cause to be given, notice of all meetings of the stockholders and of the Board of Directors required to be given by law or by these bylaws. He or she shall have such other powers and perform such other duties as may be prescribed by the Board of Directors or by these bylaws.

5.10 **Chief Financial Officer**

The chief financial officer (if such an officer is appointed) shall keep and maintain, or cause to be kept and maintained, adequate and correct books and records of accounts of the properties and business transactions of the corporation, including accounts of its assets, liabilities, receipts, disbursements, gains, losses, capital, retained earnings and shares. The books of account shall at all reasonable times be open to inspection by any member of the Board of Directors.

The chief financial officer shall render to the chief executive officer, the president, or the Board of Directors, upon request, an account of all his or her transactions as chief financial officer and of the financial condition of the corporation. He or she shall have the general powers and duties usually vested in the office of chief financial officer of a corporation and shall have such other powers and perform such other duties as may be prescribed by the Board of Directors or these bylaws.

The person serving as the chief financial officer shall also be the acting treasurer of the corporation whenever no other person is then serving in such capacity. Subject to such supervisory powers (if any) as may be given by the Board of Directors to another officer of the corporation, the chief financial officer shall supervise and direct the responsibilities of the treasurer whenever someone other than the chief financial officer is serving as treasurer of the corporation.

5.11 **Treasurer**

The treasurer (if such an officer is appointed) shall keep and maintain, or cause to be kept and maintained, adequate and correct books and records with respect to all bank accounts, deposit accounts, cash management accounts and other investment accounts of the corporation. The books of account shall at all reasonable times be open to inspection by any member of the Board of Directors.

The treasurer shall deposit, or cause to be deposited, all moneys and other valuables in the name and to the credit of the corporation with such depositories as may be designated by the Board of Directors. He or she shall disburse the funds of the corporation as may be ordered by the Board of Directors and shall render to the chief financial officer, the chief executive officer, the president or the Board of Directors, upon request, an account of all his or her transactions as treasurer. He or she shall have the general powers and duties usually vested in the office of treasurer of a corporation and shall have such other powers and perform such other duties as may be prescribed by the Board of Directors or these bylaws.

The person serving as the treasurer shall also be the acting chief financial officer of the corporation whenever no other person is then serving in such capacity.

5.12 **Representation Of Shares Of Other Corporations**

The chairperson of the board, the chief executive officer, the president, any vice president, the chief financial officer, the secretary or assistant secretary of this corporation, or any other person authorized by the Board of Directors or the chief executive officer or the president or a vice president, is authorized to vote, represent, and exercise on behalf of this corporation all rights incident to any and all shares of any other corporation or corporations standing in the name of this corporation. The authority granted herein may be exercised either by such person directly or by any other person authorized to do so by proxy or power of attorney duly executed by the person having such authority.

5.13 **Authority And Duties Of Officers**

In addition to the foregoing authority and duties, all officers of the corporation shall respectively have such authority and perform such duties in the management of the business of the corporation as may be designated from time to time by the Board of Directors or the stockholders.

ARTICLE VI

INDEMNIFICATION OF DIRECTORS, OFFICERS, EMPLOYEES, AND OTHER AGENTS

6.1 **Indemnification Of Directors And Officers**

The corporation shall, to the maximum extent and in the manner permitted by the Delaware General Corporation Law, indemnify each of its directors and officers against expenses

(including attorneys' fees), judgments, fines, settlements and other amounts actually and reasonably incurred in connection with any proceeding, arising by reason of the fact that such person is or was an agent of the corporation. For purposes of this Section 6.1, a "director" or "officer" of the corporation includes any person (a) who is or was a director or officer of the corporation, (b) who is or was serving at the request of the corporation as a director or officer of another corporation, partnership, joint venture, trust or other enterprise, or (c) who was a director or officer of a corporation which was a predecessor corporation of the corporation or of another enterprise at the request of such predecessor corporation.

6.2 **Indemnification Of Others**

The corporation shall have the power, to the maximum extent and in the manner permitted by the Delaware General Corporation Law, to indemnify each of its employees and agents (other than directors and officers) against expenses (including attorneys' fees), judgments, fines, settlements and other amounts actually and reasonably incurred in connection with any proceeding, arising by reason of the fact that such person is or was an agent of the corporation. For purposes of this Section 6.2, an "employee" or "agent" of the corporation (other than a director or officer) includes any person (a) who is or was an employee or agent of the corporation, (b) who is or was serving at the request of the corporation as an employee or agent of another corporation, partnership, joint venture, trust or other enterprise, or (c) who was an employee or agent of a corporation which was a predecessor corporation of the corporation or of another enterprise at the request of such predecessor corporation.

6.3 **Payment Of Expenses In Advance**

Expenses incurred in defending any action or proceeding for which indemnification is required pursuant to Section 6.1 or for which indemnification is permitted pursuant to Section 6.2 following authorization thereof by the Board of Directors shall be paid by the corporation in advance of the final disposition of such action or proceeding upon receipt of an undertaking by or on behalf of the indemnified party to repay such amount if it shall ultimately be determined by final judicial decision from which there is no further right to appeal that the indemnified party is not entitled to be indemnified as authorized in this Article VI.

6.4 **Indemnity Not Exclusive**

The indemnification provided by this Article VI shall not be deemed exclusive of any other rights to which those seeking indemnification may be entitled under any Bylaw, agreement, vote of stockholders or disinterested directors or otherwise, both as to action in an official capacity and as to action in another capacity while holding such office, to the extent that such additional rights to indemnification are authorized in the certificate of incorporation.

6.5 **Insurance**

The corporation may purchase and maintain insurance on behalf of any person who is or was a director, officer, employee or agent of the corporation, or is or was serving at the request of the corporation as a director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise against any liability asserted against him or her and incurred by him or her in any such capacity, or arising out of his or her status as such, whether or not the corporation would have the power to indemnify him or her against such liability under the provisions of the Delaware General Corporation Law.

6.6 **Conflicts**

No indemnification or advance shall be made under this Article VI, except where such indemnification or advance is mandated by law or the order, judgment or decree of any court of competent jurisdiction, in any circumstance where it appears:

(a) That it would be inconsistent with a provision of the certificate of incorporation, these bylaws, a resolution of the stockholders or an agreement in effect at the time of the accrual of the alleged cause of the action asserted in the proceeding in which the expenses were incurred or other amounts were paid, which prohibits or otherwise limits indemnification; or

(b) That it would be inconsistent with any condition expressly imposed by a court in approving a settlement.

ARTICLE VII

RECORDS AND REPORTS

7.1 **Maintenance And Inspection Of Records**

The corporation shall, either at its principal executive offices or at such place or places as designated by the Board of Directors, keep a record of its stockholders listing their names and addresses and the number and class of shares held by each stockholder, a copy of these bylaws as amended to date, accounting books, and other records.

A complete list of stockholders entitled to vote at any meeting of stockholders, arranged in alphabetical order for each class of stock and showing the address of each such stockholder and the number of shares registered in each such stockholder's name, shall be open to the examination of any such stockholder for a period of at least 10 days prior to the meeting in the manner provided by law. The stock list shall also be open to the examination of any stockholder during the whole time of the meeting as provided by law. This list shall presumptively determine the identity of the stockholders entitled to vote at the meeting and the number of shares held by each of them.

If and so long as there are fewer than one hundred (100) holders of record of the corporation's shares, any state law requirement of sending of an annual report to the stockholders of the corporation is hereby expressly waived, to the extent permitted.

7.2 **Inspection By Directors**

Any director shall have the right to examine the corporation's stock ledger, a list of its stockholders, and its other books and records for a purpose reasonably related to his or her position as a director. The Court of Chancery is hereby vested with the exclusive jurisdiction to determine whether a director is entitled to the inspection sought. The Court may summarily order the corporation to permit the director to inspect any and all books and records, the stock ledger, and the stock list and to make copies or extracts therefrom. The Court may, in its discretion, prescribe any limitations or conditions with reference to the inspection, or award such other and further relief as the Court may deem just and proper.

ARTICLE VIII

GENERAL MATTERS

8.1 **Checks**

From time to time, the Board of Directors shall determine by resolution which person or persons may sign or endorse all checks, drafts, other orders for payment of money, notes or other evidences of indebtedness that are issued in the name of or payable to the corporation, and only the persons so authorized shall sign or endorse those instruments.

8.2 **Execution Of Corporate Contracts And Instruments**

The Board of Directors, except as otherwise provided in these bylaws, may authorize any officer or officers, or agent or agents, to enter into any contract or execute any instrument in the name of and on behalf of the corporation; such authority may be general or confined to specific instances. Unless so authorized or ratified by the Board of Directors or within the agency power of an officer, no officer, agent or employee shall have any power or authority to bind the corporation by any contract or engagement or to pledge its credit or to render it liable for any purpose or for any amount.

8.3 **Stock Certificates and Notices; Uncertificated Stock; Partly Paid Shares**

The shares of the corporation may be certificated or uncertificated, as provided under Delaware law, and shall be entered in the books of the corporation and recorded as they are issued. Any duly appointed officer of the corporation is authorized to sign share certificates. Any or all of the signatures on any certificate may be a facsimile or electronic signature. In case any officer, transfer agent or registrar who has signed or whose facsimile or electronic signature has been placed upon a certificate has ceased to be such officer, transfer agent or registrar before such certificate is issued, it may be issued by the corporation with the same effect as if he or she were such officer, transfer agent or registrar at the date of issue.

Within a reasonable time after the issuance or transfer of uncertificated stock and upon the request of a stockholder, the corporation shall send to the record owner thereof a written notice that shall set forth the name of the corporation, that the corporation is organized under the laws of Delaware, the name of the stockholder, the number and class (and the designation of the series, if any) of the shares, and any restrictions on the transfer or registration of such shares of stock imposed by the corporation's certificate of incorporation, these bylaws, any agreement among stockholders or any agreement between stockholders and the corporation.

The corporation may issue the whole or any part of its shares as partly paid and subject to call for the remainder of the consideration to be paid therefor. Upon the face or back of each stock certificate (if any) issued to represent any such partly paid shares, or upon the books and records of the corporation in the case of uncertificated partly paid shares, the total amount of the consideration to be paid therefor and the amount paid thereon shall be stated. Upon the declaration of any dividend on fully paid shares, the corporation shall declare a dividend upon partly paid shares of the same class, but only upon the basis of the percentage of the consideration actually paid thereon.

8.4 **Special Designation On Certificates and Notices of Issuance**

If the corporation is authorized to issue more than one class of stock or more than one series of any class, then the powers, the designations, the preferences, and the relative, participating,

optional or other special rights of each class of stock or series thereof and the qualifications, limitations or restrictions of such preferences and/or rights shall be set forth in full or summarized on the face or back of the certificate that the corporation shall issue to represent such class or series of stock or the notice of issuance to the record owner of uncertificated stock; provided, however, that, except as otherwise provided in Section 202 of the Delaware General Corporation Law, in lieu of the foregoing requirements there may be set forth on the face or back of the certificate that the corporation shall issue to represent such class or series of stock or the notice of issuance to the record owner of uncertificated stock, or the purchase agreement for such stock a statement that the corporation will furnish without charge to each stockholder who so requests the powers, the designations, the preferences, and the relative, participating, optional or other special rights of each class of stock or series thereof and the qualifications, limitations or restrictions of such preferences and/or rights.

8.5 **Lost Certificates**

Except as provided in this Section 8.5, no new certificates for shares shall be issued to replace a previously issued certificate unless the latter is surrendered to the corporation and cancelled at the same time. The corporation may issue a new certificate of stock or notice of uncertificated stock in the place of any certificate previously issued by it, alleged to have been lost, stolen or destroyed, and the corporation may require the owner of the lost, stolen or destroyed certificate, or the owner's legal representative, to give the corporation a bond sufficient to indemnify it against any claim that may be made against it on account of the alleged loss, theft or destruction of any such certificate or the issuance of such new certificate or uncertificated shares.

8.6 **Construction; Definitions**

Unless the context requires otherwise, the general provisions, rules of construction, and definitions in the Delaware General Corporation Law shall govern the construction of these bylaws. Without limiting the generality of this provision, the singular number includes the plural, the plural number includes the singular, and the term "person" includes both a corporation and a natural person.

8.7 **Dividends**

The directors of the corporation, subject to any restrictions contained in (a) the Delaware General Corporation Law or (b) the certificate of incorporation, may declare and pay dividends upon the shares of its capital stock. Dividends may be paid in cash, in property, or in shares of the corporation's capital stock.

The directors of the corporation may set apart out of any of the funds of the corporation available for dividends a reserve or reserves for any proper purpose and may abolish any such reserve. Such purposes shall include but not be limited to equalizing dividends, repairing or maintaining any property of the corporation, and meeting contingencies.

8.8 **Fiscal Year**

The fiscal year of the corporation shall be fixed by resolution of the Board of Directors and may be changed by the Board of Directors.

8.9 **Transfer Restrictions**

Notwithstanding anything to the contrary, except as expressly permitted in this Section 8.9, a stockholder shall not Transfer (as such term is defined below) any shares of the

corporation's stock (or any rights of or interests in such shares) to any person unless such Transfer is approved by the Board of Directors prior to such Transfer, which approval may be granted or withheld in the Board of Directors' sole and absolute discretion. "Transfer" shall mean, with respect to any security, the direct or indirect assignment, sale, transfer, tender, pledge, hypothecation, or the grant, creation or suffrage of a lien or encumbrance in or upon, or the gift, placement in trust, or the Constructive Sale (as such term is defined below) or other disposition of such security (including transfer by testamentary or intestate succession, merger or otherwise by operation of law) or any right, title or interest therein (including, but not limited to, any right or power to vote to which the holder thereof may be entitled, whether such right or power is granted by proxy or otherwise), or the record or beneficial ownership thereof, the offer to make such a sale, transfer, Constructive Sale or other disposition, and each agreement, arrangement or understanding, whether or not in writing, to effect any of the foregoing. "Constructive Sale" shall mean, with respect to any security, a short sale with respect to such security, entering into or acquiring an offsetting derivative contract with respect to such security, entering into or acquiring a futures or forward contract to deliver such security, or entering into any other hedging or other derivative transaction that has the effect of materially changing the economic benefits and risks of ownership. Any purported Transfer of any shares of the corporation's stock effected in violation of this Section 8.9 shall be null and void and shall have no force or effect and the corporation shall not register any such purported Transfer.

Any stockholder seeking the approval of the Board of Directors of a Transfer of some or all of its shares shall give written notice thereof to the Secretary of the corporation that shall include: (a) the name of the stockholder; (b) the proposed transferee; (c) the number of shares of the Transfer of which approval is thereby requested; and (d) the purchase price (if any) of the shares proposed for Transfer. The corporation may require the stockholder to supplement its notice with such additional information as the corporation may request.

Certificates representing, and in the case of uncertificated securities, notices of issuance with respect to, shares of stock of the corporation shall have impressed on, printed on, written on or otherwise affixed to them the following legend:

> THE TRANSFER OF THE SECURITIES REFERENCED HEREIN IS SUBJECT TO CERTAIN TRANSFER RESTRICTIONS SET FORTH IN THE COMPANY'S BYLAWS, COPIES OF WHICH MAY BE OBTAINED UPON WRITTEN REQUEST TO THE COMPANY AT ITS PRINCIPAL PLACE OF BUSINESS. THE COMPANY SHALL NOT REGISTER OR OTHERWISE RECOGNIZE OR GIVE EFFECT TO ANY PURPORTED TRANSFER OF SECURITIES THAT DOES NOT COMPLY WITH SUCH TRANSFER RESTRICTIONS.

The corporation shall take all such actions as are practicable to cause the certificates representing, and notices of issuance with respect to, shares that are subject to the restrictions on transfer set forth in this Section to contain the foregoing legend.

The foregoing transfer restrictions set forth in this Section 8.9 shall not apply to (a) in the case of a stockholder that is an entity, upon a Transfer by such stockholder to its stockholders, members, partners or other equity holders, (b) to a repurchase of stock from an employee by the corporation at a price no greater than that originally paid by such employee for such stock and pursuant to an agreement containing vesting and/or repurchase provisions approved by a majority of the Board of Directors, (c) in the case of a stockholder that is a natural person, upon a transfer by such stockholder made for bona fide estate planning purposes, either during his or her lifetime or on death by will or intestacy to his or her spouse, child (natural or adopted), or any other direct lineal descendant of such Holder (or his or her spouse) (all of the foregoing collectively referred to as "Family Members"), or any other relative approved by the

Board of Directors, or any custodian or trustee of any trust, partnership or limited liability company for the benefit of, or the ownership interests of which are owned wholly by such stockholder or any such family members or (d) with respect to any stockholder that is party to that certain Right of First Refusal and Co-Sale Agreement to be entered into by the Company and the other parties thereto on or about January 2019 (the "ROFR and Co-Sale Agreement"), any Transfers taking place in accordance with the terms and conditions of the ROFR and Co-Sale Agreement; provided that in the case of clause(s) (a) or (c), such shares shall remain subject to the transfer restrictions set forth in herein; and provided further in the case of any Transfer pursuant to clause (a) or (c) above, that such Transfer is made pursuant to a transaction in which there is no consideration actually paid for such Transfer.

8.10 **Transfer Of Stock**

Upon receipt by the corporation or the transfer agent of the corporation of proper transfer instructions from the record holder of uncertificated shares or upon surrender to the corporation or the transfer agent of the corporation of a certificate for shares duly endorsed or accompanied by proper evidence of succession, assignation or authority to transfer, it shall be the duty of the corporation to issue a new certificate or, in the case of uncertificated securities and upon request, a notice of issuance of shares, to the person entitled thereto, cancel the old certificate (if any) and record the transaction in its books.

8.11 **Stock Transfer Agreements**

The corporation shall have power to enter into and perform any agreement with any number of stockholders of any one or more classes of stock of the corporation to restrict the transfer of shares of stock of the corporation of any one or more classes owned by such stockholders in any manner not prohibited by the Delaware General Corporation Law.

8.12 **Stockholders of Record**

The corporation shall be entitled to recognize the exclusive right of a person recorded on its books as the owner of shares to receive dividends and to vote as such owner, shall be entitled to hold liable for calls and assessments the person recorded on its books as the owner of shares, and shall not be bound to recognize any equitable or other claim to or interest in such share or shares on the part of another person, whether or not it shall have express or other notice thereof, except as otherwise provided by the laws of Delaware.

8.13 **Facsimile or Electronic Signature**

In addition to the provisions for use of facsimile or electronic signatures elsewhere specifically authorized in these bylaws, facsimile or electronic signatures of any stockholder, director or officer of the corporation may be used whenever and as authorized by the Board of Directors or a committee thereof.

ARTICLE IX

AMENDMENTS

The Bylaws of the corporation may be adopted, amended or repealed by the stockholders entitled to vote; provided, however, that the corporation may, in its certificate of incorporation, confer the power to adopt, amend or repeal Bylaws upon the directors. The fact that such power has been so conferred upon the directors shall not divest the stockholders of the power, nor limit their power to adopt, amend or repeal Bylaws.

CERTIFICATE OF ADOPTION OF BYLAWS

OF

ALPHA TEKNOVA, INC.

ADOPTION BY INCORPORATOR

The undersigned person appointed in the certificate of incorporation to act as the Incorporator of Alpha Teknova, Inc., a Delaware corporation, hereby adopts the foregoing Bylaws as the Bylaws of the corporation.

Executed on January 11, 2019.

/s/ Irene Davis
Irene Davis, Incorporator

CERTIFICATE BY SECRETARY OF ADOPTION BY INCORPORATOR

The undersigned hereby certifies that the undersigned is the duly elected, qualified, and acting Secretary of Alpha Teknova, Inc., a Delaware corporation, and that the foregoing Bylaws were adopted as the Bylaws of the corporation on January 11, 2019, by the person appointed in the certificate of incorporation to act as the Incorporator of the corporation.

Executed on January 11, 2019.

/s/ Irene Davis
Irene Davis, Secretary

Exhibit 4.2

INVESTORS' RIGHTS AGREEMENT

THIS INVESTORS' RIGHTS AGREEMENT (this "**Agreement**"), is made as of the 14th day of January, 2019, by and among Alpha Teknova, Inc., a Delaware corporation (the "**Company**"), each of the investors listed on Schedule A hereto, each of which is referred to in this Agreement as an "**Investor**", and each of the holders of Common Stock listed on Schedule B, each of which is referred to in this Agreement as a "**Key Holder**".

RECITALS

WHEREAS, the Company and the Investors are parties to that certain Series A Preferred Stock Purchase Agreement of even date herewith (the "**Purchase Agreement**"); and

WHEREAS, in order to induce the Company to enter into the Purchase Agreement and to induce the Investors to invest funds in the Company pursuant to the Purchase Agreement, the Investors and the Company hereby agree that this Agreement shall govern the rights of the Investors to cause the Company to register shares of Common Stock issuable to the Investors, to receive certain information from the Company, and to participate in future equity offerings by the Company, and shall govern certain other matters as set forth in this Agreement.

NOW, THEREFORE, the parties hereby agree as follows:

1. Definitions. For purposes of this Agreement:

1.1 "**Affiliate**" means, with respect to any specified Person, any other Person who, directly or indirectly, controls, is controlled by, or is under common control with such Person, including without limitation any general partner, managing member, officer, director or trustee of such Person, or any venture capital fund or registered investment company now or hereafter existing that is controlled by one or more general partners, managing members or investment adviser of, or shares the same management company or investment adviser with, such Person. An "**Affiliated Trust**" means any entity established by a Key Holder solely for bona fide estate planning purposes for the benefit of the Key Holder or the Key Holder's spouse, child (natural or adopted) or any other direct lineal descendant of Key Holder (or his or her spouse), provided that the Key Holder retains control over the right to vote, dispose of or otherwise exercise any of the Key Holder's rights with respect to the Registrable Securities.

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

1.3 "**Certificate of Incorporation**" means the Company's Amended and Restated Certificate of Incorporation, as amended and/or restated from time to time.

1.4 "**Common Stock**" means shares of the Company's common stock, par value $0.00001 per share.

1.5 "**Damages**" means any loss, damage, claim or liability (joint or several) to which a party hereto may become subject under the Securities Act, the Exchange Act, or other federal or state law, insofar as such loss, damage, claim or liability (or any action in respect thereof) arises out of or is based upon: (i) any untrue statement or alleged untrue statement of a material fact contained in any registration statement of the Company, including any preliminary prospectus or final prospectus contained therein or any amendments or supplements thereto; (ii) an omission or alleged omission to state therein a material fact required to be stated therein, or necessary to make the statements therein not misleading; or (iii) any violation or alleged violation by the indemnifying party (or any of its agents or Affiliates) of the Securities Act, the Exchange Act, any state securities law, or any rule or regulation promulgated under the Securities Act, the Exchange Act, or any state securities law.

1.6 "**Derivative Securities**" means any securities or rights convertible into, or exercisable or exchangeable for (in each case, directly or indirectly), Common Stock, including options and warrants.

1.7 "**Exchange Act**" means the Securities Exchange Act of 1934, as amended, and the rules and regulations promulgated thereunder.

1.8 "**Excluded Registration**" means (i) a registration relating to the sale or grant of securities to employees of the Company or a subsidiary pursuant to a stock option, stock purchase, equity incentive or similar plan; (ii) a registration relating to an SEC Rule 145 transaction; (iii) a registration on any form that does not include substantially the same information as would be required to be included in a registration statement covering the sale of the Registrable Securities; or (iv) a registration in which the only Common Stock being registered is Common Stock issuable upon conversion of debt securities that are also being registered.

1.9 "**Form S-1**" means such form under the Securities Act as in effect on the date hereof or any successor registration form under the Securities Act subsequently adopted by the SEC.

1.10 "**Form S-3**" means such form under the Securities Act as in effect on the date hereof or any registration form under the Securities Act subsequently adopted by the SEC that permits forward incorporation of substantial information by reference to other documents filed by the Company with the SEC.

1.11 "**GAAP**" means generally accepted accounting principles in the United States as in effect from time to time.

1.12 "**Holder**" means any holder of Registrable Securities who is a party to this Agreement.

1.13 "**Immediate Family Member**" means a child, stepchild, grandchild, parent, stepparent, grandparent, spouse, sibling, mother-in-law, father-in-law, son-in-law, daughter-in-law, brother-in-law, or sister-in-law, including, adoptive relationships, of a natural person referred to herein.

1.14 "**Initiating Holders**" means, collectively, Holders who properly initiate a registration request under this Agreement.

1.15 "**IPO**" means the Company's first underwritten public offering of its Common Stock under the Securities Act.

1.16 "**Key Employee**" means any executive-level employee (including, division director and vice president-level positions) as well as any employee who, either alone or in concert with others, develops, invents, programs, or designs any Company Intellectual Property (as defined in the Purchase Agreement).

1.17 "**Major Stockholder**" means (i) any Investor that, individually or together with such Investor's Affiliates, holds at least 4,773,809 shares of Registrable Securities (as adjusted for any stock split, stock dividend, combination, or other recapitalization or reclassification effected after the date hereof), and (ii) any Key Holder that, individually or together with such Key Holder's Affiliated Trusts, holds at least 500,000 shares or options to purchase shares of Registrable Securities (as adjusted for any stock split, stock dividend, combination, or other recapitalization or reclassification effected after the date hereof).

1.18 "**New Securities**" means, collectively, equity securities of the Company, whether or not currently authorized, as well as rights, options, or warrants to purchase such equity securities, or securities of any type whatsoever that are, or may become, convertible or exchangeable into or exercisable for such equity securities.

1.19 "**Person**" means any individual, corporation, partnership, trust, limited liability company, association or other entity.

1.20 "**Registrable Securities**" means (i) the Common Stock issuable or issued upon conversion of the Series A Preferred Stock; (ii) the Common Stock held by the Key Holders, whether issued or issuable, (iii) any Common Stock, or any Common Stock issued or issuable (directly or indirectly) upon conversion and/or exercise of any other securities of the Company, acquired by the Major Stockholders after the date hereof; and (iv) any Common Stock issued as (or issuable upon the conversion or exercise of any warrant, right, or other security that is issued as) a dividend or other distribution with respect to, or in exchange for or in replacement of, the shares referenced in clauses (i), (ii) and (iii) above; excluding in all cases, however, any Registrable Securities sold by a Person in a transaction in which the applicable rights under this Agreement are not assigned pursuant to Subsection 6.1 and excluding for purposes of Section 2 any shares for which registration rights have terminated pursuant to Subsection 2.13 of this Agreement. For the avoidance of doubt, in no event shall the Registrable Securities include any shares purchased by the Company pursuant to that certain Stock Repurchase Agreement by and among the Company, the certain stockholders of the Company party thereto and Thomas E. Davis, as the seller representative, dated as of the date hereof.

1.21 "**Registrable Securities then outstanding**" means the number of shares determined by adding the number of shares of outstanding Common Stock that are Registrable Securities and the number of shares of Common Stock issuable (directly or indirectly) pursuant to then exercisable and/or convertible securities that are Registrable Securities.

1.22 "**Restricted Securities**" means the securities of the Company required to be notated with the legend set forth in Subsection 2.12(b) hereof.

1.23 "**SEC**" means the Securities and Exchange Commission.

1.24 "**SEC Rule 144**" means Rule 144 promulgated by the SEC under the Securities Act.

1.25 "**SEC Rule 145**" means Rule 145 promulgated by the SEC under the Securities Act.

1.26 "**Securities Act**" means the Securities Act of 1933, as amended, and the rules and regulations promulgated thereunder.

1.27 "**Selling Expenses**" means all underwriting discounts, selling commissions, and stock transfer taxes applicable to the sale of Registrable Securities, and fees and disbursements of counsel for any Holder, except for the fees and disbursements of the Selling Holder Counsel borne and paid by the Company as provided in Subsection 2.6.

1.28 "**Series A Director**" means any director of the Company that the holders of record of the Series A Preferred Stock are entitled to elect, exclusively and as a separate class, pursuant to the Certificate of Incorporation.

1.29 "**Series A Preferred Stock**" means shares of the Company's Series A Preferred Stock, par value $0.00001 per share.

1.30 "**Voting Agreement**" means the Voting Agreement dated of even date herewith by and among the Company and the Stockholders (as defined therein).

2. Registration Rights. The Company covenants and agrees as follows:

2.1 Demand Registration.

(a) Form S-1 Demand. If at any time after the earlier of (i) three (3) years after the date of this Agreement or (ii) one hundred eighty (180) days after the effective date of the registration statement for the IPO, the Company receives a request from Holders of fifty percent (50%) of the Registrable Securities then outstanding that the Company file a Form S-1 registration statement with respect to at least forty percent (40%) of the Registrable Securities then outstanding (or a lesser percent if the anticipated aggregate offering price, net of Selling Expenses, would exceed $15 million), then the Company shall (x) within ten (10) days after the date such request is given, give notice thereof (the "**Demand Notice**") to all Holders other than the Initiating Holders; and (y) as soon as practicable, and in any event within sixty (60) days after the date such request is given by the Initiating Holders, file a Form S-1 registration statement under the Securities Act covering all Registrable Securities that the Initiating Holders requested to be registered and any additional Registrable Securities requested to be included in such registration by any other Holders, as specified by notice given by each such Holder to the Company within twenty (20) days of the date the Demand Notice is given, and in each case, subject to the limitations of Subsections 2.1(c) and 2.3.

(b) Form S-3 Demand. If at any time when it is eligible to use a Form S-3 registration statement, the Company receives a request from Holders of at least thirty percent (30%) of the Registrable Securities then outstanding that the Company file a Form S-3 registration statement with respect to outstanding Registrable Securities of such Holders having an anticipated aggregate offering price, net of Selling Expenses, of at least $5 million, then the Company shall (i) within ten (10) days after the date such request is given, give a Demand Notice to all Holders other than the Initiating Holders; and (ii) as soon as practicable, and in any event within forty-five (45) days after the date such request is given by the Initiating Holders, file a Form S-3 registration statement under the Securities Act covering all Registrable Securities requested to be included in such registration by any other Holders, as specified by notice given by each such Holder to the Company within twenty (20) days of the date the Demand Notice is given, and in each case, subject to the limitations of Subsections 2.1(c) and 2.3.

(c) Notwithstanding the foregoing obligations, if the Company furnishes to Holders requesting a registration pursuant to this Subsection 2.1(c) a certificate signed by the Company's chief executive officer stating that in the good faith judgment of the Board of Directors it would be materially detrimental to the Company and its stockholders for such registration statement to either become effective or remain effective for as long as such registration statement otherwise would be required to remain effective, because such action would (i) materially interfere with a significant acquisition, corporate reorganization, or other similar transaction involving the Company; (ii) require premature disclosure of material information that the Company has a bona fide business purpose for preserving as confidential; or (iii) render the Company unable to comply with requirements under the Securities Act or Exchange Act, then the Company shall have the right to defer taking action with respect to such filing, and any time periods with respect to filing or effectiveness thereof shall be tolled correspondingly, for a period of not more than thirty (30) days after the request of the Initiating Holders is given; provided, however, that the Company may not invoke this right more than once in any twelve (12) month period; and provided further that the Company shall not register any securities for its own account or that of any other stockholder during such thirty (30) day period other than an Excluded Registration.

(d) The Company shall not be obligated to effect, or to take any action to effect, any registration pursuant to Subsection 2.1(a) during the period that is sixty (60) days before the Company's good faith estimate of the date of filing of, and ending on a date that is one hundred eighty (180) days after the effective date of, a Company-initiated registration, provided that the Company is actively employing in good faith commercially reasonable efforts to cause such registration statement to become effective; (ii) after the Company has effected two registrations pursuant to Subsection 2.1(a); or (iii) if the Initiating Holders propose to dispose of shares of Registrable Securities that may be immediately registered on Form S-3 pursuant to a request made pursuant to Subsection 2.1(b). The Company shall not be obligated to effect, or to take any action to effect, any registration pursuant to Subsection 2.1(b) (i) during the period that is thirty (30) days before the Company's good faith estimate of the date of filing of, and ending on a date that is ninety (90) days after the effective date of, a Company-initiated registration, provided that the Company is actively employing in good faith commercially reasonable efforts to cause such registration statement to become effective; or (ii) if the Company has effected two registrations pursuant to Subsection 2.1(b) within the twelve (12) month period immediately preceding the date of such request. A registration shall not be counted as "effected" for purposes of this Subsection 2.1(d) until such time as the applicable registration statement has been declared effective by the SEC, unless the Initiating Holders withdraw their request for such registration, elect not to pay the registration expenses therefor, and forfeit their right to one demand registration statement pursuant to Subsection 2.6, in which case such withdrawn registration statement shall be counted as "effected" for purposes of this Subsection 2.1(d); provided, that if such withdrawal is during a period the Company has deferred taking action pursuant to Subsection 2.1(c), then the Initiating Holders may withdraw their request for registration and such registration will not be counted as "effected" for purposes of this Subsection 2.1(d).

2.2 Company Registration. If the Company proposes to register (including, for this purpose, a registration effected by the Company for stockholders other than the Holders) any of its securities under the Securities Act in connection with the public offering of such securities solely for cash (other than in an Excluded Registration), the Company shall, at such time, promptly give each Holder notice of such registration. Upon the request of each Holder given within twenty (20) days after such notice is given by the Company, the Company shall, subject to the provisions of Subsection 2.3, cause to be registered all of the Registrable Securities that each such Holder has requested to be included in such registration. The Company shall have the right to terminate or withdraw any registration initiated by it under this Subsection 2.2 before the effective date of such registration, whether or not any Holder has elected to include Registrable Securities in such registration. The expenses (other than Selling Expenses) of such withdrawn registration shall be borne by the Company in accordance with Subsection 2.6.

2.3 Underwriting Requirements.

(a) If, pursuant to Subsection 2.1, the Initiating Holders intend to distribute the Registrable Securities covered by their request by means of an underwriting, they shall so advise the Company as a part of their request made pursuant to Subsection 2.1, and the Company shall include such information in the Demand Notice. The underwriter(s) will be selected by the Board of Directors and shall be reasonably acceptable to a majority in interest of the Initiating Holders. In such event, the right of any Holder to include such Holder's Registrable Securities in such registration shall be conditioned upon such Holder's participation in such underwriting and the inclusion of such Holder's Registrable Securities in the underwriting to the extent provided herein. All Holders proposing to distribute their securities through such underwriting shall (together with the Company as provided in Subsection 2.4(e)) enter into an underwriting agreement in customary form with the underwriter(s) selected for such underwriting. Notwithstanding any other provision of this Subsection 2.3, if the underwriter(s) advise(s) the Initiating Holders in writing that marketing factors require a limitation on the number of shares to be underwritten, then the Initiating Holders shall so advise all Holders of Registrable Securities that otherwise would be underwritten pursuant hereto, and the number of Registrable Securities that may be included in the underwriting shall be allocated among

the Holders of Registrable Securities in proportion (as nearly as practicable) to the number of Registrable Securities owned by each such Holder or in such other proportion as shall mutually be agreed to by all such selling Holders; provided, however, that the number of Registrable Securities held by the Holders to be included in such underwriting shall not be reduced unless all other securities are first entirely excluded from the underwriting.

(b) In connection with any offering involving an underwriting of shares of the Company's capital stock pursuant to Subsection 2.2, the Company shall not be required to include any of the Holders' Registrable Securities in such underwriting unless the Holders accept the terms of the underwriting as agreed upon between the Company and its underwriters, and then only in such quantity as the underwriters in their sole discretion determine will not jeopardize the success of the offering by the Company. If the total number of securities, including Registrable Securities, requested by stockholders to be included in such offering exceeds the number of securities to be sold (other than by the Company) that the underwriters in their reasonable discretion determine is compatible with the success of the offering, then the Company shall be required to include in the offering only that number of such securities, including Registrable Securities, which the underwriters and the Company in their sole discretion determine will not jeopardize the success of the offering. If the underwriters determine that less than all of the Registrable Securities requested to be registered can be included in such offering, then the Registrable Securities that are included in such offering shall be allocated among the selling Holders in proportion (as nearly as practicable to) the number of Registrable Securities owned by each selling Holder or in such other proportions as shall mutually be agreed to by all such selling Holders. Notwithstanding the foregoing, in no event shall (i) the number of Registrable Securities included in the offering be reduced unless all other securities (other than securities to be sold by the Company) are first entirely excluded from the offering, or (ii) the number of Registrable Securities included in the offering be reduced below thirty percent (30%) of the total number of securities included in such offering, unless such offering is the IPO, in which case the selling Holders may be excluded further if the underwriters make the determination described above and no other stockholder's securities are included in such offering. For purposes of the provision in this Subsection 2.3(b) concerning apportionment, for any selling Holder that is a partnership, limited liability company, or corporation, the partners, members, retired partners, retired members, stockholders, and Affiliates of such Holder, or the estates and Immediate Family Members of any such partners, retired partners, members, and retired members and any trusts for the benefit of any of the foregoing Persons, shall be deemed to be a single "selling Holder," and any pro rata reduction with respect to such "selling Holder" shall be based upon the aggregate number of Registrable Securities owned by all Persons included in such "selling Holder," as defined in this sentence.

(c) For purposes of Subsection 2.1, a registration shall not be counted as "effected" if, as a result of an exercise of the underwriter's cutback provisions in Subsection 2.3(a), fewer than fifty percent (50%) of the total number of Registrable Securities that Holders have requested to be included in such registration statement are actually included.

2.4 Obligations of the Company. Whenever required under this Section 2 to effect the registration of any Registrable Securities, the Company shall, as expeditiously as reasonably possible:

(a) prepare and file with the SEC a registration statement with respect to such Registrable Securities and use its commercially reasonable efforts to cause such registration statement to become effective and, upon the request of the Holders of a majority of the Registrable Securities registered thereunder, keep such registration statement effective for a period of up to one hundred twenty (120) days or, if earlier, until the distribution contemplated in the registration statement has been completed; provided, however, that (i) such one hundred twenty (120) day period shall be extended for a period of time equal to the period the Holder refrains, at the request of an underwriter of Common Stock (or other securities) of the Company, from selling any securities included in such registration, and (ii) in the case of any registration

of Registrable Securities on Form S-3 that are intended to be offered on a continuous or delayed basis, subject to compliance with applicable SEC rules, such one hundred twenty (120) day period shall be extended for up to one hundred fifty (150) days, if necessary, to keep the registration statement effective until all such Registrable Securities are sold;

(b) prepare and file with the SEC such amendments and supplements to such registration statement, and the prospectus used in connection with such registration statement, as may be necessary to comply with the Securities Act in order to enable the disposition of all securities covered by such registration statement;

(c) furnish to the selling Holders such numbers of copies of a prospectus, including a preliminary prospectus, as required by the Securities Act, and such other documents as the Holders may reasonably request in order to facilitate their disposition of their Registrable Securities;

(d) use its commercially reasonable efforts to register and qualify the securities covered by such registration statement under such other securities or blue-sky laws of such jurisdictions as shall be reasonably requested by the selling Holders; provided that the Company shall not be required to qualify to do business or to file a general consent to service of process in any such states or jurisdictions, unless the Company is already subject to service in such jurisdiction and except as may be required by the Securities Act;

(e) in the event of any underwritten public offering, enter into and perform its obligations under an underwriting agreement, in usual and customary form, with the underwriter(s) of such offering;

(f) use its commercially reasonable efforts to cause all such Registrable Securities covered by such registration statement to be listed on a national securities exchange or trading system and each securities exchange and trading system (if any) on which similar securities issued by the Company are then listed;

(g) provide a transfer agent and registrar for all Registrable Securities registered pursuant to this Agreement and provide a CUSIP number for all such Registrable Securities, in each case not later than the effective date of such registration;

(h) promptly make available for inspection by the selling Holders, any managing underwriter(s) participating in any disposition pursuant to such registration statement, and any attorney or accountant or other agent retained by any such underwriter or selected by the selling Holders, all financial and other records, pertinent corporate documents, and properties of the Company, and cause the Company's officers, directors, employees, and independent accountants to supply all information reasonably requested by any such seller, underwriter, attorney, accountant, or agent, in each case, as necessary or advisable to verify the accuracy of the information in such registration statement and to conduct appropriate due diligence in connection therewith;

(i) notify each selling Holder, promptly after the Company receives notice thereof, of the time when such registration statement has been declared effective or a supplement to any prospectus forming a part of such registration statement has been filed; and

(j) after such registration statement becomes effective, notify each selling Holder of any request by the SEC that the Company amend or supplement such registration statement or prospectus.

In addition, the Company shall ensure that, at all times after any registration statement covering a public offering of securities of the Company under the Securities Act shall have become effective, its insider trading policy shall provide that the Company's directors may implement a trading program under Rule 10b5-1 of the Exchange Act.

2.5 Furnish Information. It shall be a condition precedent to the obligations of the Company to take any action pursuant to this Section 2 with respect to the Registrable Securities of any selling Holder that such Holder shall furnish to the Company such information regarding itself, the Registrable Securities held by it, and the intended method of disposition of such securities as is reasonably required to effect the registration of such Holder's Registrable Securities.

2.6 Expenses of Registration. All expenses (other than Selling Expenses) incurred in connection with registrations, filings, or qualifications pursuant to Section 2, including all registration, filing, and qualification fees; printers' and accounting fees; fees and disbursements of counsel for the Company; and the reasonable fees and disbursements of one counsel for the selling Holders ("Selling Holder Counsel"), shall be borne and paid by the Company; provided, however, that the Company shall not be required to pay for any expenses of any registration proceeding begun pursuant to Subsection 2.1 if the registration request is subsequently withdrawn at the request of the Holders of a majority of the Registrable Securities to be registered (in which case all selling Holders shall bear such expenses pro rata based upon the number of Registrable Securities that were to be included in the withdrawn registration), unless the Holders of a majority of the Registrable Securities agree to forfeit their right to one registration pursuant to Subsections 2.1(a) or 2.1(b), as the case may be; provided further that if, at the time of such withdrawal, the Holders shall have learned of a material adverse change in the condition, business, or prospects of the Company from that known to the Holders at the time of their request and have withdrawn the request with reasonable promptness after learning of such information then the Holders shall not be required to pay any of such expenses and shall not forfeit their right to one registration pursuant to Subsections 2.1(a) or 2.1(b). All Selling Expenses relating to Registrable Securities registered pursuant to this Section 2 shall be borne and paid by the Holders pro rata on the basis of the number of Registrable Securities registered on their behalf.

2.7 Delay of Registration. No Holder shall have any right to obtain or seek an injunction restraining or otherwise delaying any registration pursuant to this Agreement as the result of any controversy that might arise with respect to the interpretation or implementation of this Section 2.

2.8 Indemnification. If any Registrable Securities are included in a registration statement under this Section 2:

(a) To the extent permitted by law, the Company will indemnify and hold harmless each selling Holder, and the partners, members, officers, directors, and stockholders of each such Holder; legal counsel and accountants for each such Holder; any underwriter (as defined in the Securities Act) for each such Holder; and each Person, if any, who controls such Holder or underwriter within the meaning of the Securities Act or the Exchange Act, against any Damages, and the Company will pay to each such Holder, underwriter, controlling Person, or other aforementioned Person any legal or other expenses reasonably incurred thereby in connection with investigating or defending any claim or proceeding from which Damages may result, as such expenses are incurred; provided, however, that the indemnity agreement contained in this Subsection 2.8(a) shall not apply to amounts paid in settlement of any such claim or proceeding if such settlement is effected without the consent of the Company, which consent shall not be unreasonably withheld, nor shall the Company be liable for any Damages to the extent that they arise out of or are based upon actions or omissions made in reliance upon and in conformity with written information furnished by or on behalf of any such Holder, underwriter, controlling Person, or other aforementioned Person expressly for use in connection with such registration.

(b) To the extent permitted by law, each selling Holder, severally and not jointly, will indemnify and hold harmless the Company, and each of its directors, each of its officers who has signed the registration statement, each Person (if any), who controls the Company within the meaning of the Securities Act, legal counsel and accountants for the Company, any underwriter (as defined in the Securities Act), any other Holder selling securities in such registration statement, and any controlling Person of any such underwriter or other Holder, against any Damages, in each case only to the extent that such Damages arise out of or are based upon actions or omissions made in reliance upon and in conformity with written information furnished by or on behalf of such selling Holder expressly for use in connection with such registration; and each such selling Holder will pay to the Company and each other aforementioned Person any legal or other expenses reasonably incurred thereby in connection with investigating or defending any claim or proceeding from which Damages may result, as such expenses are incurred; provided, however, that the indemnity agreement contained in this Subsection 2.8(b) shall not apply to amounts paid in settlement of any such claim or proceeding if such settlement is effected without the consent of the Holder, which consent shall not be unreasonably withheld; and provided further that in no event shall the aggregate amounts payable by any Holder by way of indemnity or contribution under Subsections 2.8(b) and 2.8(d) exceed the proceeds from the offering received by such Holder (net of any Selling Expenses paid by such Holder), except in the case of fraud or willful misconduct by such Holder.

(c) Promptly after receipt by an indemnified party under this Subsection 2.8 of notice of the commencement of any action (including any governmental action) for which a party may be entitled to indemnification hereunder, such indemnified party will, if a claim in respect thereof is to be made against any indemnifying party under this Subsection 2.8, give the indemnifying party notice of the commencement thereof. The indemnifying party shall have the right to participate in such action and, to the extent the indemnifying party so desires, participate jointly with any other indemnifying party to which notice has been given, and to assume the defense thereof with counsel mutually satisfactory to the parties; provided, however, that an indemnified party (together with all other indemnified parties that may be represented without conflict by one counsel) shall have the right to retain one separate counsel, with the fees and expenses to be paid by the indemnifying party, if representation of such indemnified party by the counsel retained by the indemnifying party would be inappropriate due to actual or potential differing interests between such indemnified party and any other party represented by such counsel in such action. The failure to give notice to the indemnifying party within a reasonable time of the commencement of any such action shall relieve such indemnifying party of any liability to the indemnified party under this Subsection 2.8, to the extent that such failure materially prejudices the indemnifying party's ability to defend such action. The failure to give notice to the indemnifying party will not relieve it of any liability that it may have to any indemnified party otherwise than under this Subsection 2.8.

(d) To provide for just and equitable contribution to joint liability under the Securities Act in any case in which either: (i) any party otherwise entitled to indemnification hereunder makes a claim for indemnification pursuant to this Subsection 2.8 but it is judicially determined (by the entry of a final judgment or decree by a court of competent jurisdiction and the expiration of time to appeal or the denial of the last right of appeal) that such indemnification may not be enforced in such case, notwithstanding the fact that this Subsection 2.8 provides for indemnification in such case, or (ii) contribution under the Securities Act may be required on the part of any party hereto for which indemnification is provided under this Subsection 2.8, then, and in each such case, such parties will contribute to the aggregate losses, claims, damages, liabilities, or expenses to which they may be subject (after contribution from others) in such proportion as is appropriate to reflect the relative fault of each of the indemnifying party and the indemnified party in connection with the statements, omissions, or other actions that resulted in such loss, claim, damage, liability, or expense, as well as to reflect any other relevant equitable considerations. The relative fault of the indemnifying party and of the indemnified party shall be determined by reference to, among other things, whether the untrue or allegedly untrue statement of a material fact, or the omission or alleged omission of a material fact, relates to information supplied by the

indemnifying party or by the indemnified party and the parties' relative intent, knowledge, access to information, and opportunity to correct or prevent such statement or omission; provided, however, that, in any such case (x) no Holder will be required to contribute any amount in excess of the public offering price of all such Registrable Securities offered and sold by such Holder pursuant to such registration statement, and (y) no Person guilty of fraudulent misrepresentation (within the meaning of Section 11(f) of the Securities Act) will be entitled to contribution from any Person who was not guilty of such fraudulent misrepresentation; and provided further that in no event shall a Holder's liability pursuant to this Subsection 2.8(d), when combined with the amounts paid or payable by such Holder pursuant to Subsection 2.8(b), exceed the proceeds from the offering received by such Holder (net of any Selling Expenses paid by such Holder), except in the case of willful misconduct or fraud by such Holder.

(e) Notwithstanding the foregoing, to the extent that the provisions on indemnification and contribution contained in the underwriting agreement entered into in connection with the underwritten public offering are in conflict with the foregoing provisions, the provisions in the underwriting agreement shall control.

(f) Unless otherwise superseded by an underwriting agreement entered into in connection with the underwritten public offering, the obligations of the Company and Holders under this Subsection 2.8 shall survive the completion of any offering of Registrable Securities in a registration under this Section 2, and otherwise shall survive the termination of this Agreement.

2.9 Reports Under Exchange Act. With a view to making available to the Holders the benefits of SEC Rule 144 and any other rule or regulation of the SEC that may at any time permit a Holder to sell securities of the Company to the public without registration or pursuant to a registration on Form S-3, the Company shall:

(a) make and keep available adequate current public information, as those terms are understood and defined in SEC Rule 144, at all times after the effective date of the registration statement filed by the Company for the IPO;

(b) use commercially reasonable efforts to file with the SEC in a timely manner all reports and other documents required of the Company under the Securities Act and the Exchange Act (at any time after the Company has become subject to such reporting requirements); and

(c) furnish to any Holder, so long as the Holder owns any Registrable Securities, forthwith upon request (i) to the extent accurate, a written statement by the Company that it has complied with the reporting requirements of SEC Rule 144 (at any time after ninety (90) days after the effective date of the registration statement filed by the Company for the IPO), the Securities Act, and the Exchange Act (at any time after the Company has become subject to such reporting requirements), or that it qualifies as a registrant whose securities may be resold pursuant to Form S-3 (at any time after the Company so qualifies); (ii) a copy of the most recent annual or quarterly report of the Company and such other reports and documents so filed by the Company; and (iii) such other information as may be reasonably requested in availing any Holder of any rule or regulation of the SEC that permits the selling of any such securities without registration (at any time after the Company has become subject to the reporting requirements under the Exchange Act) or pursuant to Form S-3 (at any time after the Company so qualifies to use such form).

2.10 Limitations on Subsequent Registration Rights. From and after the date of this Agreement, the Company shall not, without the prior written consent of the Holders of fifty percent (50%) of the Registrable Securities then outstanding, enter into any agreement with any holder or prospective holder of any securities of the Company that would (i) allow such holder or prospective holder to include

such securities in any registration unless, under the terms of such agreement, such holder or prospective holder may include such securities in any such registration only to the extent that the inclusion of such securities will not reduce the number of the Registrable Securities of the Holders that are included; or (ii) allow such holder or prospective holder to initiate a demand for registration of any securities held by such holder or prospective holder.

2.11 "Market Stand-off" Agreement. Each Holder hereby agrees that it will not, without the prior written consent of the managing underwriter, during the period commencing on the date of the final prospectus relating to the registration by the Company for its own behalf of shares of its Common Stock or any other equity securities under the Securities Act on a registration statement on Form S-1 or Form S-3, and ending on the date specified by the Company and the managing underwriter (such period not to exceed one hundred eighty (180) days in the case of the IPO, or such other period as may be requested by the Company or an underwriter to accommodate regulatory restrictions on (1) the publication or other distribution of research reports, and (2) analyst recommendations and opinions, including, but not limited to, the restrictions contained in FINRA Rule 2711(f)(4) or NYSE Rule 472(f)(4), or any successor provisions or amendments thereto), or ninety (90) days in the case of any registration other than the IPO, or such other period as may be requested by the Company or an underwriter to accommodate regulatory restrictions on (1) the publication or other distribution of research reports and (2) analyst recommendations and opinions, including, but not limited to, the restrictions contained in FINRA Rule 2711(f)(4) or NYSE Rule 472(f)(4), or any successor provisions or amendments thereto), (i) lend; offer; pledge; sell; contract to sell; sell any option or contract to purchase; purchase any option or contract to sell; grant any option, right, or warrant to purchase; or otherwise transfer or dispose of, directly or indirectly, any shares of Common Stock or any securities convertible into or exercisable or exchangeable (directly or indirectly) for Common Stock held immediately before the effective date of the registration statement for such offering or (ii) enter into any swap or other arrangement that transfers to another, in whole or in part, any of the economic consequences of ownership of such securities, whether any such transaction described in clause (i) or (ii) above is to be settled by delivery of Common Stock or other securities, in cash, or otherwise. The foregoing provisions of this Subsection 2.11 shall apply only to the IPO, shall not apply to the sale of any shares to an underwriter pursuant to an underwriting agreement, or the transfer of any shares to any trust for the direct or indirect benefit of the Holder or the immediate family of the Holder, provided that the trustee of the trust agrees to be bound in writing by the restrictions set forth herein, and provided further that any such transfer shall not involve a disposition for value, and shall be applicable to the Holders only if all officers, directors and stockholders individually owning more than 1% of the Company's outstanding Common Stock (after giving effect to conversion into Common Stock of all outstanding Series A Preferred Stock) are subject to the same restrictions. The underwriters in connection with such registration are intended third-party beneficiaries of this Subsection 2.11 and shall have the right, power and authority to enforce the provisions hereof as though they were a party hereto. Each Holder further agrees to execute such agreements as may be reasonably requested by the underwriters in connection with such registration that are consistent with this Subsection 2.11 or that are necessary to give further effect thereto. Any discretionary waiver or termination of the restrictions of any or all of such agreements by the Company or the underwriters shall apply pro rata to all Company stockholders that are subject to such agreements, based on the number of shares subject to such agreements.

2.12 Transfer Restrictions.

(a) The Series A Preferred Stock and the Registrable Securities shall not be sold, pledged, or otherwise transferred, and the Company shall not recognize and shall issue stop-transfer instructions to its transfer agent with respect to any such sale, pledge, or transfer, except upon the conditions specified in this Agreement, which conditions are intended to ensure compliance with the provisions of the Securities Act. A transferring Holder will cause any proposed purchaser, pledgee, or transferee of the Series A Preferred Stock and the Registrable Securities held by such Holder to agree to take and hold such securities subject to the provisions and upon the conditions specified in this Agreement.

(b) Each certificate, instrument, or book entry representing (i) the Series A Preferred Stock, (ii) the Registrable Securities, and (iii) any other securities issued in respect of the securities referenced in clauses (i) and (ii), upon any stock split, stock dividend, recapitalization, merger, consolidation, or similar event, shall be notated with a legend substantially in the following form:

> THE SECURITIES REPRESENTED HEREBY HAVE BEEN ACQUIRED FOR INVESTMENT AND HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933. SUCH SHARES MAY NOT BE SOLD, PLEDGED, OR TRANSFERRED IN THE ABSENCE OF SUCH REGISTRATION OR A VALID EXEMPTION FROM THE REGISTRATION AND PROSPECTUS DELIVERY REQUIREMENTS OF SAID ACT.
>
> THE SECURITIES REPRESENTED HEREBY MAY BE TRANSFERRED ONLY IN ACCORDANCE WITH THE TERMS OF AN AGREEMENT BETWEEN THE COMPANY AND THE STOCKHOLDER, A COPY OF WHICH IS ON FILE WITH THE SECRETARY OF THE COMPANY.

The Holders consent to the Company making a notation in its records and giving instructions to any transfer agent of the Restricted Securities in order to implement the restrictions on transfer set forth in this Subsection 2.12(b).

2.13 Termination of Registration Rights. The right of any Holder to request registration or inclusion of Registrable Securities in any registration pursuant to Subsections 2.1 or 2.2 shall terminate upon the earliest to occur of:

(a) the closing of a Sale of the Company, as such term is defined in the Voting Agreement; and

(b) such time after consummation of the IPO as Rule 144 or another similar exemption under the Securities Act is available for the sale of all of such Holder's shares without limitation during a three-month period without registration.

3. Information and Inspection Rights; Confidentiality.

3.1 Delivery of Financial Statements. The Company shall deliver to each Major Stockholder:

(a) as soon as practicable, but in any event within one hundred eighty (180) days after the end of each fiscal year of the Company (i) a balance sheet as of the end of such year, (ii) statements of income and of cash flows for such year, and a comparison between (x) the actual amounts as of and for such fiscal year and (y) the comparable amounts for the prior year and as included in the Budget (as defined in Subsection 3.1(e)) for such year, with an explanation of any material differences between such amounts and a schedule as to the sources and applications of funds for such year, and (iii) a statement of stockholders' equity as of the end of such year, all such financial statements audited and certified by independent public accountants of nationally or regionally recognized standing selected by the Board of Directors to the extent determined to be appropriate by the Board of Directors;

(b) as soon as practicable, but in any event within forty-five (45) days after the end of each fiscal quarter of the fiscal year of the Company, unaudited statements of income and cash flows for such fiscal quarter, and an unaudited balance sheet and a statement of stockholders' equity as of the end of such fiscal quarter, all prepared in accordance with GAAP (except that such financial statements may (i) be subject to normal year-end audit adjustments; and (ii) not contain all notes thereto that may be required in accordance with GAAP);

(c) as soon as practicable, but in any event within thirty (30) days after the end of each fiscal year of the Company, a statement showing the number of shares of each class and series of capital stock and securities convertible into or exercisable for shares of capital stock outstanding at the end of the period, the Common Stock issuable upon conversion or exercise of any outstanding securities convertible or exercisable for Common Stock and the exchange ratio or exercise price applicable thereto, and the number of shares of issued stock options and stock options not yet issued but reserved for issuance, if any, all in sufficient detail as to permit the Major Stockholders to calculate their respective percentage equity ownership in the Company, and certified by the chief financial officer or chief executive officer of the Company as being true, complete, and correct;

(d) as soon as practicable, but in any event within thirty (30) days of the end of each month, an unaudited income statement and statement of cash flows for such month, and an unaudited balance sheet and statement of stockholders' equity as of the end of such month, all prepared in accordance with GAAP (except that such financial statements may (i) be subject to normal year-end audit adjustments and (ii) not contain all notes thereto that may be required in accordance with GAAP);

(e) as soon as practicable, but in any event thirty (30) days before the end of each fiscal year, a budget and business plan for the next fiscal year (collectively, the "**Budget**"), approved by the Board of Directors (including the Series A Directors) and prepared on a monthly basis, including balance sheets, income statements, and statements of cash flow for such months and, promptly after prepared, any other budgets or revised budgets prepared by the Company;

(f) such other information relating to the financial condition, business, prospects, or corporate affairs of the Company as any Major Stockholder may from time to time reasonably request; provided, however, that the Company shall not be obligated under this Subsection 3.1 to provide information (i) that the Company reasonably determines in good faith to be a trade secret or confidential information (unless covered by an enforceable confidentiality agreement, in a form acceptable to the Company); or (ii) the disclosure of which would adversely affect the attorney-client privilege between the Company and its counsel.

If, for any period, the Company has any subsidiary whose accounts are consolidated with those of the Company, then in respect of such period the financial statements delivered pursuant to the foregoing sections shall be the consolidated and consolidating financial statements of the Company and all such consolidated subsidiaries.

Notwithstanding anything else in this Subsection 3.1 to the contrary, the Company may cease providing the information set forth in this Subsection 3.1 during the period starting with the date sixty (60) days before the Company's good-faith estimate of the date of filing of a registration statement if it reasonably concludes it must do so to comply with the SEC rules applicable to such registration statement and related offering; provided that the Company's covenants under this Subsection 3.1 shall be reinstated at such time as the Company is no longer actively employing its commercially reasonable efforts to cause such registration statement to become effective.

3.2 Inspection. The Company shall permit each Major Stockholder, at such Major Stockholder's expense, to visit and inspect the Company's properties; examine its books of account and records; and discuss the Company's affairs, finances, and accounts with its officers, during normal business hours of the Company as may be reasonably requested by the Major Stockholder; provided, however, that the Company shall not be obligated pursuant to this Subsection 3.2 to provide access to any information that it reasonably and in good faith considers to be a trade secret or confidential information (unless covered by an enforceable confidentiality agreement, in form acceptable to the Company) or the disclosure of which would adversely affect the attorney-client privilege between the Company and its counsel.

3.3 Termination of Information Rights. The covenants set forth in Subsection 3.1 and Subsection 3.2 shall terminate and be of no further force or effect (i) immediately before the consummation of the IPO, (ii) when the Company first becomes subject to the periodic reporting requirements of Section 12(g) or 15(d) of the Exchange Act, or (iii) upon the closing of a Sale of the Company, as such term is defined in the Voting Agreement, whichever event occurs first.

3.4 Confidentiality. Each Investor agrees that such Investor will keep confidential and will not disclose, divulge, or use for any purpose (other than to monitor its investment in the Company) any confidential information obtained from the Company pursuant to the terms of this Agreement (including notice of the Company's intention to file a registration statement), unless such confidential information (a) is known or becomes known to the public in general (other than as a result of a breach of this Subsection 3.5 by such Investor), (b) is or has been independently developed or conceived by such Investor without use of the Company's confidential information, or (c) is or has been made known or disclosed to such Investor by a third party without a breach of any obligation of confidentiality such third party may have to the Company; provided, however, that an Investor may disclose confidential information (i) to its attorneys, accountants, consultants, and other professionals to the extent necessary to obtain their services in connection with monitoring its investment in the Company; (ii) to any prospective purchaser of any Registrable Securities from such Investor, if such prospective purchaser agrees to be bound by the provisions of this Subsection 3.5; (iii) to any existing or prospective Affiliate, partner, member, stockholder, or wholly owned subsidiary of such Investor in the ordinary course of business, provided that such Investor informs such Person that such information is confidential and directs such Person to maintain the confidentiality of such information; or (iv) as may otherwise be required by law, regulation, rule, court order or subpoena, provided that such Investor promptly notifies the Company of such disclosure and takes reasonable steps to minimize the extent of any such required disclosure.

4. Rights to Future Stock Issuances.

4.1 Right of First Offer. Subject to the terms and conditions of this Subsection 4.1 and applicable securities laws, if the Company proposes to offer or sell any New Securities, the Company shall first offer such New Securities to each Major Stockholder. A Major Stockholder who is an Investor shall be entitled to apportion the right of first offer hereby granted to it in such proportions as it deems appropriate, among (i) itself, (ii) its Affiliates and (iii) its beneficial interest holders, such as limited partners, members or any other Person having "beneficial ownership," as such term is defined in Rule 13d-3 promulgated under the Exchange Act, of such Major Stockholder ("**Investor Beneficial Owners**"); provided that each such Affiliate or Investor Beneficial Owner agrees to enter into this Agreement and each of the Voting Agreement and Right of First Refusal and Co-Sale Agreement of even date herewith among the Company, the Investors and the other parties named therein, as an "Investor" under each such agreement. A Major Stockholder who is a Key Holder shall be entitled to exercise its right of first offer hereunder, except that such right may only be exercised by the Key Holder and not by any Affiliate thereof (other than an Affiliated Trust).

(a) The Company shall give notice (the "**Offer Notice**") to each Major Stockholder, stating (i) its bona fide intention to offer such New Securities, (ii) the number of such New Securities to be offered, and (iii) the price and terms, if any, upon which it proposes to offer such New Securities.

(b) By notification to the Company within twenty (20) days after the Offer Notice is given, each Major Stockholder may elect to purchase or otherwise acquire, at the price and on the terms specified in the Offer Notice, up to that portion of such New Securities which equals the proportion that the Common Stock then held by such Major Stockholder (including all shares of Common Stock then issuable (directly or indirectly) upon conversion and/or exercise, as applicable, of the Series A Preferred Stock and any other Derivative Securities then held by such Major Stockholder) bears to the total Common Stock of the Company then held by all the Major Stockholders (including all shares of Common Stock issuable (directly or indirectly) upon conversion and/or exercise, as applicable, of the Series A Preferred Stock and any other Derivative Securities then held by all the Major Stockholders). At the expiration of such twenty (20) day period, the Company shall promptly notify each Major Stockholder that elects to purchase or acquire all the shares available to it (each, a "**Fully Exercising Investor**") of any other Major Stockholder's failure to do likewise. During the ten (10) day period commencing after the Company has given such notice, each Fully Exercising Investor may, by giving notice to the Company, elect to purchase or acquire, in addition to the number of shares specified above, up to that portion of the New Securities for which Major Stockholders were entitled to subscribe but that were not subscribed for by the Major Stockholders which is equal to the proportion that the Common Stock issued and held, or issuable (directly or indirectly) upon conversion and/or exercise, as applicable, of Series A Preferred Stock and any other Derivative Securities then held, by such Fully Exercising Investor bears to the Common Stock issued and held, or issuable (directly or indirectly) upon conversion and/or exercise, as applicable, of the Series A Preferred Stock and any other Derivative Securities then held, by all Fully Exercising Investors who wish to purchase such unsubscribed shares. The closing of any sale pursuant to this Subsection 4.1(b) shall occur within the later of one hundred and twenty (120) days of the date that the Offer Notice is given and the date of initial sale of New Securities pursuant to Subsection 4.1(c).

(c) If all New Securities referred to in the Offer Notice are not elected to be purchased or acquired as provided in Subsection 4.1(b), the Company may, during the one hundred and twenty (120) day period following the expiration of the periods provided in Subsection 4.1(b), offer and sell the remaining unsubscribed portion of such New Securities to any Person or Persons at a price not less than, and upon terms no more favorable to the offeree than, those specified in the Offer Notice. If the Company does not enter into an agreement for the sale of the New Securities within such period, or if such agreement is not consummated within thirty (30) days of the execution thereof, the right provided hereunder shall be deemed to be revived and such New Securities shall not be offered unless first reoffered to the Major Stockholders in accordance with this Subsection 4.1.

(d) The right of first offer in this Subsection 4.1 shall not be applicable to (i) Exempted Securities (as defined in the Certificate of Incorporation); (ii) the sale of any Additional Shares pursuant to Subsection 1.3 of the Purchase Agreement and (iii) shares of Common Stock issued in the IPO.

4.2 Termination. The covenants set forth in Subsection 4.1 shall terminate and be of no further force or effect (i) immediately before the consummation of the IPO, (ii) when the Company first becomes subject to the periodic reporting requirements of Section 12(g) or 15(d) of the Exchange Act, or (iii) upon the closing of a Sale of the Company, as such term is defined in the Voting Agreement, whichever event occurs first.

5. Additional Covenants.

5.1 Insurance. The Company shall obtain, within ninety (90) days of the date hereof, from financially sound and reputable insurers Directors and Officers liability insurance in an amount and on terms and conditions satisfactory to the Board of Directors, and will use commercially reasonable efforts to cause such insurance policies to be maintained until such time as the Board of Directors determines that such insurance should be discontinued. Notwithstanding any other provision of this Section 5.1 to the contrary, for so long as a Series A Director (as defined in the Certificate of Incorporation) is serving on the Board of Directors, the Company shall not cease to maintain a Directors and Officers liability insurance policy in an amount of at least $3 million unless approved by such Series A Directors. Notwithstanding any other provision of this Section 5.1 to the contrary, for so long as a Founder Director (as defined in the Voting Agreement) is serving on the Board of Directors, the Company shall not cease to maintain a Directors and Officers liability insurance policy in an amount of at least $3 million unless approved by such Founder Director.

5.2 Employee Agreements. The Company will cause (i) each Person now or hereafter employed by it or by any subsidiary (or engaged by the Company or any subsidiary as a consultant/independent contractor) with access to confidential information and/or trade secrets to enter into a nondisclosure and proprietary rights assignment agreement; and (ii) each Key Employee to enter into a one (1) year non-solicitation agreement, substantially in the form approved by the Board of Directors. In addition, the Company shall not amend, modify, terminate, waive, or otherwise alter, in whole or in part, any of the above-referenced agreements or any restricted stock agreement between the Company and any employee, without the consent of the Series A Directors.

5.3 Employee Stock. Unless otherwise approved by the Board of Directors, including the Series A Directors, all future employees and consultants of the Company who purchase, receive options to purchase, or receive awards of shares of the Company's capital stock after the date hereof shall be required to execute restricted stock or option agreements, as applicable, providing for (i) vesting of shares over a four (4) year period, with the first twenty-five percent (25%) of such shares vesting following twelve (12) months of continued employment or service, and the remaining shares vesting in equal monthly installments over the following thirty-six (36) months, and (ii) a market stand-off provision substantially similar to that in Subsection 2.11. Without the prior approval by the Board of Directors, including the Series A Directors, the Company shall not amend, modify, terminate, waive or otherwise alter, in whole or in part, any stock purchase, stock restriction or option agreement with any existing employee or service provider if such amendment would cause it to be inconsistent with this Subsection 5.3. In addition, unless otherwise approved by the Board of Directors, including the Series A Directors, the Company shall retain (and not waive) a "right of first refusal" on employee transfers until the Company's IPO and shall have the right to repurchase unvested shares at cost upon termination of employment of a holder of restricted stock.

5.4 Matters Requiring Executive Committee Approval. Notwithstanding the foregoing, the Company hereby covenants and agrees that, from the date hereof and until the eighteen (18) month anniversary of the date hereof, it shall not, without the approval of the Executive Committee (as defined below), including the affirmative vote of the Founder Director designated to the Executive Committee and the THP Director designated to the Executive Committee:

(a) take any actions related to organizational structure and reporting, or hire, terminate, or change the compensation of the executive officers, including approving any option grants or stock awards to executive officers;

(b) create, or hold capital stock in, any new subsidiary, or permit any subsidiary to create, or authorize the creation of, or issue or obligate itself to issue, any shares of any class or series of capital stock, or sell, transfer or otherwise dispose of any capital stock of any direct or indirect subsidiary of the Corporation, or permit any direct or indirect subsidiary to sell, lease, transfer, exclusively license or otherwise dispose (in a single transaction or series of related transactions) of all or substantially all of the assets of such subsidiary;

(c) issue any of the reports required to be issued under Subsection 3.1 of this Agreement;

(d) select a location for any manufacturing or distribution site to be used by the Company or any of its subsidiaries; or

(e) make any capital expenditures or other purchases in excess of $100,000, regardless of whether such capital expenditure or purchase is authorized by the Budget.

5.5 Matters Requiring Founder Director Approval. So long as the Key Holders are entitled to elect the Founder Directors, the Company hereby covenants and agrees with each of the Key Holders that it shall not, without approval of the Board of Directors, which approval must include the affirmative vote of at least one of the Founder Directors:

(a) merge or consolidate with, make any payment to, or sell, lease, transfer or otherwise dispose of any of its properties or assets to, or purchase any property or assets from, or enter into or make or amend any transaction, contract, agreement, loan, advance or guarantee with any Affiliate of THP; or

(b) change the corporate name or brand name of the Company at any time prior to the earlier of the closing of a Deemed Liquidation Event or the eighteen month anniversary of the date hereof .

5.6 Board Matters. Unless otherwise determined by the vote of a majority of the directors then in office, the Board of Directors shall meet at least quarterly in accordance with an agreed-upon schedule. The Company shall reimburse the nonemployee directors for all reasonable out-of-pocket travel expenses incurred (consistent with the Company's travel policy) in connection with attending meetings of the Board of Directors. The Board of Directors shall cause to be established, as soon as practicable after the execution and delivery of this Agreement, and will maintain until the eighteen (18) month anniversary of the date hereof, an executive committee, which shall consist initially of Thomas E. Davis (or if he resigns or is otherwise not willing or able to continue serving on the executive committee, Irene Davis) and Paul Grossman (the "**Executive Committee**"); and thereafter, the Executive Committee shall continue only at the election and direction of the Board of Directors.

5.7 Successor Indemnification. If the Company or any of its successors or assignees consolidates with or merges into any other Person and is not the continuing or surviving corporation or entity of such consolidation or merger, then provision shall be made so that the successors and assignees of the Company assume the obligations of the Company with respect to indemnification of members of the Board of Directors as in effect immediately before such transaction, whether such obligations are contained in the Company's Bylaws, the Certificate of Incorporation, or elsewhere, as the case may be.

5.8 Expenses of Counsel. In the event of a transaction which is a Sale of the Company (as defined in the Voting Agreement of even date herewith among the Investors, the Company and the other parties named therein), the reasonable fees and disbursements of one counsel for the Investors ("**Investor Counsel**"), in their capacities as stockholders, shall be borne and paid by the Company. At the outset of considering a transaction which, if consummated would constitute a Sale of the Company, the Company shall obtain the ability to share with the Investor Counsel (and such counsel's clients) and shall

share the confidential information (including, without limitation, the initial and all subsequent drafts of memoranda of understanding, letters of intent and other transaction documents and related noncompete, employment, consulting and other compensation agreements and plans) pertaining to and memorializing any of the transactions which, individually or when aggregated with others would constitute the Sale of the Company. The Company shall be obligated to share (and cause the Company's counsel and investment bankers to share) such materials when distributed to the Company's executives and/or any one or more of the other parties to such transaction(s). In the event that Investor Counsel deems it appropriate, in its reasonable discretion, to enter into a joint defense agreement or other arrangement to enhance the ability of the parties to protect their communications and other reviewed materials under the attorney client privilege, the Company shall, and shall direct its counsel to, execute and deliver to Investor Counsel and its clients such an agreement in form and substance reasonably acceptable to Investor Counsel. In the event that one or more of the other party or parties to such transactions require the clients of Investor Counsel to enter into a confidentiality agreement and/or joint defense agreement in order to receive such information, then the Company shall share whatever information can be shared without entry into such agreement and shall, at the same time, in good faith work expeditiously to enable Investor Counsel and its clients to negotiate and enter into the appropriate agreement(s) without undue burden to the clients of Investor Counsel.

5.9 Indemnification Matters. The Company hereby acknowledges that one (1) or more of the directors nominated to serve on the Board of Directors by the Investors (each an "**Investor Director**") may have certain rights to indemnification, advancement of expenses and/or insurance provided by one or more of the Investors and certain of their Affiliates (collectively, the "**Investor Indemnitors**"). The Company hereby agrees (a) that it is the indemnitor of first resort (*i.e.*, its obligations to any such Investor Director are primary and any obligation of the Investor Indemnitors to advance expenses or to provide indemnification for the same expenses or liabilities incurred by such Investor Director are secondary), (b) that it shall be required to advance the full amount of expenses incurred by such Investor Director and shall be liable for the full amount of all expenses, judgments, penalties, fines and amounts paid in settlement by or on behalf of any such Investor Director to the extent legally permitted and as required by the Company's Certificate of Incorporation or Bylaws of the Company (or any agreement between the Company and such Investor Director), without regard to any rights such Investor Director may have against the Investor Indemnitors, and, (c) that it irrevocably waives, relinquishes and releases the Investor Indemnitors from any and all claims against the Investor Indemnitors for contribution, subrogation or any other recovery of any kind in respect thereof. The Company further agrees that no advancement or payment by the Investor Indemnitors on behalf of any such Investor Director with respect to any claim for which such Investor Director has sought indemnification from the Company shall affect the foregoing and the Investor Indemnitors shall have a right of contribution and/or be subrogated to the extent of such advancement or payment to all of the rights of recovery of such Investor Director against the Company. The Investor Directors and the Investor Indemnitors are intended third-party beneficiaries of this Subsection 5.9 and shall have the right, power and authority to enforce the provisions of this Subsection 5.9 as though they were a party to this Agreement.

5.10 Right to Conduct Activities. The Company hereby agrees and acknowledges that Telegraph Hill Partners Management Company LLC (together with its Affiliates) (collectively, "**THP**") is a professional investment organization, and as such reviews the business plans and related proprietary information of many enterprises, some of which may compete directly or indirectly with the Company's business (as currently conducted or as currently propose to be conducted). The Company hereby agrees that, to the extent permitted under applicable law, THP shall not be liable to the Company for any claim arising out of, or based upon, (i) the investment by THP in any entity competitive with the Company, or (ii) actions taken by any partner, officer, employee or other representative of THP to assist any such competitive company, whether or not such action was taken as a member of the board of directors of such competitive company or otherwise, and whether or not such action has a detrimental effect on the Company; provided, however, that the foregoing shall not relieve (x) any of the Investors from liability

associated with the unauthorized disclosure of the Company's confidential information obtained pursuant to this Agreement, or (y) any director or officer of the Company from any liability associated with his or her fiduciary duties to the Company.

5.11 Harassment Policy. The Company shall, within sixty (60) days following the Closing (as defined in the Purchase Agreement), adopt and thereafter maintain in effect (i) a Code of Conduct governing appropriate workplace behavior and (ii) an Anti-Harassment and Discrimination Policy prohibiting discrimination and harassment at the Company. Such policy shall be reviewed and approved by the Board of Directors.

5.12 Termination of Covenants. The covenants set forth in this Section 5, except for Subsections 5.7, 5.8, and 5.9, shall terminate and be of no further force or effect (i) immediately before the consummation of the IPO, (ii) when the Company first becomes subject to the periodic reporting requirements of Section 12(g) or 15(d) of the Exchange Act, or (iii) upon a Sale of the Company, as such term is defined in the Voting Agreement, whichever event occurs first.

6. Miscellaneous.

6.1 Successors and Assigns. The rights under this Agreement may be assigned (but only with all related obligations) by a Holder to a transferee of Registrable Securities that (i) is an Affiliate of a Holder; (ii) is a Holder's Immediate Family Member or trust for the benefit of an individual Holder or one or more of such Holder's Immediate Family Members; or (iii) after such transfer, holds at least 2,335,523 shares of Registrable Securities (subject to appropriate adjustment for stock splits, stock dividends, combinations, and other recapitalizations); provided, however, that (x) the Company is, within a reasonable time after such transfer, furnished with written notice of the name and address of such transferee and the Registrable Securities with respect to which such rights are being transferred; and (y) such transferee agrees in a written instrument delivered to the Company to be bound by and subject to the terms and conditions of this Agreement, including the provisions of Subsection 2.11. For the purposes of determining the number of shares of Registrable Securities held by a transferee, the holdings of a transferee (1) that is an Affiliate or stockholder of a Holder; (2) who is a Holder's Immediate Family Member; or (3) that is a trust for the benefit of an individual Holder or such Holder's Immediate Family Member shall be aggregated together and with those of the transferring Holder; provided further that all transferees who would not qualify individually for assignment of rights shall, as a condition to the applicable transfer, establish a single attorney-in-fact for the purpose of exercising any rights, receiving notices, or taking any action under this Agreement. The terms and conditions of this Agreement inure to the benefit of and are binding upon the respective successors and permitted assignees of the parties. Nothing in this Agreement, express or implied, is intended to confer upon any party other than the parties hereto or their respective successors and permitted assignees any rights, remedies, obligations or liabilities under or by reason of this Agreement, except as expressly provided herein.

6.2 Governing Law. This Agreement shall be governed by the internal law of the State of California, without regard to conflict of law principles that would result in the application of any law other than the law of the State of California.

6.3 Counterparts. This Agreement may be executed in two (2) or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument. Counterparts may be delivered via facsimile, electronic mail (including pdf or any electronic signature complying with the U.S. federal ESIGN Act of 2000, *e.g.*, www.docusign.com) or other transmission method and any counterpart so delivered shall be deemed to have been duly and validly delivered and be valid and effective for all purposes.

6.4 Titles and Subtitles. The titles and subtitles used in this Agreement are for convenience only and are not to be considered in construing or interpreting this Agreement.

6.5 Notices.

(a) All notices and other communications given or made pursuant to this Agreement shall be in writing and shall be deemed effectively given upon the earlier of actual receipt or (i) personal delivery to the party to be notified; (ii) when sent, if sent by electronic mail or facsimile during the recipient's normal business hours, and if not sent during normal business hours, then on the recipient's next business day; (iii) five (5) days after having been sent by registered or certified mail, return receipt requested, postage prepaid; or (iv) one (1) business day after the business day of deposit with a nationally recognized overnight courier, freight prepaid, specifying next-day delivery, with written verification of receipt. All communications shall be sent to the respective parties at their addresses as set forth on Schedule A hereto, or to the principal office of the Company and to the attention of the Chief Executive Officer, in the case of the Company, or to such email address, facsimile number, or address as subsequently modified by written notice given in accordance with this Subsection 6.5. If notice is given to the Company, a copy shall also be sent to Crandon Law, 36 Grattan Street; San Francisco, CA 94117, Attn: John Crandon, john@crandonlaw.com and if notice is given to Stockholders, a copy shall also be given to Orrick, Herrington & Sutcliffe LLP, 405 Howard Street, San Francisco, CA 94105, Attn. John Seegal, jseegal@orrick.com and Jeannie Shin, jshin@orrick.com.

(b) Consent to Electronic Notice. Each Investor and Key Holder consents to the delivery of any stockholder notice, by electronic transmission at the electronic mail address set forth below such Investor's name on the Schedules hereto, as updated from time to time by notice to the Company, or as on the books of the Company. Each Investor and Key Holder agrees to promptly notify the Company of any change in such stockholder's electronic mail address, and that failure to do so shall not affect the foregoing.

6.6 Amendments and Waivers. Any term of this Agreement may be amended, modified or terminated and the observance of any term of this Agreement may be waived (either generally or in a particular instance, and either retroactively or prospectively) only with the written consent of the Company and the holders of at least a majority of the Registrable Securities then outstanding; provided that any provision hereof may be waived by any waiving party on such party's own behalf, without the consent of any other party. Notwithstanding the foregoing, (a) this Agreement may not be amended, modified or terminated and the observance of any term hereof may not be waived with respect to any Major Stockholder without the written consent of such Major Stockholder, unless such amendment, modification, termination, or waiver applies to all Major Stockholders in the same fashion (it being agreed that a waiver of the provisions of Section 4 with respect to a particular transaction shall be deemed to apply to all Major Stockholder in the same fashion if such waiver does so by its terms, notwithstanding the fact that certain Major Stockholders may nonetheless, by agreement with the Company, purchase securities in such transaction), (b) Subsections 3.1 and 3.2, Section 4 and any other section of this Agreement applicable to the Major Stockholders (including this clause (b) of this Subsection 6.6) may not be amended, modified, terminated or waived without the written consent of the holders of at least a majority of the Registrable Securities then outstanding and held by the Major Stockholders, (c) the threshold stock ownership required to be held by Key Holders in order for such Key Holders to be considered Major Stockholders, Sections 3 and 4, and Subsections 5.1, 5.5 and 5.7 shall not be amended or modified without the written consent of the holders of at least a majority of the Registrable Securities then outstanding and held by the Key Holders, and (d) at any time on or prior to the eighteen month anniversary of the date hereof, Subsection 5.4 and the last sentence of Section 5.6 may not be amended, modified, terminated or waived without the unanimous written consent of the Executive Committee. Notwithstanding the foregoing, Schedule A hereto may be amended by the Company from time to time to add transferees of any Registrable Securities in compliance

with the terms of this Agreement without the consent of the other parties. The Company shall give prompt notice of any amendment, modification or termination hereof or waiver hereunder to any party hereto that did not consent in writing to such amendment, modification, termination, or waiver. Any amendment, modification, termination, or waiver effected in accordance with this Subsection 6.6 shall be binding on all parties hereto, regardless of whether any such party has consented thereto. No waivers of or exceptions to any term, condition, or provision of this Agreement, in any one or more instances, shall be deemed to be or construed as a further or continuing waiver of any such term, condition, or provision.

6.7 Severability. In case any one or more of the provisions contained in this Agreement is for any reason held to be invalid, illegal or unenforceable in any respect, such invalidity, illegality, or unenforceability shall not affect any other provision of this Agreement, and such invalid, illegal, or unenforceable provision shall be reformed and construed so that it will be valid, legal, and enforceable to the maximum extent permitted by law.

6.8 Aggregation of Stock. All shares of Registrable Securities held or acquired by Affiliates shall be aggregated together for the purpose of determining the availability of any rights under this Agreement and such Affiliated persons may apportion such rights as among themselves in any manner they deem appropriate, provided, however, that in the case of the Key Holders such rights may be exercised only by such Key Holder and not an Affiliate thereof (other than an Affiliated Trust).

6.9 Entire Agreement. This Agreement (including any Schedules and Exhibits hereto) constitutes the full and entire understanding and agreement among the parties with respect to the subject matter hereof, and any other written or oral agreement relating to the subject matter hereof existing between the parties is expressly canceled.

6.10 Dispute Resolution. The parties (a) hereby irrevocably and unconditionally submit to the jurisdiction of the state courts of California and to the jurisdiction of the United States District Court for the Northern District of California for the purpose of any suit, action or other proceeding arising out of or based upon this Agreement, (b) agree not to commence any suit, action or other proceeding arising out of or based upon this Agreement except in the state courts of California or the United States District Court for the Northern District of California, and (c) hereby waive, and agree not to assert, by way of motion, as a defense, or otherwise, in any such suit, action or proceeding, any claim that it is not subject personally to the jurisdiction of the above-named courts, that its property is exempt or immune from attachment or execution, that the suit, action or proceeding is brought in an inconvenient forum, that the venue of the suit, action or proceeding is improper or that this Agreement or the subject matter hereof may not be enforced in or by such court.

WAIVER OF JURY TRIAL: EACH PARTY HEREBY WAIVES ITS RIGHTS TO A JURY TRIAL OF ANY CLAIM OR CAUSE OF ACTION BASED UPON OR ARISING OUT OF THIS AGREEMENT, THE OTHER TRANSACTION DOCUMENTS, THE SECURITIES OR THE SUBJECT MATTER HEREOF OR THEREOF. THE SCOPE OF THIS WAIVER IS INTENDED TO BE ALL-ENCOMPASSING OF ANY AND ALL DISPUTES THAT MAY BE FILED IN ANY COURT AND THAT RELATE TO THE SUBJECT MATTER OF THIS TRANSACTION, INCLUDING, WITHOUT LIMITATION, CONTRACT CLAIMS, TORT CLAIMS (INCLUDING NEGLIGENCE), BREACH OF DUTY CLAIMS, AND ALL OTHER COMMON LAW AND STATUTORY CLAIMS. THIS SECTION HAS BEEN FULLY DISCUSSED BY EACH OF THE PARTIES HERETO AND THESE PROVISIONS WILL NOT BE SUBJECT TO ANY EXCEPTIONS. EACH PARTY HERETO HEREBY FURTHER WARRANTS AND REPRESENTS THAT SUCH PARTY HAS REVIEWED THIS WAIVER WITH ITS LEGAL COUNSEL, AND THAT SUCH PARTY KNOWINGLY AND VOLUNTARILY WAIVES ITS JURY TRIAL RIGHTS FOLLOWING CONSULTATION WITH LEGAL COUNSEL.

6.11 Attorneys' Fees. If any party to this Agreement seeks to enforce its rights under this Agreement by legal proceedings, the non-prevailing party shall pay all costs and expenses incurred by the prevailing party, including, without limitation, all reasonable attorneys' fees.

6.12 Delays or Omissions. No delay or omission to exercise any right, power, or remedy accruing to any party under this Agreement, upon any breach or default of any other party under this Agreement, shall impair any such right, power, or remedy of such nonbreaching or nondefaulting party, nor shall it be construed to be a waiver of or acquiescence to any such breach or default, or to any similar breach or default thereafter occurring, nor shall any waiver of any single breach or default be deemed a waiver of any other breach or default theretofore or thereafter occurring. All remedies, whether under this Agreement or by law or otherwise afforded to any party, shall be cumulative and not alternative.

[Remainder of Page Intentionally Left Blank]

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date first written above.

COMPANY:

ALPHA TEKNOVA, INC.,
a Delaware corporation

/s/ Thomas Davis
Name: Thomas E. Davis
Title: Chief Executive Officer

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date first written above.

KEY HOLDER:

THOMAS E. DAVIS

/s/ Thomas Davis
(Signature)

Address:

Email:

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date first written above.

KEY HOLDER:

IRENE DAVIS

/s/ Irene Davis
(Signature)

Address:

Email:

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date first written above.

INVESTOR:

TELEGRAPH HILL PARTNERS IV, L.P.

By: Telegraph Hill Partners IV Investment Management, LLC
Its: General Partner

By: Telegraph Hill Partners Management Company LLC
Its: Manager

/s/ J. Matthew Mackowski
Name: J. Matthew Mackowski
Title: Managing Director

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date first written above.

INVESTOR:

THP IV AFFILIATES FUND, LLC

By: Telegraph Hill Partners IV Investment Management, LLC
Its: Manager

By: Telegraph Hill Partners Management Company LLC
Its: Manager

/s/ J. Matthew Mackowski
Name: J. Matthew Mackowski
Title: Managing Director

SCHEDULE A

Investors

Telegraph Hill Partners IV, L.P.
360 Post St # 601
San Francisco, CA 94108
Attention: J. Matthew Mackowski and Paul Grossman

THP IV Affiliates Fund, LLC
360 Post St # 601
San Francisco, CA 94108
Attention: J. Matthew Mackowski and Paul Grossman

SCHEDULE B

Key Holders

Thomas E. Davis
2290 Bert Dr.
Hollister, CA 95023

Irene Davis
2290 Bert Dr.
Hollister, CA 95023

Exhibit 10.1

ALPHA TEKNOVA, INC.

2016 STOCK PLAN

1. Purposes of Plan. The purposes of this 2016 Stock Plan ("Plan") are to attract and retain the best available personnel for positions of substantial responsibility, to provide additional incentive to Employees and Consultants of Company, and to promote the success of the business of the Company. Options granted under the Plan may be Incentive Stock Options or Nonstatutory Stock Options (as defined below), as determined by the Board at the time of grant of an option and subject to the applicable provisions of Section 422 of the Code and the regulations promulgated thereunder. Stock Purchase Offers (as defined below) may also be extended under the Plan.

2. Definitions. As used herein, the following definitions apply:

(a) "Board" means the Board of Directors of Alpha Teknova, Inc., a California corporation.

(b) "Code" means the Internal Revenue Code of 1986, as amended.

(c) "Common Stock" means the Common Stock of Alpha Teknova, Inc.

(d) "Company" means, collectively, Alpha Teknova, Inc., any Parent, and any Subsidiary, unless the context indicates otherwise.

(e) "Consultant" means any person, including an advisor, who is engaged by the Company to render services and is compensated for such services, including "leased employees," and any director of the Company whether or not compensated for such services.

(f) "Continuous Status as an Employee or Consultant" means the absence of any interruption or termination of service as an Employee or Consultant. Continuous Status as an Employee or Consultant will not be considered interrupted in the case of (i) sick leave; (ii) military leave; (iii) any other leave of absence approved by the Board, so long as such leave is for a period of not more than 90 days unless reemployment upon the expiration of such leave is guaranteed by contract or statute, or unless provided otherwise pursuant to Company policy adopted from time to time; or (iv) transfers between other locations of Company or its successor. For purposes of this Plan, a change in status from an Employee to a Consultant or from a Consultant to an Employee will not constitute an interruption of Continuous Status as an Employee or Consultant, but may result in a change of the categorization of the stock option granted and the subsequent tax treatment.

(g) "Date of Grant" means the date that a Participant is granted an Option as specified in the written option agreement delivered at the time of the grant of an Option.

(h) "Date of Offer" means the date an offer is made by the Company to a Participant, which date is the effective date set forth on any executed Restricted Stock Purchase Agreement delivered in accordance with Section 9 hereof.

(i) "Employee" means any person, including officers and directors, employed by the Company, with the status of employment determined based upon such minimum number of hours or periods worked as determined by the Board in its discretion, subject to any requirements of the Code. The payment by the Company of a director's fee to a director will not be sufficient to constitute "employment" of the director by the Company.

(j) "Exercise Price" means the purchase price per Share, payable upon exercise of the Option, as determined by the Board as of the Date of Grant.

(k) "Fair Market Value" means, as of any date, the fair market value of Common Stock determined, in the absence of an established market for the Common Stock, by the Board in good faith on such basis as it deems appropriate.

(l) "Incentive Stock Option" means the whole or any part of an Option intended to qualify as an incentive stock option within the meaning of Section 422 of the Code, as designated in the applicable written option agreement.

(m) "Nonstatutory Stock Option" means the whole or part of an Option not intended to qualify, or which does not qualify, as an Incentive Stock Option, as designated in the applicable written option agreement.

(n) "Option" means a stock option granted pursuant to the Plan.

(o) "Optioned Stock" means the Common Stock subject to an Option.

(p) "Participant" means an Employee or Consultant who is chosen to participate in the Plan and who is granted an Option or extended a Stock Purchase Offer.

(q) "Parent" means a "parent corporation" (as defined in Section 424(e) of the Code, or any successor provision) whether now or hereafter existing.

(r) "Plan" means this Alpha Teknova, Inc. 2016 Stock Plan.

(s) "Restricted Stock" means Shares purchased pursuant to Section 9 hereof.

(t) "Share" means a share of the Common Stock, as adjusted in accordance with Section 10 hereof.

(u) "Stock Purchase Offer" means an offer by the Company to sell Common Stock pursuant to Section 9 hereof.

(v) "Subsidiary" means a "subsidiary corporation" (as defined in Section 424(t) of the Code, or any successor provision) of Company whether now or hereafter existing.

3. Stock Subject to the Plan. Subject to the provisions of Section 10 hereof, the maximum aggregate number of Shares that may be optioned and sold under the Plan is 3,000,000 shares of Common Stock. The Shares may be authorized, but unissued, or reacquired Common Stock. If an Option should expire or become unexercisable for any reason without having been exercised in full, the unpurchased Shares will become available for future grant under the Plan, unless the Plan has been terminated.

4. Administration of the Plan.

(a) Initial Plan Procedure. The Board will administer the Plan.

(b) Powers of the Board. Subject to the provisions of the Plan and to the approval of any relevant authorities, the Board, in its discretion, will have the authority to:

(i) determine the Fair Market Value of the Common Stock;

(ii) select the Participants to whom Options may be granted and Stock Purchase Offers may be extended, from time to time under this Plan;

(iii) determine whether and to what extent Options are granted, and Stock Purchase Offers are extended, or any combination thereof under this Plan;

(iv) determine the number of Shares to be covered by each grant or offer hereunder;

(v) approve forms of agreement for use under the Plan;

(vi) determine the terms and conditions, not inconsistent with the terms of the Plan, of any grant or offer hereunder;

(vii) determine the type of consideration and method of payment for Shares issued pursuant to exercise of an Option or acquisition of Restricted Stock;

(viii) reduce the Exercise Price of any Option to the then current Fair Market Value if the Fair Market Value of the Common Stock covered by the Option has declined since the Date of Grant;

(ix) determine the terms and restrictions applicable to Restricted Stock;

(x) construe and interpret the terms of the Plan and grants or offers pursuant to the Plan; and

(xi) modify grants of Options or offers for the purchase of Restricted Stock to Participants who are foreign nationals or employed outside of the United States in order to recognize differences in local law, tax policies, or customs in order to fulfill the purposes of the Plan and without amending the Plan.

(c) Effect of Board's Decision. All decisions, determinations, and interpretations of the Board that are made within the scope of its power under Section 4(b) above will be final and binding on all Participants. No member of the Board will be personally liable for any action or determination made hereunder.

5. Term of Plan. The Plan is effective on its adoption by the Board. Within 12 months after the date of such adoption, the Plan must be approved by the shareholders of Company to the degree and in the manner required under applicable state and federal law. No Option will become exercisable and no Shares of Restricted Stock will be issued until shareholder approval has been obtained. Unless sooner terminated by provisions elsewhere in this Plan, the Plan terminates upon the earlier of (a) the 10th anniversary of its adoption by the Board or the date the Plan is approved by the shareholders of Company, whichever is earlier, or (b) the date on which all Shares available for issuance under the Plan have been issued. Any Option outstanding under the Plan at the time of its termination will remain in effect in accordance with its terms and conditions, and those of the Plan.

6. Grant of Options under the Plan.

(a) Written Option Agreement. Grants of Options must be evidenced by a written option agreement ("Stock Option Agreement") that contains provisions consistent with the Plan and such additional provisions as the Board deems appropriate from time to time. In the discretion of the Board, Shares issued pursuant to an exercised Option may be subject to a written stock restriction agreement in form determined by the Board ("Stock Restriction Agreement"). Any Stock Restriction Agreement and Stock Option Agreement must be signed by the Participant and an officer of Company. The Stock Restriction Agreement, if any, will govern all Shares issued as a result of exercise of any Option under the Stock Option Agreement. The Board may modify and amend such agreements, as it deems appropriate, subject to the provisions of the Plan. Neither Stock Option Agreements, nor Stock Restriction Agreements, need have identical terms for Participants, but each such agreement is subject to the Plan.

(b) Recipients of Grants. Nonstatutory Stock Options may be granted to Employees and Consultants of the Company. Incentive Stock Options may be granted only to Employees of the Company. An Employee or Consultant who has been granted an Option may, if he or she is otherwise eligible, be granted additional Options.

(c) Type of Option. Each Option will be designated in a written option agreement as either an Incentive Stock Option or a Nonstatutory Stock Option. However, notwithstanding such designations, to the extent that the aggregate Fair Market Value of Shares with respect to which Options designated as Incentive Stock Options are exercisable for the first time by any Participant during any calendar year (under all plans of the Company) exceeds $100,000, such excess Options must be treated as Nonstatutory Stock Options. For purposes of this Section 6(c), Incentive Stock Options will be taken into account in the order in which they were granted, and the Fair Market Value of the Shares subject to an Incentive Stock Option must be determined as of the Date of Grant.

(d) Term of Option. The term of each Option will be the term stated in the applicable written option agreement; provided, however, that the term will not be more than 10 years from the Date of Grant or such shorter term as may be provided in the written option agreement. In the case of an Incentive Stock Option granted to a Participant who, at the time the Option is granted, owns stock representing more than I 0% of the voting power of all classes of stock of the Company, the term of the Option will be 5 years from the Date of Grant or such shorter term as may be provided in the written option agreement.

(e) Right to Employment or Consulting. The Plan does not confer upon any Participant any right with respect to continuation of employment or consulting relationship with the Company, nor does it interfere in any way with any Participant's right or the Company's right to terminate a Participant's employment or consulting relationship at any time, with or without cause.

7. Option Exercise Price and Consideration.

(a) Exercise Price. The Board will determine the Exercise Price for the Shares to be issued under the written option agreement. In the case of an Incentive Stock Option that is:

(i) granted to an Employee who, at the time of the grant of such Incentive Stock Option, owns stock representing more than I 0% of the voting power of all classes of stock of Company, the Exercise Price will be no less than 110% of the Fair Market Value per Share on the Date of Grant; or

(ii) granted to any Employee not described in Section 7(a)(i) above, the Exercise Price will be no less than the Fair Market Value per Share on the Date of Grant.

(b) Method of Payment.

(i) The type of consideration to be paid for the Shares, including the method of payment, will be determined by the Board and will be set forth in the Stock Option Agreement. The consideration to be paid may consist of:

(1) cash;

(2) check;

(3) promissory note; or

(4) any combination of the foregoing methods of payment.

(ii) In making its determination as to the type of consideration to accept, the Board will consider if acceptance of such consideration may be reasonably expected to benefit Company. Company may require a promissory note to be with recourse, adequately secured by collateral and to bear interest at a rate determined by the Board. In the case of a nonemployee, any collateral securing a promissory note must be other than the Shares purchased.

8. Exercise of Option.

(a) Procedure for Exercise, Rights as a Shareholder.

(i) Any Option granted will be exercisable at such times and under such conditions as determined by the Board and reflected in the written option agreement, which may include vesting requirements and/or performance criteria with respect to Company and the Participant; provided that an Incentive Stock Option must be exercisable at the rate of at least 20% per year over 5 years from the Date of Grant. An Option may not be exercised for a fraction of a Share.

(ii) An Option will be deemed to be exercised when:

(1) written notice of such exercise has been given to Company in accordance with the terms of the Option by the person entitled to exercise the Option;

(2) where applicable, an executed Stock Restriction Agreement in a form approved by the Board has been delivered to Company by the person entitled to exercise the Option; and

(3) Company has received full payment for the Shares with respect to which the Option is exercised.

(iii) Until the issuance (as evidenced by the appropriate entry on the books of Company or of a duly authorized transfer agent of Company) of the stock certificate evidencing the Shares, no right to vote or receive dividends or any other rights as a shareholder will exist with respect to the Optioned Stock, notwithstanding the exercise of the Option. Company will issue (or cause to be issued) a stock certificate promptly upon exercise of the Option. No adjustment will be made for a dividend or other right for which the record date is prior to the date that the stock certificate is issued, except as provided in Section 10 of the Plan.

(iv) Exercise of an Option in any manner will result in a decrease in the number of Shares that thereafter may be available, both for purposes of the Plan and for sale under the Option, by the number of Shares as to which the Option is exercised.

(b) Termination of Employment or Consulting Relationship. Except as provided in Sections 8(c) and 8(d), in the event of termination of a Participant's Continuous Status as an Employee or Consultant with the Company, the Participant may, but only within 45 days after the date of such termination (but in no event later than 10 years from the Date of Grant set forth in the applicable written option agreement), exercise his or her Option to the extent that the Participant was entitled to exercise it at the date of such termination. To the extent that Participant was not entitled to exercise the Option at the date of such termination, or if Participant does not exercise such Option to the extent so entitled within the time specified herein, the Option will terminate. No termination will be deemed to occur if (i) the Participant is a Consultant who becomes an Employee, or (ii) the Participant is an Employee who becomes a Consultant.

(c) Disability of Participant.

(i) In the event of termination of a Participant's Continuous Status as an Employee or Consultant as a result of his or her disability, Participant may, at any time within the 6 months following the date of such termination (but in no event later than 10 years from the Date of Grant set forth in the applicable written option agreement), exercise the Option to the extent otherwise entitled to exercise it at the date of such termination. To the extent that Participant was not entitled to exercise the Option at the date of termination, or if Participant does not exercise such Option to the extent so entitled within the time specified herein, the Option will terminate.

(ii) In the event of termination of a Participant's Continuous Status as an Employee or Consultant as a result of a disability which does not qualify as permanent and total disability (as set forth in Section 22(e)(3) of the Code), if Participant exercises the Option within the 6 month period provided in Section 8(c)(i) above, but beyond 3 months after the date of termination, the Option will be disqualified for treatment as an Incentive Stock Option and the Option will be treated as a Nonstatutory Stock Option.

(d) Death of Participant.

(i) In the event of the death of a Participant during the period of Continuous Status as an Employee or Consultant since the Date of Grant, or within 45 days after the termination of Participant's Continuous Status as an Employee or Consultant, the Option may be exercised at any time within 6 months following the date of death (but in no event later than l O years from the Date of Grant set forth in the applicable written option agreement), by the Participant's estate or by a family member who acquired the right to exercise the Option by bequest or inheritance, but only to the extent of the right to exercise that had accrued at the date of death, or, if earlier, the date of termination of Participant's Continuous Status as an Employee or Consultant. For purposes of this Plan, "family member" means any child, stepchild, grandchild, parent, stepparent, grandparent, spouse, former spouse, registered domestic partner, sibling, niece, nephew, mother-in-law, father-in-law, son-in-law, daughter-in-law, brother-in-law, or sister-in-law, including adoptive relationships, any person sharing the employee's household (other than a tenant or employee), a trust in which these persons have more than fifty percent of the beneficial interest, a foundation in which these persons (or the employee) control the management of assets, and any other entity in which these persons (or the employee) own more than fifty percent of the voting interests. To the extent that Participant is not entitled to exercise the Option as set forth above, or if the Option is not exercised to the extent it is exercisable within the time specified herein, the Option will terminate.

(ii) In the event of the death of a Participant within 45 days after the termination of Participant's Continuous Status as an Employee or Consultant, when the termination of a Participant's Continuous Status as an Employee or Consultant is not as a result of his or her permanent and total disability (as set forth in Section 22(e)(3) of the Code), if the Option is exercised within the 6 month period provided in Section 8(d)(i) above, but beyond 3 months after the date of termination, the Options will be disqualified for treatment as Incentive Stock Options and they will be treated as Nonstatutory Stock Options.

(e) Buyout Provisions. Upon the termination of Participant's Continuous Status as an Employee or Consultant, the Board may, in lieu of the issuance of Shares upon the exercise of an Option, pay to Participant the difference between the Exercise Price and the Fair Market Value of the Shares as of the date of exercise.

9. Stock Purchase Offers.

(a) Written Restricted Stock Purchase Agreement. Restricted Stock may be issued either alone, in addition to, or in tandem with, Options granted under the Plan, but in all cases must be evidenced by a written stock purchase agreement executed by the Participant and an officer of Company.

(i) The Company may offer to sell Restricted Stock to a Participant by delivery to the Participant of a written stock purchase agreement in a form determined by the Board ("Restricted Stock Purchase Agreement"). The Stock Purchase Offer will be accepted, by execution by the Participant of a Restricted Stock Purchase Agreement in a form determined by the Board, no later than 45 days after the Date of Offer. The provisions of Restricted Stock Purchase Agreements need not be the same. In all cases, however, the extension of Stock Purchase Offers to Participants is at the sole discretion of the Board.

(ii) The Restricted Stock Purchase Agreement will contain provisions consistent with the Plan and such additional provisions that the Board deems appropriate, including the number of Shares the Participant is entitled to purchase, the rate at which such Shares will vest, the price to be paid, and any rights of the Company to repurchase the Shares.

(b) Purchase Price. The Board will determine the per share purchase price for the Shares to be issued under any Restricted Stock Purchase Agreement.

(c) Method of Payment.

(i) The type of consideration to be paid for the Shares, including the method of payment, will be determined by the Board and will be set forth in the Restricted Stock Purchase Agreement. The consideration to be paid may consist of:

(1) cash;

(2) check;

(3) promissory note; or

(4) any combination of the foregoing methods of payment.

(ii) In making its determination as to the type of consideration to accept, the Board will consider whether acceptance of such consideration is reasonably expected to benefit Company. Company may require a promissory note to be with recourse, adequately secured by collateral and to bear interest at a rate determined by the Board. In the case of a nonemployee, any collateral securing a promissory note must be other than the Shares purchased.

(d) Vesting. Until vested in accordance with the provisions of the Restricted Stock Purchase Agreement, Shares of Restricted Stock will be "Non-Vested Shares".

(e) Repurchase Option. Unless the Board determines otherwise, the Restricted Stock Purchase Agreement will grant Company an option to repurchase the Shares upon the occurrence of certain events. The repurchase price for the Vested Shares will be the Fair Market Value of the Shares at the time of repurchase. The repurchase price for the Non-Vested Shares will be the lesser of the original purchase price paid by the Participant or the Fair Market Value of the Shares at the time of repurchase.

(f) Rights as a Shareholder. Following Participant's purchase of Restricted Stock, the Participant will become a shareholder when his or her purchase is entered upon the records of the duly authorized transfer agent of Company. No adjustment will be made for a dividend or other right for which the record date is prior to the date the Stock Purchase Offer is accepted, except as provided in Section 10 hereof.

10. Adjustments Upon Certain Changes.

(a) Changes in Capitalization. Subject to any required action by the shareholders of Company, (i) the number of shares of Common Stock covered by each outstanding Option or Stock Purchase Offer, (ii) the number of shares of Common Stock that have been authorized for issuance under the Plan but as to which no Options have yet been granted or Stock Purchase Offers have yet been extended, or that have been returned to the Plan upon cancellation or expiration of an Option or Stock Purchase Offer, and (iii) the price per share of Common Stock covered by each such outstanding Option or Stock Purchase Offer, will be proportionately adjusted for any increase or decrease in the number of issued shares of Common Stock resulting from a stock split, reverse stock split, stock dividend, combination, recapitalization or reclassification of the Common Stock, or any other increase or decrease in the number of issued shares of Common Stock effected without receipt of consideration by Company, except that conversion of any convertible securities of Company will not be deemed to have been "effected without receipt of consideration." Such adjustment will be made by the Board, whose determination will be final, binding, and conclusive. Except as expressly provided herein, no issuance by Company of shares of stock of any class, or securities convertible into shares of stock of any class, will affect, and no adjustment by reason thereof will be made with respect to, the number or price of shares of Common Stock specified in existing Options or Stock Purchase Offers.

(b) Dissolution or Liquidation. In the event of the proposed dissolution or liquidation of Company, the Board will notify the Participant at least 15 days prior to such proposed action. To the extent it has not been previously exercised, the Option or Stock Purchase Offer will terminate immediately prior to the consummation of such proposed action.

(c) Mergers and Consolidations. In the event that the Company is a party to a merger or consolidation, all outstanding Options shall be subject to the agreement of merger or consolidation. Such agreement may provide for one or more of the following, without the consent of any of the Participants holding such outstanding Options:

(i) The continuation of any outstanding Options by the Company (if the Company is the surviving corporation).

(ii) The assumption of any outstanding Options by the surviving corporation or its parent in a manner that complies with Section 424(a) of the Code (whether or not such Options are Incentive Stock Options).

(iii) The substitution by the surviving corporation or its parent of new options for any outstanding Options in a manner that complies with Section 424(a) of the Code (whether or not such Options are Incentive Stock Options).

(iv) Full exercisability of any outstanding Options followed by the cancellation of such Options. The full exercisability of such Options may be contingent on the closing of such merger or consolidation. The Participants shall be able to exercise such Options during a period of not less than five full business days preceding the closing date of such merger or consolidation, unless (A) a shorter period is required to permit a timely closing of such merger or consolidation and (8) such shorter period still offers the Participants a reasonable opportunity to exercise such Options. Any exercise of such Options during such period may be contingent on the closing of such merger or consolidation.

(v) The cancellation of any outstanding Options and a payment to the Participants equal to the excess of (A) the Fair Market Value of the Shares subject to such Options (whether or not such Options are then exercisable or such Shares are then vested) as of the closing date of such merger or consolidation over (B) their Exercise Price. Such payment shall be made in the form of cash, cash equivalents, or securities of the surviving corporation or its parent with a Fair Market Value equal to the required amount. Subject to Section 409A of the Code, such payment may be made in installments and may be deferred until the date or dates when such Options would have become exercisable or such Shares would have vested. Such payment may be subject to vesting based on the Participant's Continuous Status as an Employee or Consultant, provided that the vesting schedule shall not be less favorable to the Participant than the schedule under which such Options would have become exercisable. If the Exercise Price of the Shares subject to such Options exceeds the Fair Market Value of such Shares, then such Options may be cancelled without making a payment to the Optionees. For purposes of this Section 10.(c)(v), the Fair Market Value of any security shall be determined without regard to any vesting conditions that may apply to such security.

(d) Certain Distributions. In the event of any distribution to the shareholders of Company of securities of any other entity or other assets (other than dividends payable in cash or stock of Company) without receipt of consideration by Company, the Board may, in its discretion, appropriately adjust the price per share of Common Stock covered by each outstanding Option or Stock Purchase Offer to reflect the effect of such distribution.

(e) No Fractional Shares. No right to purchase fractional Shares will result from any adjustment in Options or Stock Purchase Offers. Upon any such adjustment, the Shares will be rounded down to the nearest whole Share.

11. Non Transferability of Options and Stock Purchase Offers. Options may not be sold, pledged, assigned, hypothecated, transferred, or disposed of in any manner other than by will or by the laws of descent or distribution, and may be exercised during the lifetime of the Participant only by Participant. Stock Purchase Offers may not be sold, pledged, hypothecated, transferred or disposed of in any manner and may be accepted during the lifetime of the Participant only by Participant.

12. Restrictions on Transfer of Shares Issued under the Plan; Legends. Except as otherwise permitted in the Restricted Stock Purchase Agreement and/or Stock Restriction Agreement, a Participant may not transfer, encumber, or dispose of any Shares or interests therein except in accordance with such agreements. If transfer of the Shares is restricted as provided in such agreements or under any applicable law, each certificate representing the Shares will bear a legend in form and substance satisfactory to Company reflecting that the Shares are so restricted. Company may also place a notation on any certificate representing Shares purchased upon exercise of an Incentive Stock Option. To enforce any restrictions on transfer of the Shares, Company may set forth in its stock transfer records a "stop transfer" order with respect to the Shares. Company is not liable for any refusal to transfer the Shares on the books of Company unless the transfer complies with all terms and conditions of any restrictions imposed on the Shares.

13. No Third-Party Beneficiaries. Nothing in the Plan, any Stock Option Agreement, Restricted Stock Purchase Agreement, or Stock Restriction Agreement confers any rights or remedies on any persons other than Company and the Participants and their respective successors and assigns.

14. Time of Granting Options. The Date of Grant for all purposes is the date on which the Board makes the determination granting such Option, or such other date determined by the Board. Notice of the determination will be given to each Employee or Consultant to whom an Option is so granted within a reasonable time after the date of such grant.

15. Amendment and Termination of the Plan.

(a) Authority to Amend or Terminate. The Board may at any time amend, alter, suspend, or discontinue the Plan, but no amendment, alteration, suspension, or discontinuation will be made that would impair the rights of any Participant under any grant or Stock Purchase Offer previously made without his or her consent. In addition, to the extent necessary and desirable to comply with Section 422 of the Code (or any other applicable law or regulation), Company shall obtain shareholder approval of any Plan amendment in such a manner and to such a degree as required by law.

(b) Effect of Amendment or Termination. No amendment or termination of the Plan will adversely affect Options already granted or Stock Purchase Offers already extended, unless mutually agreed otherwise between the Participant and the Board, which agreement must be in writing and signed by the Participant and Company.

16. Conditions Upon Issuance of Shares. Shares will not be issued pursuant to the exercise of an Option or acceptance of a Stock Purchase Offer unless the exercise of the Option or acceptance of the Stock Purchase Offer and the issuance and delivery of Shares comply with all relevant provisions of law, including, without limitation, the Securities Act of 1933, as amended, and the rules and regulations promulgated thereunder. As a condition to the exercise of an Option, Company may require the person exercising the Option to represent and warrant at the time of any exercise that the Shares are being purchased only for investment and without any present intention to sell or distribute the Shares if, in the opinion of counsel for Company, such a representation is required by law.

17. Reservation of Shares. During the term of the Plan, Company will at all times reserve and keep available a number of authorized Shares that are sufficient to satisfy the requirements of the Plan. The inability of Company to obtain authority from any regulatory body having jurisdiction, which authority is deemed by counsel for Company to be necessary to the lawful issuance and sale of any Shares hereunder, will relieve Company of any liability in respect of the failure to issue or sell such Shares as to which such requisite authority has not been obtained.

18. Limitations on Sales under Plan. The aggregate sales price or amount of securities sold (including the securities underlying granted options) shall not exceed, during any consecutive 12-month period, the greatest of the following (subject to interpretation under Rule 701(d)(3) of the Securities Act of 1933):

(a) $1,000,000;

(b) 15% of the total assets of the Company (or of the Company's parent if the Company is a wholly-owned subsidiary and the securities represent obligations that the parent fully and unconditionally guarantees), measured at the Company's most recent annual balance sheet date (if no older than its last fiscal year end); or

(c) 15% of the outstanding amount of the class of securities being offered and sold in reliance on Rule 701 of the Securities Act of 1933 (i.e., Common Stock), measured at the Company's most recent annual balance sheet date (if no older than its last fiscal year end).

19. Disclosure of Financial Information. If the aggregate sales price or amount of securities sold during any consecutive 12-month period exceeds $5,000,000, the Company shall deliver the following disclosures to investors a reasonable time before the date of sale:

(a) If the Plan is subject to the Employee Retirement Income Security Act of 1974 ("ERISA") (29 U.S.C. 1104-1107), a copy of the summary Plan description required by ERISA;

(b) If the Plan is not subject to ERISA, a summary of the material terms of the Plan;

(c) Information about the risks associated with investment in the securities sold pursuant to the compensatory benefit Plan or compensation contract;

(d) Financial statements required to be furnished by Part F/S of Form 1-A (Regulation A Offering Statement) under Regulation A (Rules 230.251 through 230.263). The financial statements required by this section must be as of a date no more than 180 days before the sale of securities in reliance on this exemption;

(e) If the issuer is relying on paragraph (d)(2)(ii) of Rule 701 of the Securities Act of 1933 to use its parent's total assets to determine the amount of securities that may be sold, the parent's financial statements must be delivered. If the parent is subject to the reporting requirements of section 13 or 15(d) of the Exchange Act, the financial statements of the parent required by Rule 10-01 of Regulation S-X and Item 310 of Regulation S-8, as applicable, must be delivered; and

(t) If the sale involves a stock option or other derivative security, the issuer must deliver disclosure a reasonable period of time before the date of exercise or conversion. For deferred compensation or similar plans, the issuer must deliver disclosure to investors a reasonable period of time before the date the irrevocable election to defer is made.

20. Company Information. No Participant may disclose any confidential information about Company disclosed to the Participant. A Participant may, however, disclose such information to his or her legal and financial advisers in connection with advice to be rendered by them to the Participant, or to any transferee of the Shares, but only if the advisor or transferee agrees not to further disclose such information or to use the information for the benefit of anyone other than the Participant, the transferee as a holder of the Shares, or Company.

21. Tax Consequences. The Company does not, by way of the Plan, any document, option agreement, or otherwise, represent or warrant to any person, including the Participants, (a) whether the grant or exercise of an Option or the subsequent disposition of Shares obtained by the exercise of an Option pursuant to the Plan, or any other aspect of the Plan, will have any particular tax consequence, or (b) regarding the propriety or impropriety of filing an election under Section 83(b) of the Code.

22. Governing Law. The Plan, each Stock Option Agreement, Restricted Stock Purchase Agreement, and Stock Restriction Agreement, and the rights and obligations of the parties thereto are governed by the laws of California, excluding its conflict of laws rules to the extent such rules would apply the law of another jurisdiction and any provisions in the law that construe ambiguities against the drafter. Incentive Stock Options will be interpreted and administered in accordance with Section 422 of the Code and such Code will govern inconsistency between the Plan and the Code. All securities granted or issued under this Plan will be interpreted and administered in accordance with Rule 70 I of the Securities Act of 1933 and Rule 70l will govern inconsistency between the Plan and Rule 701. If any provision of the Plan, Stock Option Agreement, Restricted Stock Purchase Agreement, or Stock Restriction Agreement is found by a court of competent jurisdiction to be invalid or unenforceable, the remaining provisions will continue to be fully effective.

23. Plan Governs. If there is any inconsistency between the Plan and any documents related to the Plan, including any Stock Option Agreement, Restricted Stock Purchase Agreement, or Stock Restriction Agreement, the terms of the Plan govern.

AMENDMENT NO. 1
TO
ALPHA TEKNOVA, INC.
2016 STOCK PLAN

WHEREAS, the Alpha Teknova, Inc. (the "**Company**") previously reserved 3,000,000 shares of its common stock, par value $0.000001 per share (the "**Common Stock**"), for issuance under that certain Alpha Teknova, Inc. 2016 Stock Plan (the "**Plan**").

WHEREAS, the Company desires to increase the number of shares of Common Stock under the Plan.

Pursuant to the authority granted pursuant to Section 15 of the Plan, the Board of Directors of the Company hereby amends the Plan as follows:

Section 1. **Amendment**. Section 3 of the Plan is hereby amended and restated in its entirety as follows:

"3. Stock Subject to the Plan. Subject to the provisions of Section 10 hereof, the maximum aggregate number of Shares that may be optioned and sold under the Plan is 3,051,863 shares of Common Stock. The Shares may be authorized, but unissued, or reacquired Common Stock. If an Option should expire or become unexercisable for any reason without having been exercised in full, the unpurchased Shares will become available for future grant under the Plan, unless the Plan has been terminated."

Section 2. **No Other Changes**. Other than as expressly set forth above, the only effect of this Amendment will be to increase the number of shares of Common Stock authorized and available for issuance under the terms of the Plan. All other terms and provisions of the Plan shall continue in full force and effect without change.

AMENDMENT NO. 2
TO
ALPHA TEKNOVA, INC.
2016 STOCK PLAN

WHEREAS, Alpha Teknova, Inc. (the "**Company**") previously reserved 3,051,863 shares of its common stock, par value $0.00001 per share (the "**Common Stock**"), for issuance under that certain Alpha Teknova, Inc. 2016 Stock Plan, as amended (the "**Plan**").

WHEREAS, the Company desires to decrease the number of shares of Common Stock under the Plan.

Pursuant to the authority granted pursuant to Section 15 of the Plan, the Board of Directors of the Company hereby amends the Plan as follows:

Section 1. **Amendment**. Section 3 of the Plan is hereby amended and restated in its entirety as follows:

"3. Stock Subject to the Plan. Subject to the provisions of Section 10 hereof, the maximum aggregate number of Shares that may be optioned and sold under the Plan is 1,071,863 shares of Common Stock. The Shares may be authorized, but unissued, or reacquired Common Stock. If an Option should expire or become unexercisable for any reason without having been exercised in full, the unpurchased Shares will not become available for future grant under the Plan."

Section 2. **No Other Changes**. Other than as expressly set forth above, the only effect of this Amendment will be to decrease the number of shares of Common Stock authorized and available for issuance under the terms of the Plan. All other terms and provisions of the Plan shall continue in full force and effect without change.

STOCK OPTION AGREEMENT

ALPHA TEKNOVA, INC.

2016 STOCK PLAN

This Stock Option Agreement ("Agreement") is entered into effective , 20 , by and between Alpha Teknova, Inc., a California corporation ("Company"), and Optionee (see below). Unless otherwise defined herein, all terms used in this Option Agreement shall have the same defined meanings as set forth in the 2016 Stock Plan ("Plan"), a copy of which is attached as Exhibit A.

1. Grant of Option. Subject to the terms, definitions, and provisions of the Plan, Company hereby grants to Optionee an option to purchase shares of Common Stock ("Option") as follows:

Optionee	_____ ("Optionee")
Date of Grant	_____ ("Date of Grant")
Vesting Start Date	_____ ("Vesting Start Date")
Number of Option Shares Granted	_____ ("Option Shares")
Exercise Price Per Share	_____ ("Exercise Price")
Total Exercise Price	_____
Type of Option	_____
Expiration Date	_____ ("Expiration Date").
Vesting Schedule	Subject to Optionee's Continuous Status as an Employee or Consultant, 25% of the Option Shares will vest 12 months after the Vesting Start Date, and 1/48th of the Option Shares will vest on each month thereafter until the fourth (4th) anniversary after the Vesting Start Date.
Termination Period	Option may be exercised during the period beginning with the last day of employment as an Employee or Consultant and continuing for a period of 45 days thereafter ("Termination Period"), except as set out in Sections 6 and 7 hereof (but in no event later than the Expiration Date).

2. Exercise of Option. The Option must be exercisable prior to the Expiration Date, in accordance with the provisions of Section 8 of the Plan, subject to the following:

(a) Right to Exercise.

(i) Only vested Option Shares may be exercised.

(ii) The Option may not be exercised for a fraction of a share.

(iii) In the event of Optionee's death, disability, or other termination of employment or consulting relationship, the exercise of the Option is governed by Sections 5, 6, and 7 of this Agreement, subject to the limitation contained in Section 2(a)(iv) below.

(iv) In no event may the Option be exercised after the Expiration Date (as set forth in Section 1 above).

(v) In accordance with Section 6(c) of the Plan, to the extent that the aggregate Fair Market Value of Shares with respect to which Options designated as Incentive Stock Options are exercisable for the first time by Optionee during any calendar year (under all plans of the Company) exceeds $100,000, such excess Options must be treated as Nonstatutory Stock Options.

(b) Method of Exercise. The Option is exercisable by delivery of a duly executed exercise notice in the form attached as Exhibit B ("Exercise Notice") that will state the election to exercise the Option, the number of Shares being exercised, and such other representations and agreements as may be required by the Company. The Exercise Notice must be accompanied by payment of the Exercise Price and a signed Stock Restriction Agreement in the form of Exhibit C attached hereto. The Option will be deemed to be exercised upon receipt by the Company of the duly completed and executed Exercise Notice, Exercise Price and Stock Restriction Agreement.

No Shares will be issued pursuant to the exercise of an Option unless such issuance and exercise comply with all relevant provisions of law and the requirements of any stock exchange upon which the Shares may then be listed. Assuming such compliance, for income tax purposes the Shares will be considered transferred to the Optionee on the date on which the Option is exercised with respect to such Shares.

3. Method of Payment. Payment of the Exercise Price will be by cash, check or, in the sole discretion of the Board, by (a) promissory note or (b) by reduction in the number of shares otherwise deliverable upon exercise of the Option with a Fair Market Value equal to the aggregate Exercise Price at the time of exercise.

4. Restrictions on Exercise. The Option may not be exercised if the issuance of such Shares upon such exercise, or the method of payment of consideration for such Shares, would constitute a violation of any applicable federal or state securities, or other law or regulation.

5. Termination of Relationship. Except as provided in Sections 6 and 7, in the event of termination of Optionee's Continuous Status as an Employee or Consultant (as defined in the Plan), Optionee may, to the extent otherwise so entitled on the date of such termination, exercise the Option during the Termination Period set forth in Section 1 above.

6. Disability of Optionee.

(a) In the event of termination of an Optionee's Continuous Status as an Employee or Consultant as a result of his or her disability, Optionee may, at any time within the six (6) months following the date of such termination (but in no event later than ten (10) years from the Date of Grant set forth in the applicable written option agreement), exercise the Option to the extent otherwise entitled to exercise it at the date of such termination. To the extent that Optionee was not entitled to exercise the Option at the date of termination, or if Optionee does not exercise such Option to the extent so entitled within the time specified herein, the Option will terminate.

(b) In the event of termination of an Optionee's Continuous Status as an Employee or Consultant as a result of a disability which does not qualify as permanent and total disability (as set forth in Section 22(e)(3) of the Code), if Optionee exercises the Option within the six (6) month period provided in Section 6(a) above, but beyond three (3) months after the date of termination, the Option will be disqualified for treatment as an Incentive Stock Option and the Option will be treated as a Nonstatutory Stock Option.

7. Death of Optionee.

(a) In the event of the death of an Optionee during the period of Continuous Status as an Employee or Consultant since the Date of Grant, or within forty-five (45) days after the termination of Optionee's Continuous Status as an Employee or Consultant, the Option may be exercised at any time within six (6) months following the date of death (but in no event later than ten (10) years from the Date of Grant set forth in the applicable written option agreement), by the Optionee's estate or by a "family member" (as defined in the Plan) who acquired the right to exercise the Option by bequest or inheritance, but only to the extent of the right to exercise that had accrued at the date of death, or, if earlier, the date of termination of Optionee's Continuous Status as an Employee or Consultant. To the extent that Optionee is not entitled to exercise the Option as set forth above, or if the Option is not exercised to the extent it is exercisable within the time specified herein, the Option will terminate.

(b) In the event of the death of an Optionee within forty-five (45) days after the termination of Optionee's Continuous Status as an Employee or Consultant, when the termination of an Optionee's Continuous Status as an Employee or Consultant is not as a result of his or her permanent and total disability (as set forth in Section 22(e)(3) of the Code), if the Option is exercised within the six (6) month period provided in Section 7(a) above, but beyond three (3) months after the date of termination, the Options will be disqualified for treatment as Incentive Stock Options and they will be treated as Nonstatutory Stock Options.

8. Cash-Out. In the event of a Change in Control, the Company may, in its discretion and upon at least ten (10) days' advance notice to the Optionee, cancel the Option and pay to the Optionee the value of the Option based upon the price per share of Common Stock received or to be received by other shareholders of the Company in the event. Notwithstanding the foregoing, if at the time of a Change in Control the Exercise Price of the Option equals or exceeds the price paid for a share of Common Stock in connection with the Change in Control, the Committee may cancel the Option without the payment of consideration therefor. For purposes of this Section, a "Change in Control" occurs when one person or entity (or more than one person and/or entity acting as a group) acquires after the date hereof (or has acquired during the twelve-month period ending on the date of the most recent acquisition after the date hereof) shares of Company stock constituting more than 50% of the total voting power of the Company.

9. Buyout Provisions. Upon the termination of Optionee's Continuous Status as an Employee or Consultant, the Board may, in lieu of the issuance of Shares upon the exercise of an Option, pay to Optionee the difference between the Exercise Price and the Fair Market Value of the Shares as of the date of exercise.

10. Non-Transferability of Option. This Option may not be transferred in any manner other than by will or by the laws of descent or distribution and may be exercised during the lifetime of Optionee only by Optionee. The terms of the Option shall be binding upon the executors, administrators, heirs, successors and assigns of the Optionee.

11. Term and Expiration of Option. The Option may only be exercised on or before the Expiration Date set forth in Section 1 of this Agreement, and may be exercised only in accordance with the Plan and the terms of the Option.

12. Tax Consequences. Some of the federal and state tax consequences relating to this Option, as of the date of this Option, are set forth below. THIS SUMMARY IS NECESSARILY INCOMPLETE, AND THE TAX LAWS AND REGULATIONS ARE SUBJECT TO CHANGE. THE OPTIONEE SHOULD CONSULT A TAX ADVISER BEFORE EXERCISING THIS OPTION OR DISPOSING OF THE SHARES. OPTIONEE HEREBY ASSUMES ALL RESPONSIBILITY FOR FILING ANY RETURNS AND PAYING ANY TAXES RESULTING FROM THE PURCHASE OF THE SHARES.

(a) Exercise of Incentive Stock Option. If the Option is an Incentive Stock Option, there will be no regular federal income tax liability, or state income tax liability upon the exercise of the Option, although the excess, if any, of the Fair Market Value of the Shares on the date of exercise over the Exercise Price will be treated as an item of alternative minimum taxable income for federal tax purposes and may subject the Optionee to the alternative minimum tax in the year of exercise.

(b) Exercise of Nonstatutory Stock Option. If the Option is a Nonstatutory Stock Option, Optionee may incur a regular federal income tax liability and a state income tax liability upon the exercise of the Option. The Optionee will be treated as having received compensation income (taxable at ordinary income tax rates) equal to the excess, if any, of the Fair Market Value of the Shares on the date of exercise over the Exercise Price. If Optionee is an Employee, the Company will be required to withhold from Optionee's compensation, or collect from Optionee, and pay to the applicable taxing authorities an amount equal to a percentage of this compensation income at the time of exercise.

(c) Disposition of Shares. If the Option is an Incentive Stock Option and if Shares transferred pursuant to the Option are held for more than one (1) year after exercise and more than two (2) years after the Date of Grant, any gain realized on disposition of the Shares will also be treated as long-term capital gain for federal and state income tax purposes. If Shares purchased under an Incentive Stock Option are disposed of before the end of either of such two holding periods, then any gain realized on such disposition will be treated as compensation income (taxable at ordinary income rates) to the extent of the excess, if any, of the lesser of (i) the Fair Market Value of the Shares on the date of exercise, or (ii) the sale price of the Shares, over the Exercise Price. If the Option is a Nonstatutory Stock Option, then gain realized on the disposition of Shares will be treated as long-term or short-term capital gain depending on whether or not the disposition occurs more than one (1) year after the exercise date.

(d) Notice of Disqualifying Disposition of Incentive Stock Option Shares. If the Option granted to Optionee herein is an Incentive Stock Option, and if Optionee sells or otherwise disposes of any of the Shares acquired pursuant to the Incentive Stock Option on or before the later of (i) the date two (2) years after the Date of Grant, or (ii) the date one (1) year after the date of exercise, the Optionee shall immediately notify the Company in writing of such disposition. Optionee agrees that Optionee may be subject to income tax withholding by the Company on the compensation income recognized by the Optionee from the early disposition by payment in cash or out of the current earnings paid to the Optionee.

13. Acknowledgment of Optionee. Optionee and the Company agree that the Option is granted under and governed by the terms and conditions of the Plan and this Agreement. Optionee acknowledges receipt of a copy of the Plan and represents that Optionee is familiar with the terms and provisions thereof. Optionee has reviewed the Plan in its entirety, has had an opportunity to obtain the advice of counsel prior to executing this Agreement and fully understands all provisions of this Agreement. Optionee hereby accepts the Option subject to all of the terms and provisions thereof. Optionee agrees to accept as binding, conclusive, and final all decisions or interpretations of the Board of Directors of the Company upon any questions arising under the Plan or this Agreement.

OPTIONEE ACKNOWLEDGES AND AGREES THAT NOTHING IN THIS AGREEMENT, NOR IN THE COMPANY'S 2016 STOCK PLAN WHICH IS INCORPORATED HEREIN BY REFERENCE, SHALL CONFER UPON OPTIONEE ANY RIGHT WITH RESPECT TO CONTINUATION OF EMPLOYMENT OR CONSULTANCY BY THE COMPANY, NOR SHALL IT INTERFERE IN ANY WAY WITH HIS OR HER RIGHT OR THE COMPANY'S RIGHT TO TERMINATE EMPLOYMENT OR CONSULTANCY AT ANY TIME, WITH OR WITHOUT CAUSE.

[Signature page follows.]

The parties have signed this Stock Option Agreement on the date first written above.

COMPANY:

Alpha Teknova, Inc.,
a California corporation

By: _____
Thomas E. Davis, Chief Executive Officer

OPTIONEE:

_____

Name: _____

Address: _____

_____

EXHIBIT A

2016 STOCK PLAN

[*See* attached.]

EXHIBIT B

EXERCISE NOTICE

[*See* attached.]

EXHIBIT C

STOCK RESTRICTION AGREEMENT

[*See* attached.]

Exhibit 10.3

ALPHA TEKNOVA, INC.

2020 EQUITY INCENTIVE PLAN

Table of Contents

ALPHA TEKNOVA, INC.
2020 EQUITY INCENTIVE PLAN

1. **ESTABLISHMENT, PURPOSE AND TERM OF PLAN.**

1.1 **Establishment.** The Alpha Teknova, Inc. 2020 Equity Incentive Plan (the "***Plan***") is established effective as of August 31, 2020 (the "***Effective Date***").

1.2 **Purpose.** The purpose of the Plan is to advance the interests of the Participating Company Group and its stockholders by providing an incentive to attract, retain and reward persons performing Services for the Participating Company Group.

1.3 **Term of Plan.** Unless earlier terminated by the Board in accordance with Section 14 below, the Plan will continue in effect for ten (10) years from the later of (a) the Effective Date or (b) the earlier of the most recent Board or stockholder approval of an increase in the maximum aggregate number of shares of Stock issuable under the Plan in accordance with Section 15.14 below.

2. **DEFINITIONS AND CONSTRUCTION.**

2.1 **Definitions.** Certain capitalized terms used in this Plan have the following meanings:

(a) "***Award***" means an Option, Restricted Stock Purchase Right, Restricted Stock Bonus, Restricted Stock Unit Award or Other Stock-Based Award.

(b) "***Award Agreement***" means a written or electronic agreement between the Company and a Participant containing the terms, conditions and restrictions applicable to an Award.

(c) "***Board***" means the Board of Directors of the Company or any Committee appointed to administer the Plan.

(d) "***Cause***" means, unless such term or an equivalent term is otherwise defined by the applicable Award Agreement or other written agreement between a Participant and a Participating Company applicable to an Award, any of the following: (i) the Participant's theft, dishonesty, willful misconduct, breach of fiduciary duty for personal profit or falsification of any Participating Company documents or records; (ii) the Participant's material failure to abide by a Participating Company's code of conduct or other policies (including policies relating to confidentiality and reasonable workplace conduct); (iii) the Participant's unauthorized use, misappropriation, destruction or diversion of any tangible or intangible asset or corporate opportunity of a Participating Company (including the Participant's improper use or disclosure of a Participating Company's confidential or proprietary information); (iv) any intentional act by the Participant which has a material detrimental effect on a Participating Company's reputation or business; (v) the Participant's repeated failure or inability to perform any reasonable assigned duties after written notice from a Participating Company of, and a reasonable opportunity to cure, such failure or inability; (vi) any material breach by the Participant of any employment or service agreement between the Participant and a Participating

Company that is not cured pursuant to the terms of such agreement; or (vii) the Participant's conviction (including any plea of guilty or *nolo contendere*) of any criminal act involving fraud, dishonesty, misappropriation or moral turpitude, or that impairs the Participant's ability to perform his or her duties with a Participating Company.

(e) "***Change in Control***" means, unless such term or an equivalent term is otherwise defined by the applicable Award Agreement or other written agreement between the Participant and a Participating Company applicable to an Award, the occurrence of an Ownership Change Event or a series of related Ownership Change Events (collectively, a "***Transaction***") in which the stockholders of the Company immediately before the Transaction do not retain immediately after the Transaction direct or indirect beneficial ownership of more than fifty percent (50%) of the total combined voting power of the outstanding securities entitled to vote generally in the election of Directors or, in the case of an Ownership Change Event described in Section 2.1(w)(iii), the entity to which the assets of the Company were transferred (the "***Transferee***"), as the case may be; provided, however, that a Change in Control does not include (i) a transaction described in this Section 2.1(e) in which a majority of the members of the board of directors of the continuing, surviving or successor entity, or parent thereof, immediately after such transaction consists of Incumbent Directors, or (ii) a transaction with the principal purpose of (1) changing the jurisdiction of the Company's incorporation, (2) creating a holding company that will be owned in substantially the same proportions by the persons who hold the Company's securities immediately before such transaction, or (3) obtaining funding for the Company in a financing transaction that is approved by the Board. For purposes of the preceding sentence, indirect beneficial ownership includes an interest resulting from ownership of the voting securities of one or more corporations, limited liability companies or other entities that own the Company or the Transferee, as the case may be, either directly or through one or more subsidiary corporations or other business entities. The Board will determine whether multiple events described in this Section 2.1(e) are related and to be treated in the aggregate as a single Change in Control, and its determination will be final, binding and conclusive.

(f) "***Code***" means the Internal Revenue Code of 1986, as amended, and any applicable regulations and administrative guidelines.

(g) "***Committee***" means the compensation committee or other committee or subcommittee of the Board appointed to administer the Plan and having the powers specified by the Board. Unless the powers of the Committee have been specifically limited, the Committee has all of the powers of the Board granted by the Plan.

(h) "***Company***" means Alpha Teknova, Inc., a Delaware corporation, and any successor thereto.

(i) "***Consultant***" means a person engaged to provide consulting or advisory services (other than as an Employee or a Director) to a Participating Company, provided that (i) the identity of such person, the nature of such services or the entity to which such services are provided would not preclude the Company from offering or selling securities to such person pursuant to the Plan in reliance on either the exemption from registration provided by Rule 701 under the Securities Act or, if the Company is required to file reports pursuant to Section 13 or 15(d) of the Exchange Act, registration on a Form S-8 Registration Statement

under the Securities Act, or (ii) the Company would be eligible to offer or sell securities to such person pursuant to the Plan without registration under the Securities Act in reliance on Section 4(a)(2) of the Securities Act or another applicable exemption.

(j) "***Director***" means a member of the Board.

(k) "***Disability***" means the inability of the Participant, in the opinion of a qualified physician acceptable to the Company, to perform the major duties of the Participant's position with the Participating Company Group because of the sickness or injury of the Participant.

(l) "***Employee***" means any person treated as an employee (including an Officer or a Director who is also treated as an employee) in the records of a Participating Company and, with respect to any Incentive Stock Option granted to such person, who is an employee for purposes of Section 422 of the Code; provided, however, that neither Service as a Director nor payment of a director's fee is sufficient to constitute employment for purposes of the Plan. The Company will determine in good faith and in the exercise of its discretion whether an individual has become or has ceased to be an Employee and the effective date of the individual's employment or termination of employment, as the case may be. For purposes of an individual's rights, if any, under the terms of the Plan as of the time of the Company's determination of whether or not the individual is an Employee, the Company's determination will be final, binding and conclusive as to such rights, if any, notwithstanding that the Company or any court of law or governmental agency subsequently makes a contrary determination as to such individual's status as an Employee.

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

(n) "***Exchange Program***" means a program under which (i) outstanding Awards are surrendered or cancelled in exchange for Awards of the same type (which may have higher or lower exercise prices and different terms), Awards of a different type or cash, (ii) Participants have the opportunity to transfer any outstanding Awards to a financial institution or other person or entity selected by the Board, or (iii) the exercise price of an outstanding Award is increased or reduced. The Board will determine the terms and conditions of any Exchange Program in its sole discretion.

(o) "***Fair Market Value***" means, as of any date, the value of a share of Stock or other property as determined by the Board, in its discretion, or by the Company, in its discretion, if such determination is expressly allocated to the Company, subject to the following:

(i) If, on such date, the Stock is listed or quoted on a securities exchange or quotation system, the Fair Market Value of a share of Stock will be the closing price of a share of Stock as quoted on the securities exchange or quotation system constituting the primary market for the Stock, as reported by a source the Company deems reliable. If the relevant date does not fall on a day on which the Stock has traded on such securities exchange or quotation system, the date on which the Fair Market Value is established will be the last day on which the Stock was traded or quoted prior to the relevant date, or another appropriate day as determined by the Board, in its discretion.

(ii) If, on such date, the Stock is not listed or quoted on a securities exchange or quotation system, the Fair Market Value of a share of Stock must be determined by the Board in good faith without regard to any restriction other than a restriction which, by its terms, will never lapse.

(p) "***Incentive Stock Option***" means an Option intended to be (as set forth in the Award Agreement) and that qualifies as an incentive stock option within the meaning of Section 422(b) of the Code.

(q) "***Incumbent Director***" means a Director who either (i) is a member of the Board as of the Effective Date or (ii) is elected, or nominated for election, to the Board with the affirmative votes of at least a majority of the Incumbent Directors at the time of such election or nomination (but excluding a Director who was elected or nominated in connection with an actual or threatened proxy contest relating to the election of Directors of the Company).

(r) "***Insider***" means an Officer, a Director or other person whose transactions in Stock are subject to Section 16 of the Exchange Act.

(s) "***Nonstatutory Stock Option***" means an Option not intended to be (as set forth in the Award Agreement) or that does not qualify as an incentive stock option within the meaning of Section 422(b) of the Code.

(t) "***Officer***" means any person designated by the Board as an officer of the Company.

(u) "***Option***" means an Incentive Stock Option or a Nonstatutory Stock Option granted pursuant to the Plan.

(v) "***Other Stock-Based Award***" means an Award based in whole or in part by reference to Stock granted pursuant to Section 9.

(w) "***Ownership Change Event***" means the occurrence of any of the following: (i) the direct or indirect sale or exchange in a single or series of related transactions by the stockholders of the Company of securities of the Company representing more than fifty percent (50%) of the total combined voting power of the Company's then outstanding securities entitled to vote generally in the election of Directors; (ii) a merger or consolidation in which the Company is a party; or (iii) the sale, exchange, or transfer of all or substantially all of the assets of the Company (other than a sale, exchange or transfer to one or more subsidiaries of the Company).

(x) "***Parent Corporation***" means any present or future "parent corporation" of the Company, as defined in Section 424(e) of the Code.

(y) "***Participant***" means any eligible person who has been granted one or more Awards.

(z) "***Participating Company***" means the Company or any Parent Corporation or Subsidiary Corporation.

(aa) "***Participating Company Group***" means, at any point in time, all entities collectively that are then Participating Companies.

(bb) "***Restricted Stock Award***" means an Award in the form of a Restricted Stock Bonus or a Restricted Stock Purchase Right.

(cc) "***Restricted Stock Bonus***" means Stock granted to a Participant pursuant to Section 7.

(dd) "***Restricted Stock Purchase Right***" means a right to purchase Stock granted to a Participant pursuant to Section 7.

(ee) "***Restricted Stock Unit***" means a right granted to a Participant pursuant to Section 8 to receive on a future date or event a share of Stock or cash in lieu thereof, as determined by the Board.

(ff) "***Rule 16b-3***" means Rule 16b-3 under the Exchange Act, as amended from time to time, or any successor rule or regulation.

(gg) "***Section 409A***" means Section 409A of the Code.

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

(ii) "***Service***" means a Participant's employment or service-based engagement with the Participating Company Group, whether as an Employee, a Director or a Consultant. Unless otherwise set forth in a Participant's Award Agreement, a Participant's Service will not be deemed to have terminated merely because of a change in the capacity in which the Participant renders Service or a change in the Participating Company for which the Participant renders Service, provided that there is no interruption or termination of the Participant's Service. Furthermore, a Participant's Service will not be deemed to have been interrupted or terminated if the Participant takes any vacation, military leave, sick leave or other bona fide leave of absence approved by the Company. However, unless otherwise provided by the Board, if any such leave taken by a Participant exceeds three (3) months, then on the first (1st) day following the end of such three-month period the Participant's Service will be deemed to have terminated, unless the Participant's right to return to Service is guaranteed by statute or contract. Notwithstanding the foregoing, in the event a Participant's regular level of time commitment in the performance of his or her Service is voluntarily reduced by the Participant (including, without limitation, if the Participant is an Employee who has a change in work schedule from full-time to part-time or who takes an extended unpaid leave of absence) after the date of grant of any Award to the Participant, the Board has the right in its sole discretion (and without the Participant's consent) to (1) make a corresponding reduction in the number of shares subject to any portion of such Award that is scheduled to vest or become payable after the date of

such change in time commitment, and (2) in lieu of or in combination with such a reduction, extend the vesting or payment schedule applicable to such Award. In the event of any such reduction, the Participant will have no right with respect to any portion of the Award that is so reduced or extended. A Participant's Service will be deemed to have terminated either upon an actual termination of Service or upon the business entity for which the Participant performs Service ceasing to be a Participating Company. Subject to the foregoing, the Company, in its discretion, will determine whether the Participant's Service has terminated and the effective date of and reason for such termination.

(jj) "***Stock***" means the common stock of the Company, as adjusted from time to time in accordance with Section 4.3.

(kk) "***Stockholders Agreement***" means any share restriction agreement, stockholders agreement, voting agreement, right of first refusal and co-sale agreement, or other agreement between the Company and its stockholders as may be in effect from time to time, in each case, as may be amended, restated or replaced from time to time.

(ll) "***Subsidiary Corporation***" means any present or future "subsidiary corporation" of the Company, as defined in Section 424(f) of the Code.

(mm) "***Ten Percent Stockholder***" means a person who, at the time an Award is granted to such person, owns stock possessing more than 10% of the total combined voting power of all classes of stock of a Participating Company within the meaning of Section 422(b)(6) of the Code.

(nn) "***Trading Compliance Policy***" means the written policy of the Company pertaining to the purchase, sale, transfer or other disposition of the Company's equity securities by Directors, Officers, Employees or other service providers who may possess material, nonpublic information regarding the Company or its securities.

(oo) "***Vesting Conditions***" mean those conditions established in accordance with the Plan prior to the satisfaction of which an Award or shares subject to an Award remain subject to forfeiture or a repurchase option in favor of the Company exercisable for the Participant's monetary purchase price, if any, for such shares upon the Participant's termination of Service or failure of a performance condition to be satisfied.

2.2 **Construction.** Captions and titles in this Plan are for convenience only and do not affect the meaning or interpretation of any of its provisions. Except when otherwise indicated by the context, the singular will include the plural and the plural will include the singular. Use of the term "or" is not intended to be exclusive, unless the context clearly requires otherwise.

3. ADMINISTRATION.

3.1 **Administration by the Board.** The Plan is administered by the Board. All questions of interpretation of the Plan, any Award Agreement or any other form of agreement or other document employed by the Company in administering the Plan or any Award will be determined by the Board, and such determinations will be final, binding and conclusive upon all

persons having an interest in the Plan or such Award and must be afforded the maximum deference permitted by law. Any and all actions, decisions and determinations taken or made by the Board in the exercise of its discretion pursuant to the Plan or Award Agreement or other agreement thereunder (other than determining questions of interpretation pursuant to the preceding sentence) will be final, binding and conclusive upon all persons having an interest therein. All expenses incurred in connection with the administration of the Plan will be paid by the Company.

3.2 **Authority to Delegate.** The Board may delegate some or all of its authority and responsibility under the Plan to a Committee. To the extent permitted by applicable law, the Board may, in its discretion, delegate to a committee consisting of one or more Officers the authority to grant one or more Awards, without further approval of the Board, to any Employee, other than a person who, at the time of such grant, is an Insider, and to exercise such other powers under the Plan as the Board may determine; provided, however, that (a) the Board will fix the maximum number of shares subject to Awards that may be granted by such Officers, (b) each such Award will be subject to the terms and conditions of the appropriate standard form of Award Agreement approved by the Board and will conform to the provisions of the Plan, and (c) each such Award will conform to such other limits and guidelines as may be established from time to time by the Board. Any Officer will have the authority to act on behalf of the Company with respect to any matter, right, obligation, determination or election that is the responsibility of the Company under the Plan, provided that the Officer has apparent authority with respect to such matter, right, obligation, determination or election.

3.3 **Powers of the Board.** In addition to any other powers set forth in the Plan and subject to the provisions of the Plan, the Board will have the full and final power and authority, in its discretion:

(a) to determine the persons to whom, and the times at which, Awards are granted and the number of shares of Stock or units to subject to each Award;

(b) to determine the type of Award granted;

(c) to determine the Fair Market Value of shares of Stock or other property;

(d) to determine the terms, conditions and restrictions applicable to each Award (which need not be identical) and any shares of Stock acquired pursuant thereto, including, without limitation, (i) the exercise or purchase price of shares pursuant to any Award, (ii) the method of payment for shares of Stock purchased pursuant to any Award, (iii) the method for satisfaction of any tax withholding obligation arising in connection with any Award, including by the withholding or delivery of shares of Stock, (iv) the timing, terms and conditions of the exercisability or vesting of any Award or any shares acquired pursuant thereto, (v) the time of expiration of any Award, (vi) the effect of any Participant’s termination of Service on any of the foregoing, (vii) to include a provision whereby the shares of Stock resulting from an Award are subject to a requirement that they be voted in favor of and, if applicable, transferred in connection with a Change in Control provided certain conditions are met, as set forth in the applicable Award Agreement, and (viii) all other terms, conditions and restrictions applicable to any Award or shares acquired pursuant thereto not inconsistent with the terms of the Plan;

(e) to determine whether an Award will be settled in shares of Stock, cash, other property or in any combination thereof;

(f) to approve one or more forms of Award Agreement;

(g) to amend, modify, extend, cancel or renew any Award or to waive any restrictions or conditions applicable to any Award or any shares of Stock acquired pursuant thereto;

(h) to institute and determine the terms and conditions of an Exchange Program;

(i) to accelerate, continue, extend or defer the exercisability or vesting of any Award or any shares of Stock acquired pursuant thereto, including with respect to the period following a Participant's termination of Service;

(j) to prescribe, amend or rescind rules, guidelines and policies relating to the Plan, and to adopt sub-plans or supplements to, or alternative versions of, the Plan, including, without limitation, as the Board deems necessary or desirable to comply with the laws of, or to accommodate the tax policy, accounting principles or custom of, foreign jurisdictions whose residents may be granted Awards; and

(k) to correct any defect, supply any omission or reconcile any inconsistency in the Plan or any Award Agreement and to make all other determinations and take all other actions with respect to the Plan or any Award that the Board deems advisable to the extent not inconsistent with the provisions of the Plan or applicable law.

3.4 **Administration with Respect to Insiders.** With respect to participation by Insiders in the Plan, at any time that any class of equity security of the Company is registered pursuant to Section 12 of the Exchange Act, the Plan must be administered in compliance with the requirements, if any, of Rule 16b-3.

3.5 **Indemnification.** To the maximum extent permitted by applicable law and by the Company's charter and by-laws, the Board, Officers and employees of the Participating Company Group to whom authority to act for the Board or the Committee with respect to the Plan, will be indemnified by the Company in respect of all their activities taken in good faith under the Plan.

4. SHARES SUBJECT TO PLAN.

4.1 **Maximum Number of Shares Issuable.** Subject to adjustment as provided in Sections 4.2 and 4.3, the maximum aggregate number of shares of Stock that may be issued under the Plan will be Nine Hundred Twenty Seven Thousand Seventy-Seven (927,077) and such shares may consist of authorized but unissued or reacquired shares of Stock or any combination thereof. Notwithstanding the foregoing, at any such time as the offer and sale of

securities pursuant to the Plan is subject to compliance with Section 260.140.45 of Title 10 of the California Code of Regulations (*"**Section 260.140.45**"*), the total number of shares of Stock issuable upon the exercise of all outstanding Awards (together with options outstanding under any other Equity Incentive Plan of the Company) and the total number of shares provided for under any stock bonus or similar plan of the Company may not exceed thirty percent (30%) (or such other higher percentage limitation as may be approved by the stockholders of the Company pursuant to Section 260.140.45) of the then outstanding shares of the Company as calculated in accordance with the conditions and exclusions of Section 260.140.45.

4.2 **Share Counting.** If an outstanding Award for any reason expires or is terminated or canceled without having been exercised or settled in full, or if shares of Stock acquired pursuant to an Award subject to forfeiture or repurchase are forfeited or repurchased by the Company for an amount not greater than the Participant's exercise or purchase price or is surrendered pursuant to an Exchange Program, the shares of Stock allocable to the terminated portion of such Award or such forfeited or repurchased shares of Stock will again be available for issuance under the Plan. Shares of Stock will not be treated as issued pursuant to the Plan (a) with respect to any portion of an Award that is settled in cash or (b) to the extent such shares are withheld or reacquired by the Company in satisfaction of tax withholding obligations pursuant to Section 11.2. If the exercise price of an Option is paid by tender to the Company, or attestation to the ownership, of shares of Stock owned by the Participant, or by means of a Net Exercise, the number of shares available for issuance under the Plan will be reduced by the net number of shares issued upon the exercise of the Option.

4.3 **Adjustments for Changes in Capital Structure.** Subject to any required action by the stockholders of the Company and the requirements of Sections 409A and 424 of the Code to the extent applicable, in the event of any change in the Stock effected without receipt of consideration by the Company, whether through merger, consolidation, reorganization, reincorporation, recapitalization, reclassification, stock dividend, stock split, reverse stock split, split-up, split-off, spin-off, combination of shares, exchange of shares, or similar change in the capital structure of the Company, or in the event of payment of a dividend or distribution to the stockholders of the Company in a form other than Stock (excepting regular, periodic cash dividends) that has a material effect on the Fair Market Value of shares of Stock, appropriate and proportionate adjustments must be made in the number and kind of shares subject to the Plan and to any outstanding Awards, in the ISO Share Limit set forth in Section 5.3(a), and in the exercise or purchase price per share under any outstanding Awards in order to prevent dilution or enlargement of Participants' rights under the Plan. For purposes of the foregoing, conversion of any convertible securities of the Company will not be treated as "effected without receipt of consideration by the Company." If a majority of the shares that are of the same class as the shares that are subject to outstanding Awards are exchanged for, converted into, or otherwise become (whether or not pursuant to an Ownership Change Event) shares of another corporation (the "***New Shares***"), the Board may unilaterally amend the outstanding Awards to provide that such Awards are for New Shares. In the event of any such amendment, the number of shares subject to, and the exercise or purchase price per share of, the outstanding Awards will be adjusted in a fair and equitable manner as determined by the Board, in its discretion. Any fractional share resulting from an adjustment pursuant to this Section will be rounded down to the nearest whole number, and the exercise or purchase price per share will be rounded up to the nearest whole cent. In no event may the exercise or purchase price, if any, under any Award be

decreased to an amount less than the par value, if any, of the stock subject to the Award. Such adjustments will be determined by the Board, and its determination will be final, binding and conclusive upon all persons having an interest therein.

4.4 **Assumption or Substitution of Awards.** The Board may, without affecting the number of shares of Stock available pursuant to Section 4.1, authorize the issuance or assumption of benefits under this Plan in connection with any merger, consolidation, acquisition of property or stock, or reorganization upon such terms and conditions as it may deem appropriate, subject to compliance with Section 409A and any other applicable provisions of the Code.

5. ELIGIBILITY, PARTICIPATION AND OPTION LIMITATIONS.

5.1 **Persons Eligible for Awards.** Awards may be granted only to Employees, Consultants and Directors.

5.2 **Participation in the Plan.** Awards are granted solely at the discretion of the Board. Eligible persons may be granted more than one Award. However, eligibility in accordance with this Section will not entitle any person to be granted an Award, or, having been granted an Award, to be granted an additional Award.

5.3 **Incentive Stock Option Limitations.**

(a) ***Maximum Number of Shares Issuable Pursuant to Incentive Stock Options*.** Subject to Section 4.1 and adjustment as provided in Sections 4.2 and 4.3, the maximum aggregate number of shares of Stock that may be issued under the Plan pursuant to the exercise of Incentive Stock Options may not exceed Nine Hundred Twenty Seven Thousand Seventy-Seven (927,077) shares (the "***ISO Share Limit***"). The maximum aggregate number of shares of Stock that may be issued under the Plan pursuant to all Awards other than Incentive Stock Options will be the number of shares determined in accordance with Section 4.1, subject to adjustment as provided in Sections 4.2 and 4.3.

(b) ***Persons Eligible*.** An Incentive Stock Option may be granted only to a person who, on the effective date of grant, is an Employee. Any person who is not an Employee on the effective date of the grant of the Option may be granted only a Nonstatutory Stock Option.

(c) ***Fair Market Value Limitation.*** To the extent that Options designated as Incentive Stock Options (granted under all Equity Incentive Plans of the Participating Company Group, including the Plan) become exercisable by a Participant for the first time during any calendar year for Stock having a Fair Market Value greater than $100,000, the portion of such Options that exceeds such amount will be treated as Nonstatutory Stock Options. For purposes of this Section, Options designated as Incentive Stock Options will be taken into account in the order in which they were granted, and the Fair Market Value of Stock will be determined as of the time the Option with respect to such Stock is granted. If an Option is treated as an Incentive Stock Option in part and as a Nonstatutory Stock Option in part by reason of the limitation set forth in this Section, the Participant may designate the portion of such Option the Participant is exercising. In the absence of such designation, the Participant will be deemed to have exercised the Incentive Stock Option portion of the Option first. Upon exercise of the Option, shares of Stock issued pursuant to each such portion will be separately identified.

6. **STOCK OPTIONS.**

Each Option must be evidenced by an Award Agreement specifying the number of shares of Stock covered thereby, in such form as the Board establishes. The Award Agreement may incorporate all or any of the terms of the Plan by reference and must comply with and will be subject to the following terms and conditions:

6.1 **Exercise Price.** The Board will establish, in its discretion, the exercise price for each Option; provided, however, that (a) the exercise price per share for an Option may not be less than 100% of the Fair Market Value of a share of Stock on the effective date of grant of the Option and (b) no Incentive Stock Option granted to a Ten Percent Stockholder may have an exercise price per share less than 110% of the Fair Market Value of a share of Stock on the effective date of grant of the Option.

6.2 **Exercisability and Term of Options.** Options will be exercisable at such time or times, or upon such event or events, and subject to such terms, conditions, performance criteria and restrictions as determined by the Board and set forth in the Award Agreement evidencing such Option; provided, however, that (a) no Option will be exercisable after the expiration of 10 years after the effective date of grant of such Option, (b) no Incentive Stock Option granted to a Ten Percent Stockholder will be exercisable after the expiration of five (5) years after the effective date of grant of such Option, and (c) no Option granted to an Employee who is a non-exempt employee for purposes of the Fair Labor Standards Act of 1938, as amended, will be first exercisable until at least six (6) months following the date of grant of such Option (except in the event of such Employee's death, Disability or retirement, upon a Change in Control, or as otherwise permitted by the Worker Economic Opportunity Act). Subject to the foregoing, unless otherwise specified by the Board in the grant of an Option, each Option will terminate 10 years after the effective date of grant of the Option, unless earlier terminated in accordance with its provisions.

6.3 **Payment of Exercise Price**.

(a) ***Forms of Consideration Authorized.*** Except as otherwise provided below, payment of the exercise price for the number of shares of Stock being purchased pursuant to any Option must be made (i) in cash, by check or in cash equivalent, (ii) if permitted by the Board and subject to the limitations contained in Section 6.3(b), by means of (1) a Stock Tender Exercise, (2) a Cashless Exercise or (3) a Net Exercise; (iii) by such other consideration as may be approved by the Board from time to time to the extent permitted by applicable law, or (iv) by any combination thereof. The Board may grant Options which do not permit all of the foregoing forms of consideration to be used in payment of the exercise price or which otherwise restrict one or more forms of consideration.

(b) ***Limitations on Forms of Consideration.***

(i) **Stock Tender Exercise.** A "***Stock Tender Exercise***" means the delivery of a properly executed exercise notice accompanied by a Participant's tender

to the Company, or attestation to the ownership, in a form acceptable to the Company of whole shares of Stock owned by the Participant having a Fair Market Value that does not exceed the aggregate exercise price for the shares of Stock with respect to which the Option is exercised. A Stock Tender Exercise will not be permitted if it would constitute a violation of any law, regulation or agreement restricting the Company's redemption of Stock. If required by the Company, an Option may not be exercised by tender to the Company, or attestation to the ownership, of shares of Stock unless such shares either have been owned by the Participant for a period of time required by the Company (and not used for another option exercise by attestation during such period) or were not acquired, directly or indirectly, from the Company.

(ii) **Cashless Exercise.** A Cashless Exercise will be permitted only upon the class of shares subject to the Option becoming publicly traded in an established securities market. A *"**Cashless Exercise**"* means the delivery of a properly executed exercise notice together with irrevocable instructions to a broker providing for the assignment to the Company of the proceeds of a sale or loan with respect to some or all of the shares of Stock being acquired upon the exercise of the Option (including, without limitation, through an exercise complying with the provisions of Regulation T as promulgated from time to time by the Board of Governors of the Federal Reserve System). The Company reserves, at any and all times, the right, in the Company's sole and absolute discretion, to establish, decline to approve or terminate any program or procedures for the exercise of Options by means of a Cashless Exercise, including with respect to one or more Participants specified by the Company notwithstanding that such program or procedures may be available to other Participants.

(iii) **Net Exercise.** A *"**Net Exercise**"* means the delivery of a properly executed exercise notice followed by a procedure pursuant to which (1) the Company will reduce the number of shares of Stock otherwise issuable to a Participant upon the exercise of an Option by the largest whole number of shares having a Fair Market Value that does not exceed the aggregate exercise price for the shares with respect to which the Option is exercised, and (2) the Participant will pay to the Company in cash the remaining balance of such aggregate exercise price not satisfied by such reduction in the number of whole shares to be issued.

6.4 **Effect of Termination of Service**.

(a) ***Option Exercisability*.** Subject to earlier termination of the Option as otherwise provided by this Plan and unless a longer exercise period is provided by the Board, an Option will terminate immediately upon the Participant's termination of Service to the extent that it is then unvested and will be exercisable after the Participant's termination of Service to the extent it is then vested only during the applicable time period determined in accordance with this Section and thereafter will terminate:

(i) **Disability.** If the Participant's Service terminates because of the Disability of the Participant, the Option, to the extent unexercised and exercisable for vested shares on the date on which the Participant's Service terminated, may be exercised by the Participant (or the Participant's guardian or legal representative) at any time prior to the expiration six (6) months (or such longer period provided by the Award Agreement) after the date on which the Participant's Service terminated, but in any event no later than the date of expiration of the Option's term as set forth in the Award Agreement evidencing such Option (the *"**Option Expiration Date**"*).

(ii) **Death.** If the Participant's Service terminates because of the death of the Participant, the Option, to the extent unexercised and exercisable for vested shares on the date on which the Participant's Service terminated, may be exercised by the Participant's legal representative or other person who acquired the right to exercise the Option by reason of the Participant's death at any time prior to the expiration of six (6) months (or such longer period provided by the Award Agreement) after the date on which the Participant's Service terminated, but in any event no later than the Option Expiration Date. The Participant's Service will be deemed to have terminated on account of death if the Participant dies within 30 days (or such longer period provided by the Board) after the Participant's termination of Service.

(iii) **Termination for Cause.** Notwithstanding any other provision of the Plan to the contrary, if the Participant's Service is terminated for Cause, the Option will cease to be exercisable immediately upon such termination of Service.

(iv) **Other Termination of Service.** If the Participant's Service terminates for any reason, except Disability, death or Cause, the Option, to the extent unexercised and exercisable for vested shares on the date on which the Participant's Service terminated, may be exercised by the Participant at any time prior to the expiration of 30 days (or such longer period provided by the Award Agreement) after the date on which the Participant's Service terminated, but in any event no later than the Option Expiration Date.

(b) ***Extension if Exercise Prevented by Law*.** Notwithstanding the foregoing other than termination of Service for Cause, if the exercise of an Option within the applicable time periods set forth in Section 6.4(a) is prevented by the provisions of Section 13 below, the Option will remain exercisable until the later of (i) 30 days after the date such exercise first would no longer be prevented by such provisions or (ii) the end of the applicable time period under Section 6.4(a), but in any event no later than the Option Expiration Date.

6.5 **Transferability of Options.** During the lifetime of the Participant, an Option is exercisable only by the Participant or the Participant's guardian or legal representative. An Option is not subject in any manner to anticipation, alienation, sale, exchange, transfer, assignment, pledge, encumbrance, or garnishment by creditors of the Participant or the Participant's beneficiary, except (a) transfer by will or by the laws of descent and distribution or (b) to the extent permitted by the Board, in its discretion, subject to the applicable limitations, if any, described in Rule 701 under the Securities Act and the General Instructions to Form S-8 Registration Statement under the Securities Act or, in the case of an Incentive Stock Option, only as permitted by applicable regulations under Section 421 of the Code in a manner that does not disqualify such Option as an Incentive Stock Option.

7. RESTRICTED STOCK AWARDS.

Each Restricted Stock Award must be evidenced by an Award Agreement specifying whether the Award is a Restricted Stock Bonus or a Restricted Stock Purchase Right and the number of shares of Stock subject to the Award, in such form as the Board establishes.

The Award Agreements may incorporate all or any of the terms of the Plan by reference and must comply with and will be subject to the following terms and conditions:

7.1 **Types of Restricted Stock Awards Authorized.** Restricted Stock Awards may be granted in the form of either a Restricted Stock Bonus or a Restricted Stock Purchase Right. Restricted Stock Awards may be granted upon such conditions as the Board determines, including the attainment of one or more performance goals.

7.2 **Purchase Price.** The purchase price for shares of Stock issuable under each Restricted Stock Purchase Right will be established by the Board in its discretion. No monetary payment (other than applicable tax withholding) is required as a condition of receiving shares of Stock pursuant to a Restricted Stock Bonus, the consideration for which is services actually rendered to a Participating Company or for its benefit. However, if required by applicable state corporate law, the Participant must furnish consideration in the form of cash or past services rendered to a Participating Company or for its benefit having a value not less than the par value of the shares of Stock subject to a Restricted Stock Award.

7.3 **Purchase Period.** A Restricted Stock Purchase Right is exercisable within a period established by the Board not exceeding 30 days from the effective date of the grant of the Restricted Stock Purchase Right.

7.4 **Payment of Purchase Price.** Payment of the purchase price for the number of shares of Stock being purchased pursuant to any Restricted Stock Purchase Right must be made (a) in cash, by check or in cash equivalent, (b) by such other consideration as may be approved by the Board from time to time to the extent permitted by applicable law, or (c) by any combination thereof.

7.5 **Vesting and Restrictions on Transfer.** Shares issued pursuant to any Restricted Stock Award may (but need not) be made subject to Vesting Conditions based upon the satisfaction of such Service requirements, conditions, restrictions or performance criteria established by the Board and set forth in the Award Agreement. During any period in which shares acquired pursuant to a Restricted Stock Award remain subject to Vesting Conditions, such shares may not be sold, exchanged, transferred, pledged, assigned or otherwise disposed of other than pursuant to an Ownership Change Event or as provided in Section 7.8. Upon request by the Company, each Participant must execute any agreement evidencing such transfer restrictions prior to the receipt of shares of Stock and must promptly present to the Company any and all certificates representing shares of Stock for the placement on such certificates of appropriate legends evidencing such transfer restrictions.

7.6 **Voting Rights; Dividends and Distributions.** Except as provided in this Section, Section 7.5and any Award Agreement, during any period in which shares acquired pursuant to a Restricted Stock Award remain subject to Vesting Conditions, the Participant will have all of the rights of a stockholder of the Company holding shares of Stock, including the right to vote such shares and to receive all dividends and other distributions paid with respect to such shares; provided, however, that if so determined by the Board and provided by the Award Agreement, such dividends and distributions will be subject to the same Vesting Conditions as the shares subject to the Restricted Stock Award with respect to which such dividends or

distributions were paid, and otherwise will be paid no later than the end of the calendar year in which such dividends or distributions are paid to stockholders (or, if later, the 15th day of the third month following the date such dividends or distributions are paid to stockholders). In the event of a dividend or distribution paid in shares of Stock or other property or any other adjustment made upon a change in the capital structure of the Company as described in Section 4.3, any and all new, substituted or additional securities or other property (other than regular, periodic cash dividends) to which the Participant is entitled by reason of the Participant's Restricted Stock Award will be immediately subject to the same Vesting Conditions as the shares subject to the Restricted Stock Award with respect to which such dividends or distributions were paid or adjustments were made.

7.7 **Effect of Termination of Service**. Unless otherwise provided by the Board in the Award Agreement evidencing a Restricted Stock Award, if a Participant's Service terminates for any reason, whether voluntary or involuntary (including the Participant's death or Disability), then (a) the Company will have the option to repurchase for the purchase price paid by the Participant any shares acquired by the Participant pursuant to a Restricted Stock Purchase Right that remain subject to Vesting Conditions as of the date of the Participant's termination of Service and (b) the Participant will forfeit to the Company for no consideration any shares acquired by the Participant pursuant to a Restricted Stock Bonus which remain subject to Vesting Conditions as of the date of the Participant's termination of Service. The Company will have the right to assign at any time any repurchase right it may have, whether or not such right is then exercisable, to one or more persons as may be selected by the Company.

7.8 **Nontransferability of Restricted Stock Award Rights**. Rights to acquire shares of Stock pursuant to a Restricted Stock Award will not be subject in any manner to anticipation, alienation, sale, exchange, transfer, assignment, pledge, encumbrance or garnishment by creditors of the Participant or the Participant's beneficiary, except transfer by will or the laws of descent and distribution. All rights with respect to a Restricted Stock Award granted to a Participant hereunder will be exercisable during his or her lifetime only by such Participant or the Participant's guardian or legal representative.

8. RESTRICTED STOCK UNITS.

Each Restricted Stock Unit Award must be evidenced by an Award Agreement specifying the number of Restricted Stock Units subject to the Award, in such form as the Board establishes. The Award Agreements may incorporate all or any of the terms of the Plan by reference and must comply with and will be subject to the following terms and conditions:

8.1 **Grant of Restricted Stock Unit Awards**. Restricted Stock Unit Awards may be granted upon such conditions as the Board determines, including the attainment of one or more performance goals.

8.2 **Purchase Price**. No monetary payment (other than applicable tax withholding, if any) is required as a condition of receiving a Restricted Stock Unit Award, the consideration for which is services actually rendered to a Participating Company or for its benefit. However, if required by applicable state corporate law, the Participant must furnish consideration in the form of cash or past services rendered to a Participating Company or for its benefit having a value not less than the par value of the shares of Stock issued upon settlement of the Restricted Stock Unit Award.

8.3 **Vesting**. Restricted Stock Unit Awards may (but need not) be made subject to Vesting Conditions based upon the satisfaction of such Service requirements, conditions, restrictions or performance criteria established by the Board and set forth in the Award Agreement.

8.4 **Voting Rights, and Distributions**. Participants will have no voting rights with respect to shares of Stock represented by Restricted Stock Units until the date of the issuance of such shares (as evidenced by the appropriate entry on the books of the Company or of a duly authorized transfer agent of the Company). In the event of a dividend or distribution paid in shares of Stock or other property or any other adjustment made upon a change in the capital structure of the Company as described in Section 4.3, appropriate adjustments will be made in the Participant's Restricted Stock Unit Award so that it represents the right to receive upon settlement any and all new, substituted or additional securities or other property (other than regular, periodic cash dividends) to which the Participant would be entitled by reason of the shares of Stock issuable upon settlement of the Award, and all such new, substituted or additional securities or other property will be immediately subject to the same Vesting Conditions as are applicable to the Award.

8.5 **Effect of Termination of Service**. Unless otherwise provided by the Board and set forth in the Award Agreement evidencing a Restricted Stock Unit Award, if a Participant's Service terminates for any reason, whether voluntary or involuntary (including the Participant's death or disability), then the Participant will forfeit to the Company any Restricted Stock Units pursuant to the Award which remain subject to Vesting Conditions as of the date of the Participant's termination of Service.

8.6 **Settlement of Restricted Stock Unit Awards**. The Company will issue to a Participant on the date on which Restricted Stock Units subject to the Participant's Restricted Stock Unit Award vest or on such other date determined by the Board in compliance with Section 409A, if applicable, and set forth in the Award Agreement one (1) share of Stock (and/or any other new, substituted or additional securities or other property pursuant to an adjustment described in Section 8.4) for each Restricted Stock Unit then becoming vested or otherwise to be settled on such date, subject to the withholding of applicable taxes, if any. The Board, in its discretion, may provide in any Award Agreement evidencing a Restricted Stock Unit Award that if the settlement date with respect to any shares issuable upon vesting of Restricted Stock Units would otherwise occur on a day on which the sale of such shares would violate the provisions of the Trading Compliance Policy, then the settlement date will be deferred until the next trading day on which the sale of such shares would not violate the Trading Compliance Policy but in any event no later than the 15th day of the third calendar month following the year in which such Restricted Stock Units vest. If permitted by the Board, the Participant may elect, consistent with the requirements of Section 409A, to defer receipt of all or any portion of the shares of Stock or other property otherwise issuable to the Participant pursuant to this Section, and such deferred issuance date(s) and amount(s) elected by the Participant must be set forth in the Award Agreement. Notwithstanding the foregoing, the Board, in its discretion, may provide for settlement of any Restricted Stock Unit Award by payment to the Participant in cash of an amount equal to the Fair Market Value on the payment date of the shares of Stock or other property otherwise issuable to the Participant pursuant to this Section.

8.7 **Nontransferability of Restricted Stock Unit Awards**. The right to receive shares pursuant to a Restricted Stock Unit Award will not be subject in any manner to anticipation, alienation, sale, exchange, transfer, assignment, pledge, encumbrance, or garnishment by creditors of the Participant or the Participant's beneficiary, except transfer by will or by the laws of descent and distribution. All rights with respect to a Restricted Stock Unit Award granted to a Participant hereunder will be exercisable during his or her lifetime only by such Participant or the Participant's guardian or legal representative.

9. **OTHER STOCK-BASED AWARDS.**

Other forms of Awards valued in whole or in part by reference to, or otherwise based on, Stock, including the appreciation in value thereof, may be granted either alone or in addition to other Awards. Subject to the provisions of the Plan, the Board will have sole and complete authority to determine the persons to whom and the time or times at which such Other Stock-Based Awards will be granted, the number of shares of Stock (or the cash equivalent thereof) to be granted pursuant to such Other Stock-Based Awards and all other terms and conditions of such Other Stock-Based Awards.

10. **CHANGE IN CONTROL; DISSOLUTION OR LIQUIDATION.**

10.1 **Effect of Change in Control on Awards.** In the event of a Change in Control, outstanding Awards will be subject to the definitive agreement entered into by the Company in connection with the Change in Control or as otherwise determined by the Board, including any requirement thereunder that the Participant sign a letter of transmittal, cancellation agreement, release of claims or other similar acknowledgement or agreement. Subject to the requirements and limitations of Section 409A, if applicable, the Board may provide for any one or more of the following:

(a) ***Accelerated Vesting***. In its discretion, the Board may provide in the grant of any Award or at any other time may take any action it deems appropriate to provide for acceleration of the exercisability and/or vesting in connection with a Change in Control of each or any outstanding Award (or portion thereof) and shares acquired pursuant any Award upon such conditions, including termination of the Participant's Service prior to, upon, or following the Change in Control, and to such extent as the Board determines.

(b) ***Assumption, Continuation or Substitution of Awards***. In the event of a Change in Control, the surviving, continuing, successor, or purchasing corporation or other business entity or parent thereof, as the case may be (the "***Acquiror***"), may, without the consent of any Participant, assume or continue the Company's rights and obligations under each or any Award (or portion thereof) outstanding immediately prior to the Change in Control or substitute for each or any such outstanding Award or portion thereof a substantially equivalent award with respect to the Acquiror's stock. The holder of any Award (or portion thereof) that is neither assumed, continued by, or substituted for by the Acquiror in connection with the Change in Control will be given reasonable advance notice by the Company (in writing or electronically)

regarding the treatment of such Award in the Change in Control and, to the extent any such Award is not exercised as of the time of consummation of the Change in Control, such Award will terminate and cease to be outstanding effective as of the time of consummation of the Change in Control. For the purposes of this subsection (b), an Award will be considered assumed, continued, or substituted for if, following the Change in Control, the Award confers the right to purchase or receive, for each share of Stock subject to the Award immediately prior to the Change in Control, the consideration (whether stock, cash, or other securities or property) received in the Change in Control by holders of Stock for each share held on the effective date of the transaction (and if holders were offered a choice of consideration, the type of consideration chosen by the holders of a majority of the outstanding shares of Stock); provided, however, that if such consideration received in the Change in Control is not solely common stock of the Acquiror or its Parent, the Board may, with the consent of the successor corporation, provide for the consideration to be received upon the exercise or settlement of the Award, for each share of Stock subject to such Award, to be solely common stock of the Acquiror or its Parent equal in Fair Market Value to the per share consideration received by holders of Stock in the Change in Control. Notwithstanding anything in this subsection (b) to the contrary, and unless otherwise provided in an Award Agreement, an Award that vests, is earned or paid-out upon the satisfaction of one or more performance goals will not be considered assumed if the Company or its successor modifies any of such performance goals without the Participant's consent; provided, however, that a modification to such performance goals only to reflect the successor corporation's post-Change in Control corporate structure will not be deemed to invalidate an otherwise valid Award assumption.

(c) ***Cash-Out of Outstanding Awards.*** The Board may, in its discretion and without the consent of any Participant, determine that, upon the occurrence of a Change in Control, each or any Award or portion thereof outstanding immediately prior to the Change in Control and not previously exercised or settled will be canceled in exchange for a payment with respect to each vested share (and each unvested share, if so determined by the Board) of Stock subject to such canceled Award in (i) cash, (ii) stock of the Company or of a corporation or other business entity a party to the Change in Control, or (iii) other property which, in any such case, must be in an amount having a Fair Market Value equal to the Fair Market Value of the consideration to be paid per share of Stock in the Change in Control, reduced (but not below zero) by the exercise or purchase price per share, if any, under such Award. If any portion of such consideration may be received by holders of Stock pursuant to the Change in Control on a contingent or delayed basis including pursuant to an escrow, earn-out, holdback or similar arrangement applicable to Company stockholders generally, the Board may, in its sole discretion, (i) determine such Fair Market Value per share as of the time of the Change in Control on the basis of the Board's good faith estimate of the present value of the probable amount of future payment of such consideration, or (ii) subject such consideration to the contingencies or delayed payments terms, including pursuant to an escrow, earn-out, holdback or similar arrangement, applicable to Company stockholders generally in the Change in Control. In the event a determination under this subsection (c) is made by the Board, an Award having an exercise or purchase price per share equal to or greater than the Fair Market Value of the consideration to be paid per share of Stock in the Change in Control may be canceled without payment of consideration to the holder thereof.

(d) ***Award Subject to Section 409A***.Notwithstanding any provision of the Plan or an Award Agreement to the contrary, to the extent that any amount constituting nonqualified deferred compensation subject to Section 409A would become payable under this Plan by reason of a Change in Control, such amount will become payable only if the event constituting a Change in Control would also constitute a change in ownership or effective control of the Company or a change in the ownership of a substantial portion of the assets of the Company within the meaning of Section 409A. Any Award that constitutes Section 409A deferred compensation and that would vest and otherwise become payable upon a Change in Control in accordance with Section 10.1(a) will vest to the extent provided by such Award but will be converted automatically at the effective time of the Change in Control into a right to receive, in cash on the date or dates such award would have been settled in accordance with its then existing settlement schedule or otherwise at the earliest time that would not result in taxation under Section 409A, an amount or amounts equal in the aggregate to the intrinsic value of the Award at the time of the Change in Control.

(e) ***Treatment of Awards***. In taking any of the actions permitted under this Section 10.1, the Board will not be required to treat all Awards, all Awards held by a Participant, or all Awards of the same type, similarly in the Change in Control transaction**.**

10.2 **Dissolution or Liquidation.** In the event of the proposed dissolution or liquidation of the Company, the Board will notify each Participant as soon as practicable prior to the effective date of such proposed transaction. To the extent it previously has not been exercised, an Award will terminate immediately prior to the consummation of such proposed action.

11. TAX WITHHOLDING.

11.1 **Tax Withholding in General**. The Company has the right to deduct from any and all payments made under the Plan, or to require the Participant, through payroll withholding, cash payment or otherwise, to make adequate provision for, the federal, state, local and foreign taxes (including social insurance), if any, required by law to be withheld by any Participating Company with respect to an Award or the shares acquired pursuant thereto. The Company has no obligation to deliver shares of Stock, to release shares of Stock from an escrow established pursuant to an Award Agreement, or to make any payment in cash under the Plan until the Participating Company Group's tax withholding obligations have been satisfied by the Participant.

11.2 **Withholding in or Directed Sale of Shares**. The Company has the right, but not the obligation, to deduct from the shares of Stock issuable to a Participant upon the exercise, vesting or settlement of an Award, or to accept from the Participant the tender of, a number of whole shares of Stock having a Fair Market Value, as determined by the Company, equal to all or any part of the tax withholding obligations of any Participating Company. The Fair Market Value of any shares of Stock withheld or tendered to satisfy any such tax withholding obligations may not exceed the amount determined by the applicable minimum statutory withholding rates. The Company may require a Participant to direct a broker, upon the vesting, exercise or settlement of an Award, to sell a portion of the shares subject to the Award determined by the Company in its discretion to be sufficient to cover the tax withholding obligations of any Participating Company and to remit an amount equal to such tax withholding obligations to the Participating Company in cash.

11.3 **Section 83(i) Election Not Permitted**. The Company will not establish an escrow arrangement in accordance with Section 83(i)(3)(A)(ii) of the Code intended to satisfy the income tax withholding requirements with respect to qualified stock. Accordingly, no Participant will be permitted to make an election under Section 83(i) of the Code with respect to any shares of Stock acquired upon the exercise of an Option or upon the settlement of Restricted Stock Units.

12. COMPLIANCE WITH SECTION 409A.

The Plan and all Awards are intended to comply with, or otherwise be exempt from, Section 409A. The Plan and all Awards will be administered, interpreted, and construed in a manner consistent with Section 409A, as determined by the Company in good faith, to the extent necessary to avoid the imposition of additional taxes under Section 409A(a)(1)(B) of the Code. It is intended that any election, payment or benefit which is made or provided pursuant to or in connection with any Award that may result in nonqualified deferred compensation within the meaning of Section 409A will comply in all respects with the applicable requirements of Section 409A. Notwithstanding the foregoing, neither the Company nor the Board will have any obligation to take any action to prevent the assessment of any tax or penalty on any Participant under Section 409A, and neither the Company nor the Board will have any liability to any Participant for such tax or penalty.

13. COMPLIANCE WITH SECURITIES LAW.

The grant of Awards and the issuance of shares of Stock pursuant to any Award will be subject to compliance with all applicable requirements of federal, state and foreign law with respect to such securities and the requirements of any stock exchange or market system upon which the Stock may then be listed. In addition, no Award may be exercised or shares issued pursuant to an Award unless (a) a registration statement under the Securities Act will at the time of such exercise or issuance be in effect with respect to the shares issuable pursuant to the Award or (b) the shares issuable pursuant to the Award may be issued in accordance with the terms of an applicable exemption from the registration requirements of the Securities Act. The inability of the Company to obtain from any regulatory body having jurisdiction the authority, if any, deemed by the Company's legal counsel to be necessary to the lawful issuance and sale of any shares under the Plan will relieve the Company of any liability in respect of the failure to issue or sell such shares as to which such requisite authority has not been obtained. As a condition to issuance of any Stock, the Company may require the Participant to satisfy any qualifications that may be necessary or appropriate, to evidence compliance with any applicable law or regulation and to make any representation or warranty with respect thereto as may be requested by the Company.

14. AMENDMENT OR TERMINATION OF PLAN OR AN AWARD.

The Board may amend, suspend or terminate the Plan at any time. However, without the approval of the Company's stockholders, there must be (a) no increase in the

maximum aggregate number of shares of Stock that may be issued under the Plan (except by operation of the provisions of Sections 4.2 and 4.3), (b) no change in the class of persons eligible to receive Incentive Stock Options, and (c) no other amendment of the Plan that would require approval of the Company's stockholders under any applicable law, regulation or rule, including the rules of any stock exchange or quotation system upon which the Stock may then be listed or quoted. No amendment, suspension or termination of the Plan may affect any then outstanding Award unless expressly provided by the Board. Except as provided by the next sentence, no amendment, suspension or termination of the Plan or any Award may have a materially adverse effect on any then outstanding Award without the consent of the Participant. Notwithstanding any other provision of the Plan or any Award Agreement to the contrary, (a) an amendment to the Plan or any Award that may cause an Incentive Stock Option to be treated as a Nonstatutory Stock Option or require the commencement of a new holding period necessary for treatment as an Incentive Stock Option will not be treated as having a materially adverse effect on the Award and (b) the Board may, in its sole and absolute discretion and without the consent of any Participant, amend the Plan or any Award Agreement, to take effect retroactively or otherwise, as it deems necessary or advisable for the purpose of conforming the Plan or such Award Agreement to any present or future law, regulation or rule applicable to the Plan, including, but not limited to, Section 409A.

15. **MISCELLANEOUS PROVISIONS.**

15.1 **Restrictions on Transfer of Shares**.

(a) Shares issued under the Plan may be subject to a right of first refusal, one or more repurchase options, or other conditions and restrictions as determined by the Board in its discretion at the time the Award is granted. The Company will have the right to assign at any time any repurchase right it may have, whether or not such right is then exercisable, to one or more persons as may be selected by the Company. Upon request by the Company, each Participant will execute any agreement evidencing such transfer restrictions prior to the receipt of shares of Stock hereunder and will promptly present to the Company any and all certificates representing shares of Stock for the placement on such certificates of appropriate legends evidencing any such transfer restrictions.

(b) Notwithstanding the provisions of any Award Agreement to the contrary, at any time prior to the date on which the Stock is listed on a national securities exchange (as such term is used in the Exchange Act) or is traded on the over-the-counter market and prices therefore are published daily on business days in a recognized financial journal, the Board may prohibit any Participant who acquires shares of Stock pursuant to the Plan or any transferee of such Participant from selling, transferring, assigning, pledging, or otherwise disposing of or encumbering any such shares (each, a "***Transfer***") without the prior written consent of the Board. The Board may withhold consent to any Transfer for any reason, including without limitation any Transfer (i) to any individual or entity identified by the Company as a potential competitor or considered by the Company to be unfriendly, or (ii) if such Transfer increases the risk of the Company having a class of security held of record by such number of persons as would require the Company to register any class of securities under the Exchange Act; or (iii) if such Transfer would result in the loss of any federal or state securities law exemption relied upon by the Company in connection with the initial issuance of such shares or

the issuance of any other securities; or (iv) if such Transfer is facilitated in any manner by any public posting, message board, trading portal, Internet site, or similar method of communication, including without limitation any trading portal or Internet site intended to facilitate secondary transfers of securities; or (v) if such Transfer is to be effected in a brokered transaction; or (vi) if such Transfer would be of less than all of the shares of Stock then held by the stockholder and its affiliates or is to be made to more than a single transferee.

15.2 **Forfeiture Events.** The Board may determine that the Participant's rights, payments, and benefits with respect to an Award will be subject to reduction, cancellation, forfeiture, or recoupment upon the occurrence of specified events, in addition to any otherwise applicable vesting or performance conditions of an Award. Such events may include, but will not be limited to, termination of Service for Cause, any act by a Participant, whether before or after termination of Service, that would constitute Cause for termination of Service, or any accounting restatement due to material noncompliance of the Company with any financial reporting requirements of securities laws as a result of which, and to the extent that, such reduction, cancellation, forfeiture, or recoupment is required by applicable securities laws. Notwithstanding any provisions to the contrary under this Plan, an Award will be subject to the Company's clawback policy as may be established and/or amended from time to time (the "***Clawback Policy***"). The Board may require a Participant to forfeit, return or reimburse the Company all or a portion of the Award and any amounts paid thereunder pursuant to the terms of the Clawback Policy or as necessary or appropriate to comply with applicable law.

15.3 **Provision of Information.** At least annually, copies of the Company's balance sheet and income statement for the just completed fiscal year must be made available to each Participant and purchaser of shares of Stock upon the exercise of an Award; provided, however, that this requirement does not apply if all offers and sales of securities pursuant to the Plan comply with all applicable conditions of Rule 701 under the Securities Act. The Company is not required to provide such information to key persons whose duties in connection with the Company assure them access to equivalent information. The Company will deliver to each Participant such disclosures as are required in accordance with Rule 701 under the Securities Act. Notwithstanding the foregoing, at any time the Company is relying on the exemption provided by Rule 12h-1(f) under the Exchange Act, the Company will provide to the applicable Participants the information described in Securities Act Rules 701(e)(3), (4) and (5) by a method allowed under Rule 12h-1(f)(1)(vi) and in accordance with the requirements of Rule 12h-1(f)(1)(vi), provided that the Participant agrees to keep the information confidential until the Company becomes subject to the reporting requirements of Section 13 or Section 15(d) of the Exchange Act.

15.4 **Rights as Employee, Consultant or Director.** No person, even though eligible pursuant to Section 5, will have a right to be selected as a Participant, or, having been so selected, to be selected again as a Participant. Nothing in the Plan or any Award granted under the Plan will confer on any Participant a right to remain an Employee, Consultant or Director or interfere with or limit in any way any right of a Participating Company to terminate the Participant's Service at any time. To the extent that an Employee of a Participating Company other than the Company receives an Award under the Plan, that Award will in no event be understood or interpreted to mean that the Company is the Employee's employer or that the Employee has an employment relationship with the Company.

15.5 **Rights as a Stockholder.** A Participant will have no rights as a stockholder with respect to any shares of Stock covered by an Award until the date of the issuance of such shares (as evidenced by the appropriate entry on the books of the Company or of a duly authorized transfer agent of the Company). No adjustment will be made for dividends, distributions or other rights for which the record date is prior to the date such shares are issued, except as provided in Section 4.3 or another provision of the Plan.

15.6 **Delivery of Title to Shares.** Subject to any governing rules or regulations, the Company will issue or cause to be issued the shares of Stock acquired pursuant to an Award and will deliver such shares to or for the benefit of the Participant by means of one or more of the following: (a) by delivering to the Participant evidence of book entry shares of Stock credited to the account of the Participant, (b) by depositing such shares of Stock for the benefit of the Participant with any broker with which the Participant has an account relationship, or (c) by delivering such shares of Stock to the Participant in certificate form.

15.7 **Fractional Shares.** The Company will not be required to issue fractional shares upon the exercise or settlement of any Award.

15.8 **Retirement and Welfare Plans.** Neither Awards made under this Plan nor shares of Stock or cash paid pursuant to such Awards may be included as "compensation" for purposes of computing the benefits payable to any Participant under any Participating Company's retirement plans (both qualified and non-qualified) or welfare benefit plans unless such other plan expressly provides that such compensation will be taken into account in computing a Participant's benefits.

15.9 **Severability.** If any one or more of the provisions (or any part thereof) of this Plan is held invalid, illegal or unenforceable in any respect, such provision will be modified so as to make it valid, legal and enforceable, and the validity, legality and enforceability of the remaining provisions (or any part thereof) of the Plan will not in any way be affected or impaired thereby.

15.10 **No Constraint on Corporate Action.** Nothing in this Plan will be construed to: (a) limit, impair, or otherwise affect the Company's or another Participating Company's right or power to make adjustments, reclassifications, reorganizations, or changes of its capital or business structure, or to merge or consolidate, or dissolve, liquidate, sell, or transfer all or any part of its business or assets; or (b) limit the right or power of the Company or another Participating Company to take any action which such entity deems to be necessary or appropriate.

15.11 **Unfunded Obligation**. Participants will have the status of general unsecured creditors of the Company. Any amounts payable to Participants pursuant to the Plan are considered unfunded and unsecured obligations for all purposes, including, without limitation, Title I of the Employee Retirement Income Security Act of 1974. No Participating Company will be required to segregate any monies from its general funds, or to create any trusts, or establish any special accounts with respect to such obligations. The Company will retain at all times beneficial ownership of any investments, including trust investments, which the Company may make to fulfill its payment obligations hereunder. Any investments or the creation or

maintenance of any trust or any Participant account will not create or constitute a trust or fiduciary relationship between the Board or any Participating Company and a Participant, or otherwise create any vested or beneficial interest in any Participant or the Participant's creditors in any assets of any Participating Company. The Participants will have no claim against any Participating Company for any changes in the value of any assets which may be invested or reinvested by the Company with respect to the Plan.

15.12 **Choice of Law.** Except to the extent governed by applicable federal law, the validity, interpretation, construction and performance of the Plan and each Award Agreement will be governed by the laws of the State of Delaware, without regard to its conflict of law rules.

15.13 **Corporate Records.** Corporate action constituting the grant of an Award to any Participant will be deemed completed as of the date of such corporate action, unless a later effective date is expressly provided by the Board in granting the Award, regardless of when the instrument, certificate, or letter evidencing the Award is communicated to, or actually received or accepted by, the Participant. In the event that the corporate records (including, without limitation, Board written consents in lieu of a meeting, resolutions, or minutes) documenting the corporate action constituting the grant of the Award contain terms (including, without limitation, the exercise price, vesting schedule or number of shares) that are inconsistent with those contained in the Award Agreement or related grant documents as a result of a clerical error in the preparation of the Award Agreement or related grant documents, the corporate records will control, and the Participant will have no legally binding right to the incorrect term contained in the Award Agreement or related grant documents.

15.14 **Stockholder Approval.** The Plan or any increase in the maximum aggregate number of shares of Stock issuable under the Plan as provided in Section 4.1 (the "***Authorized Shares***") must be approved by a majority of the outstanding securities of the Company entitled to vote within a period beginning twelve (12) months before and ending twelve (12) months after the date of adoption thereof by the Board. Awards granted prior to security holder approval of the Plan or in excess of the Authorized Shares previously approved by the security holders will become exercisable no earlier than the date of security holder approval of the Plan or such increase in the Authorized Shares, as the case may be, and such Awards will be rescinded if such security holder approval is not received in the manner described in the preceding sentence.

IN WITNESS WHEREOF, the undersigned Secretary of the Company certifies that the foregoing sets forth the Alpha Teknova, Inc. 2020 Equity Incentive Plan as duly adopted by the Board on August 31, 2020.

/s/ Damon A. Terrill
Secretary

AMENDMENT TO THE ALPHA TEKNOVA, INC.
2020 EQUITY INCENTIVE PLAN

This Amendment to the Alpha Teknova, Inc. 2020 Equity Incentive Plan (the "***Plan***") is effective as of November 3, 2020.

1. Section 4.1 of the Plan is hereby deleted in its entirety and replaced with the following new Section 4.1:

"**Maximum Number of Shares Issuable.** Subject to adjustment as provided in Sections 4.2 and 4.3, the maximum aggregate number of shares of Stock that may be issued under the Plan will be one-million-six-hundred-seventy-seven-thousand-seventy-seven (1,677,077) and such shares may consist of authorized but unissued or reacquired shares of Stock or any combination thereof. Notwithstanding the foregoing, at any such time as the offer and sale of securities pursuant to the Plan is subject to compliance with Section 260.140.45 of Title 10 of the California Code of Regulations ***("Section 260.140.45")***, the total number of shares of Stock issuable upon the exercise of all outstanding Awards (together with options outstanding under any other Equity Incentive Plan of the Company) and the total number of shares provided for under any stock bonus or similar plan of the Company may not exceed thirty percent (30%) (or such other higher percentage limitation as may be approved by the stockholders of the Company pursuant to Section 260.140.45) of the then outstanding shares of the Company as calculated in accordance with the conditions and exclusions of Section 260.140.45."

2. Section 5.3(a) of the Plan is hereby deleted in its entirety and replaced with the following new Section 5.3(a):

Maximum Number of Shares Issuable Pursuant to Incentive Stock Options. Subject to Section 4.1 and adjustment as provided in Sections 4.2 and 4.3, the maximum aggregate number of shares of Stock that may be issued under the Plan pursuant to the exercise of Incentive Stock Options may not exceed one-million-six-hundred-seventy-seven-thousand- seventy-seven (1,677,077) shares (the "***ISO Share Limit***"). The maximum aggregate number of shares of Stock that may be issued under the Plan pursuant to all Awards other than Incentive Stock Options will be the number of shares determined in accordance with Section 4.1, subject to adjustment as provided in Sections 4.2 and 4.3.

IN WITNESS OF THE FOREGOING, the undersigned Secretary of Alpha Teknova, Inc. (the "***Company***"), certifies that the foregoing amendment to the Alpha Teknova, Inc. 2020 Equity Incentive Plan was duly adopted by the Board of Directors of the Company on November 3, 2020.

/s/ Damon A. Terrill
Damon A. Terrill - Secretary

THE SECURITIES WHICH ARE THE SUBJECT OF THIS AGREEMENT HAVE NOT BEEN QUALIFIED WITH THE COMMISSIONER OF CORPORATIONS OF THE STATE OF CALIFORNIA AND THE ISSUANCE OF SUCH SECURITIES OR THE PAYMENT OR RECEIPT OF ANY PART OF THE CONSIDERATION THEREFOR PRIOR TO SUCH QUALIFICATION IS UNLAWFUL, UNLESS THE SALE OF SECURITIES IS EXEMPT FROM QUALIFICATION BY SECTION 25100, 25102, OR 25105 OF THE CALIFORNIA CORPORATIONS CODE. THE RIGHTS OF ALL PARTIES TO THIS AGREEMENT ARE EXPRESSLY CONDITIONED UPON SUCH QUALIFICATION BEING OBTAINED, UNLESS THE SALE IS SO EXEMPT.

THE SECURITIES WHICH ARE THE SUBJECT OF THIS AGREEMENT HAVE BEEN ACQUIRED FOR INVESTMENT AND NOT WITH A VIEW TO, OR IN CONNECTION WITH, THE SALE OR DISTRIBUTION THEREOF. NO SUCH SALE OR DISPOSITION MAY BE EFFECTED WITHOUT AN EFFECTIVE REGISTRATION STATEMENT RELATED THERETO OR AN OPINION OF COUNSEL SATISFACTORY TO THE COMPANY THAT SUCH REGISTRATION IS NOT REQUIRED UNDER THE SECURITIES ACT OF 1933.

ALPHA TEKNOVA, INC.
STOCK OPTION AGREEMENT

Alpha Teknova, Inc. has granted to the Participant named in the *Notice of Grant of Stock Option* (the "***Grant Notice***") to which this Stock Option Agreement (the "***Agreement***") is attached an option (the "***Option***") to purchase shares of Stock upon the terms and conditions set forth in the Grant Notice and this Agreement. The Option has been granted pursuant to, and is in all respects subject to the terms and conditions of, the Alpha Teknova, Inc. 2020 Equity Incentive Plan (the "***Plan***"). Unless otherwise defined by this Agreement, capitalized terms have the meanings assigned by the Grant Notice or the Plan.

1. TAX MATTERS.

1.1 **Tax Status of Option.** This Option is intended to have the tax status designated in the Grant Notice.

(a) ***Incentive Stock Option***. If the Grant Notice so designates, this Option is intended to be an Incentive Stock Option within the meaning of Section 422(b) of the Code, but the Company does not represent or warrant that this Option qualifies as such. The Participant should consult with the Participant's own tax advisor regarding the tax effects of this Option and the requirements necessary to obtain favorable income tax treatment under Section 422 of the Code, including holding period requirements. If the Option is exercised more than three (3) months after the date on which the Participant ceases to be an Employee (other than by reason of the Participant's death or permanent and total disability as defined in Section 22(e)(3) of the Code), the Option will be treated as a Nonstatutory Stock Option and not as an Incentive Stock Option to the extent required by Section 422 of the Code.

(b) ***Nonstatutory Stock Option***. If the Grant Notice so designates, this Option is intended to be a Nonstatutory Stock Option and will not be treated as an Incentive Stock Option within the meaning of Section 422(b) of the Code.

1.2 **ISO Fair Market Value Limitation**. If the Grant Notice designates this Option as an Incentive Stock Option, then to the extent that the Option (together with all Incentive Stock Options granted to the Participant under all stock option plans of the Participating Company Group, including the Plan) becomes exercisable for the first time during any calendar year for shares having a Fair Market Value greater than $100,000, the portion that exceeds such amount will be treated as a Nonstatutory Stock Option. For purposes of this Section, options designated as Incentive Stock Options are taken into account in the order in which they were granted, and the Fair Market Value of stock is determined as of the time the option is granted. If the Option is treated as an Incentive Stock Option in part and as a Nonstatutory Stock Option in part by reason of the limitation set forth in this Section, the Participant may designate which portion of such Option the Participant is exercising. In the absence of such designation, the Participant will be deemed to have exercised the Incentive Stock Option portion of the Option first. Separate certificates representing each such portion must be issued upon the exercise of the Option.

2. ADMINISTRATION.

All questions of interpretation concerning the Grant Notice, this Agreement, the Plan or any other form of agreement or other document employed by the Company in the administration of the Plan or the Option are determined by the Board or its authorized designee as set forth in Section 3 of the Plan.

3. EXERCISE OF THE OPTION.

3.1 **Right to Exercise**. The Option is exercisable on and after the Initial Vesting Date and before the Option terminates (as provided in Section 5) in an amount not to exceed the number of Vested Shares, less the number of shares previously acquired upon exercise of the Option, subject to the Company's repurchase rights set forth in Section 11 and Section 12. In no event is the Option exercisable for more shares than the Number of Option Shares, as adjusted pursuant to Section 8.

3.2 **Method of Exercise**. The Option must be exercised by means of electronic or written notice (the "***Exercise Notice***") in a form authorized by the Company. To be valid, an Exercise Notice must be received by the Company before the Option terminates (as provided in Section 5). The Exercise Notice must be accompanied by payment of the aggregate Exercise Price for the shares of Stock purchased, together with payment of any applicable tax withholding. The Option will be deemed exercised upon receipt by the Company of such electronic or written Exercise Notice, the aggregate Exercise Price and any applicable tax withholding.

3.3 **Payment of Exercise Price**.

(a) ***Forms of Consideration Authorized***. Payment of the aggregate Exercise Price for the number of shares of Stock for which the Option is being exercised may be

made (i) in cash, by check or in cash equivalent; (ii) if permitted by the Company and subject to the limitations contained in Section 3.3(b), by means of (1) a Stock Tender Exercise, (2) a Cashless Exercise, (3) a Net-Exercise; (4) by such other consideration as may be approved by the Board from time to time to the extent permitted by applicable law; or (iii) by any combination of the foregoing.

(b) ***Limitations on Forms of Consideration***. The Company reserves, at any and all times, the right, in the Company's sole discretion, to establish, decline to approve or terminate any program or procedure providing for payment of the Exercise Price through any of the means described below, including with respect to the Participant notwithstanding that such program or procedures may be available to others.

(i) **Stock Tender Exercise**. A "***Stock Tender Exercise***" means the delivery of a properly executed Exercise Notice accompanied by (1) the Participant's tender to the Company, or attestation to the ownership, in a form acceptable to the Company of whole shares of Stock having a Fair Market Value that does not exceed the aggregate Exercise Price for the shares for which the Option is exercised, and (2) the Participant's payment to the Company in cash of the remaining balance of the aggregate Exercise Price. A Stock Tender Exercise is not permitted if it would violate any law or agreement restricting redemption of the Company's stock. If required by the Company, the Option may not be exercised by tender to the Company, or attestation to the ownership, of shares of Stock unless such shares either have been owned by the Participant for a period of time required by the Company (and not used for another option exercise by attestation during such period) or were not acquired, directly or indirectly, from the Company.

(ii) **Cashless Exercise**. A Cashless Exercise is permitted only if the class of shares subject to the Option is publicly traded in an established securities market. A "***Cashless Exercise***" means the delivery of a properly executed Exercise Notice together with irrevocable instructions to a broker in a form acceptable to the Company providing for the assignment to the Company of the proceeds of a sale or loan with respect to shares of Stock acquired upon the exercise of the Option in an amount not less than the aggregate Exercise Price for such shares (including, without limitation, through an exercise complying with the provisions of Regulation T as promulgated from time to time by the Board of Governors of the Federal Reserve System).

(iii) **Net-Exercise**. A "***Net-Exercise***" means the delivery of a properly executed Exercise Notice electing a procedure by which (1) the Company will reduce the number of shares otherwise issuable to the Participant upon the exercise of the Option by the largest whole number of shares having a Fair Market Value that does not exceed the aggregate Exercise Price for the shares for which the Option is exercised, and (2) the Participant must pay to the Company in cash the remaining balance of the aggregate Exercise Price. Following a Net- Exercise, the number of shares remaining subject to the Option, if any, will be reduced by the sum of (1) the net number of shares issued to the Participant upon such exercise, and (2) the number of shares deducted by the Company for payment of the aggregate Exercise Price.

3.4 **Tax Withholding**.

(a) ***In General***. At the time the Option is exercised, in whole or in part, or at any time thereafter as requested by a Participating Company, the Participant authorizes withholding from payroll and any other amounts payable to the Participant, and otherwise agrees to make adequate provision for any sums required to satisfy the federal, state, local and foreign tax (including social insurance) withholding obligations of the Participating Company Group, if any, which arise in connection with the Option. The Company has no obligation to deliver shares of Stock until the tax withholding obligations of the Participating Company Group have been satisfied by the Participant.

(b) ***Withholding in or Directed Sale of Shares***. The Company has the right, but not the obligation, to require the Participant to satisfy all or any portion of a Participating Company's tax withholding obligations upon exercise of the Option by deducting from the shares of Stock otherwise issuable to the Participant a number of whole shares having a fair market value, as determined by the Company as of the date of exercise, not in excess of the amount of such tax withholding obligations determined by the applicable minimum statutory withholding rates. The Company may require the Participant to direct a broker, upon the exercise of the Option, to sell a portion of the shares subject to the Option determined by the Company in its discretion to be sufficient to cover the tax withholding obligations of any Participating Company and to remit an amount equal to such tax withholding obligations to the Company in cash.

(c) ***Section 83(i) Election Not Permitted***. The Company will not establish an escrow arrangement in accordance with Section 83(i)(3)(A)(ii) of the Code intended to satisfy the income tax withholding requirements with respect to qualified stock. Accordingly, the Participant will not be permitted to make an election under Section 83(i) of the Code with respect to any shares of Stock acquired upon the exercise of the Option.

3.5 **Beneficial Ownership of Shares; Certificate Registration**. The Participant authorizes the Company, in its sole discretion, to deposit any or all shares acquired by the Participant pursuant to the exercise of the Option with the Company's transfer agent, including any successor transfer agent, to be held in book entry form, or to deposit such shares for the benefit of the Participant with any broker with which the Participant has an account relationship of which the Company has notice. Except as provided by the preceding sentence, a certificate for the shares for which the Option is exercised will be registered in the name of the Participant, or, if applicable, in the names of the heirs of the Participant.

3.6 **Restrictions on Grant of the Option and Issuance of Shares**. Grant of the Option and issuance of shares of Stock upon exercise of the Option are subject to compliance with all applicable requirements of federal, state or foreign law. The Option may not be exercised if the issuance of shares of Stock upon exercise would violate any applicable federal, state or foreign securities laws or other law or regulations or the requirements of any stock exchange or market system upon which the Stock is listed. In addition, the Option may not be exercised unless (i) a registration statement under the Securities Act is in effect with respect to the shares issuable upon exercise of the Option or (ii) in the opinion of legal counsel to the Company the shares issuable upon exercise of the Option may be issued in accordance with the

terms of an applicable exemption from the registration requirements of the Securities Act. THE PARTICIPANT IS CAUTIONED THAT THE OPTION MAY NOT BE EXERCISED UNLESS THE FOREGOING CONDITIONS ARE SATISFIED. ACCORDINGLY, THE PARTICIPANT MAY NOT BE ABLE TO EXERCISE THE OPTION WHEN DESIRED EVEN THOUGH THE OPTION IS VESTED. Inability of the Company to obtain from any regulatory body having jurisdiction the authority, if any, deemed by the Company's legal counsel to be necessary to the lawful issuance and sale of any shares subject to the Option will relieve the Company of any liability in respect of the failure to issue or sell such shares as to which such requisite authority has not been obtained. As a condition to the exercise of the Option, the Company may require the Participant to satisfy any qualifications that may be necessary or appropriate, to evidence compliance with any applicable law or regulation and to make any representation or warranty with respect thereto as may be requested by the Company.

3.7 **Stockholders Agreement**. The Participant (and, if applicable, his or her heirs) will be required, at the time of exercising the Option and as a condition to such exercise, to sign and deliver an adoption agreement or counterpart signature page to, and be bound by, each Stockholders Agreement then in effect that the Company requires a holder of common stock of the Company to sign and any other agreement that the Company requires a holder of common stock of the Company to sign (to the extent such agreements exist and such Participant is not already a party to such agreements), in form and substance satisfactory to the Company. The Participant (and, if applicable, his or her heirs) acknowledges that a Stockholders Agreement or any such other agreement may restrict transfers of common stock of the Company. The obligation set forth in this Section will remain in effect with respect to any Stockholders Agreement until such Stockholders Agreement is terminated. In addition, to the extent any such Stockholders Agreement is amended, modified or otherwise replaced by a similar agreement, the obligation set forth herein will also apply to the modified, amended and/or replacement agreement.

3.8 **Fractional Shares**. The Company will not be required to issue fractional shares upon the exercise of the Option.

4. NONTRANSFERABILITY OF THE OPTION.

During the lifetime of the Participant, the Option is exercisable only by the Participant or the Participant's guardian or legal representative. The Option will not be subject in any manner to anticipation, alienation, sale, exchange, transfer, assignment, pledge, encumbrance or garnishment by creditors of the Participant or the Participant's beneficiary, except transfer by will or by the laws of descent and distribution. Following the death of the Participant, the Option, to the extent provided in Section 6, may be exercised by the Participant's legal representative or by any person empowered to do so under the deceased Participant's will or under the then applicable laws of descent and distribution.

5. TERMINATION OF THE OPTION.

The Option will terminate and may no longer be exercised after the first to occur of (a) the close of business on the Option Expiration Date, (b) the close of business on the last date for exercising the Option following termination of the Participant's Service as described in Section 6, or (c) a Change in Control to the extent provided in Section 7.

6. EFFECT OF TERMINATION OF SERVICE.

6.1 **Option Exercisability**. The Option will terminate immediately upon the Participant's termination of Service to the extent that it is then unvested and will be exercisable after the Participant's termination of Service to the extent it is then vested only during the applicable time period as determined below and thereafter will terminate.

(a) ***Disability***. If the Participant's Service terminates because of the Disability of the Participant, the Option, to the extent unexercised and exercisable for Vested Shares on the date on which the Participant's Service terminated, may be exercised by the Participant (or the Participant's guardian or legal representative) at any time prior to the expiration of twelve (12) months after the date on which the Participant's Service terminated, but in any event no later than the Option Expiration Date.

(b) ***Death***. If the Participant's Service terminates because of the death of the Participant, the Option, to the extent unexercised and exercisable for Vested Shares on the date on which the Participant's Service terminated, may be exercised by the Participant's legal representative or other person who acquired the right to exercise the Option by reason of the Participant's death at any time prior to the expiration of twelve (12) months after the date on which the Participant's Service terminated, but in any event no later than the Option Expiration Date. The Participant's Service will be deemed to have terminated on account of death if the Participant dies within three (3) months after the Participant's termination of Service.

(c) ***Termination for Cause***. Notwithstanding any other provision of this Agreement, if the Participant's Service is terminated for Cause, the Option will terminate in its entirety and cease to be exercisable immediately upon such termination of Service.

(d) ***Other Termination of Service***. If the Participant's Service terminates for any reason, except Disability, death or Cause, the Option, to the extent unexercised and exercisable for Vested Shares by the Participant on the date on which the Participant's Service terminated, may be exercised by the Participant at any time prior to the expiration of three (3) months after the date on which the Participant's Service terminated, but in any event no later than the Option Expiration Date.

6.2 **Extension if Exercise Prevented by Law**. Notwithstanding the foregoing other than termination of the Participant's Service for Cause, if the exercise of the Option within the applicable time periods set forth in Section 6.1 is prevented by the provisions of Section 3.6, the Option will remain exercisable until the later of (a) thirty (30) days after the first date such exercise would no longer be prevented by such provisions or (b) the end of the applicable time period under Section 6.1, but in any event no later than the Option Expiration Date.

7. EFFECT OF CHANGE IN CONTROL.

7.1 Notwithstanding any other provision contained in this Agreement or the Notice of Grant, the total Number of Option Shares will become Vested Shares immediately

prior to, but conditioned upon, the occurrence of either (i) the consummation of a Change in Control (as defined in the Plan) in which the Acquiror (as defined in the Plan) elects not to assume or continue in full force and effect the Company's rights and obligations under all of the Option or substitute for all of the Option in connection with the Change in Control a substantially equivalent award with respect to the Acquiror's stock, *provided* that your Service has not terminated prior to the date of the Change in Control, or (ii) the cessation of your Service as a result of a Change in Control Termination (as defined below) where, in connection with such Change in Control, the Acquiror has so assumed, continued or substituted for all of the Option; provided in the case of clause (ii) that you (a) promptly return all material Company property in your possession following your termination, (b) execute (and do not revoke) a full and complete general release of all claims that you may have against the Company or persons affiliated with the Company in the form provided by the Company, and such release has become effective no later than the 30th day after your termination or, if later, the deadline date required by applicable law, and (c) you have continuously complied in all material respects with your Employee Proprietary Information and Inventions Agreement.

7.2 "***Change in Control Termination***" means a Qualifying Termination within twelve (12) months after the consummation of a Change in Control.

7.3 "***Qualifying Termination***" means (i) the Company terminates your employment without Cause (as defined in the Plan) or (ii) you resign as a result of a material reduction in your base salary or bonus potential; *provided, however*, that you must notify the Company within thirty (30) days of the occurrence of such material reduction in your base salary or bonus potential and provide the Company with at least thirty (30) days in which to cure such reduction, and if you fail to provide this notice and cure period prior to your resignation, or you resign more than sixty (60) days after the initial reduction, your resignation will not be deemed to be a "Qualifying Termination".

7.4 Notwithstanding any provision herein to the contrary, a Change in Control Termination will not include any termination of the Participant's Service with the Company (or its successor) that is a result of the Participant's death or Disability (as defined in the Plan).

8. ADJUSTMENTS FOR CHANGES IN CAPITAL STRUCTURE.

The shares of Stock and exercise price of the Option are subject to the adjustment as provided by Section 4.3 of the Plan.

9. RIGHTS AS A STOCKHOLDER.

9.1 **In General**. The Participant will have no rights as a stockholder with respect to any shares covered by the Option until the date of the issuance of the shares for which the Option has been exercised (as evidenced by the appropriate entry on the books of the Company or of a duly authorized transfer agent of the Company). No adjustment will be made for dividends, distributions or other rights for which the record date is prior to the date the shares are issued, except as provided in Section 8 hereof.

9.2 **Waiver of Inspection Rights**. The Participant acknowledges and understands that, but for the waiver made herein, the Participant would be entitled, upon written

demand under oath stating the purpose thereof, to inspect for any proper purposes, and to make copies and extracts from, the Company's stock ledger, a list of its stockholders, and its other books and records, and the books and records of subsidiaries of the Company, if any, under the circumstances and in the manner provided in Section 220 of the Delaware General Corporation Law, Section 1601 of the California Corporations Code and similar rights under other applicable law (any and all such rights, and any and all such other rights of the Participant as may be provided for in Section 220 of the Delaware General Corporation Law, Section 1601 of the California Corporations Code and similar rights under other applicable law, the "***Inspection Rights***"). In light of the foregoing, until the first sale of Stock to the general public pursuant to a registration statement filed with and declared effective by the Securities and Exchange Commission under the Securities Act, the Participant hereby unconditionally and irrevocably waives the Inspection Rights, whether such Inspection Rights would be exercisable or pursued directly or indirectly pursuant to Section 220 of the Delaware General Corporation Law, Section 1601 of the California Corporations Code or otherwise, and covenants and agrees never to directly or indirectly commence, voluntarily aid in any way, prosecute, assign, transfer or cause to be commenced any claim, action, cause of action, or other proceeding to pursue or exercise the Inspection Rights. The foregoing waiver applies to the Inspection Rights of the Participant in the Participant's capacity as a stockholder and will not affect any rights of a director, in his or her capacity as such, under Section 220 of the Delaware General Corporation Law Section 1601 of the California Corporations Code. The foregoing waiver will not apply to any contractual inspection rights of the Participant under any written agreement with the Company.

10. RIGHTS AS A DIRECTOR, EMPLOYEE OR CONSULTANT.

If the Participant is an Employee, the Participant understands and acknowledges that, except as otherwise provided in a separate, written employment agreement between a Participating Company and the Participant, the Participant's employment is "at will" and is for no specified term. Nothing in this Agreement confers upon the Participant any right to continue in the Service of a Participating Company or interferes in any way with any right of the Participating Company Group to terminate the Participant's Service as a Director, an Employee or Consultant, as the case may be, at any time.

11. RIGHT OF FIRST REFUSAL.

11.1 **Grant of Right of First Refusal**. Except as provided in Section 11.7 and Section 17, in the event the Participant, the Participant's legal representative, or other holder of shares acquired upon exercise of the Option proposes to sell, exchange, transfer, pledge, or otherwise dispose of any Vested Shares (the "***Transfer Shares***") to any person or entity, including, without limitation, any stockholder of a Participating Company, the Company will have the right to repurchase the Transfer Shares under the terms and subject to the conditions set forth in this Section 11 (the "***Right of First Refusal***").

11.2 **Notice of Proposed Transfer**. Prior to any proposed transfer of the Transfer Shares, the Participant must deliver written notice (the "***Transfer Notice***") to the Company describing fully the proposed transfer, including the number of Transfer Shares, the name and address of the proposed transferee (the "***Proposed Transferee***") and, if the transfer is voluntary, the proposed transfer price, and containing information necessary to show the bona

fide nature of the proposed transfer. In the event of a bona fide gift or involuntary transfer, the proposed transfer price will be deemed to be the Fair Market Value of the Transfer Shares, as determined by the Board in good faith. If the Participant proposes to transfer any Transfer Shares to more than one Proposed Transferee, the Participant must provide a separate Transfer Notice for the proposed transfer to each Proposed Transferee. The Transfer Notice must be signed by both the Participant and the Proposed Transferee and must constitute a binding commitment of the Participant and the Proposed Transferee for the transfer of the Transfer Shares to the Proposed Transferee subject only to the Right of First Refusal.

11.3 **Bona Fide Transfer**. If the Company determines that the information provided by the Participant in the Transfer Notice is insufficient to establish the bona fide nature of a proposed voluntary transfer, the Company will give the Participant written notice of the Participant's failure to comply with the procedure described in this Section 11, and the Participant will have no right to transfer the Transfer Shares without first complying with the procedure described in this Section 11. The Participant will not be permitted to transfer the Transfer Shares if the proposed transfer is not bona fide.

11.4 **Exercise of Right of First Refusal**. If the Company determines the proposed transfer to be bona fide, the Company will have the right to purchase all, but not less than all, of the Transfer Shares (except as the Company and the Participant otherwise agree) at the purchase price and on the terms set forth in the Transfer Notice by delivery to the Participant of a notice of exercise of the Right of First Refusal within thirty (30) days after the date the Transfer Notice is delivered to the Company. The Company's exercise or failure to exercise the Right of First Refusal with respect to any proposed transfer described in a Transfer Notice will not affect the Company's right to exercise the Right of First Refusal with respect to any proposed transfer described in any other Transfer Notice, whether or not such other Transfer Notice is issued by the Participant or issued by a person other than the Participant with respect to a proposed transfer to the same Proposed Transferee. If the Company exercises the Right of First Refusal, the Company and the Participant will consummate the sale of the Transfer Shares to the Company on the terms set forth in the Transfer Notice within sixty (60) days after the date the Transfer Notice is delivered to the Company (unless a longer period is offered by the Proposed Transferee); *provided, however*, that in the event the Transfer Notice provides for the payment for the Transfer Shares other than in cash, the Company will have the option of paying for the Transfer Shares by the present value cash equivalent of the consideration described in the Transfer Notice as reasonably determined by the Company. For purposes of the foregoing, cancellation of any indebtedness of the Participant to any Participating Company will be treated as payment to the Participant in cash to the extent of the unpaid principal and any accrued interest canceled. Notwithstanding anything contained in this Section to the contrary, the period during which the Company may exercise the Right of First Refusal and consummate the purchase of the Transfer Shares from the Participant will terminate no sooner than the completion of a period of eight (8) months following the date on which the Participant acquired the Transfer Shares upon exercise of the Option.

11.5 **Failure to Exercise Right of First Refusal**. If the Company fails to exercise the Right of First Refusal in full (or to such lesser extent as the Company and the Participant agree) within the period specified in Section 11.4 above, the Participant may conclude a transfer to the Proposed Transferee of the Transfer Shares on the terms and

conditions described in the Transfer Notice, *provided* such transfer occurs not later than ninety (90) days following delivery to the Company of the Transfer Notice or, if applicable, following the end of the period described in the last sentence of Section 11.4. The Company will have the right to demand further assurances from the Participant and the Proposed Transferee (in a form satisfactory to the Company) that the transfer of the Transfer Shares was actually carried out on the terms and conditions described in the Transfer Notice. No Transfer Shares will be transferred on the books of the Company until the Company has received such assurances, if so demanded, and has approved the proposed transfer as bona fide. Any proposed transfer on terms and conditions different from those described in the Transfer Notice, as well as any subsequent proposed transfer by the Participant, will again be subject to the Right of First Refusal and will require compliance by the Participant with the procedure described in this Section 11.

11.6 **Transferees of Transfer Shares**. All transferees of the Transfer Shares or any interest therein, other than the Company, will be required as a condition of such transfer to agree in writing (in a form satisfactory to the Company) that such transferee will receive and hold the Transfer Shares or interest therein subject to all of the terms and conditions of this Agreement, including this Section 11 providing for the Right of First Refusal with respect to any subsequent transfer and executing the documents specified in Section 3.7. Any sale or transfer of any shares acquired upon exercise of the Option will be void unless the provisions of this Section 11 are met.

11.7 **Transfers Not Subject to Right of First Refusal**. The Right of First Refusal will not apply to shares acquired upon exercise of the Option if (a) such shares are transferred during the Participant's lifetime or on the Participant's death by will or intestacy to the Participant's immediate family or a trust for the benefit of the Participant's immediate family in a manner permitted under Rule 701 under the Securities Act or (b) such shares are transferred or exchanged in connection with an Ownership Change Event. Shares held by a transferee pursuant to clause (a) of this Section and any consideration received pursuant to a transfer or exchange pursuant to clause (b) of this Section that consists of stock of a Participating Company will in each such case remain subject to the Right of First Refusal unless the provisions of Section 11.9 result in a termination of the Right of First Refusal.

11.8 **Assignment of Right of First Refusal**. The Company has the right to assign the Right of First Refusal at any time, whether or not there has been an attempted transfer, to one or more persons as may be selected by the Company.

11.9 **Early Termination of Right of First Refusal**. The other provisions of this Agreement notwithstanding, the Right of First Refusal will terminate and be of no further force and effect upon (a) the occurrence of a Change in Control, unless the Acquiror assumes the Company's rights and obligations under the Option or substitutes a substantially equivalent option for the Acquiror's stock for the Option, or (b) the existence of a public market for the class of shares subject to the Right of First Refusal. A "***public market***" will exist if (i) such stock is listed on a national securities exchange (as that term is used in the Exchange Act) or (ii) such stock is traded on the over-the-counter market and prices therefor are published daily on business days in a recognized financial journal.

12. VESTED SHARE REPURCHASE OPTION.

12.1 **Grant of Vested Share Repurchase Option**. Except as provided in Section 12.4 below, upon the occurrence of any Repurchase Event, as defined below, the Company will have the right to repurchase the shares acquired by the Participant pursuant to the Option (the "***Repurchase Shares***") under the terms and subject to the conditions set forth in this Section 12 (the "***Vested Share Repurchase Option***"). Each of the following events constitutes a "***Repurchase Event***":

(a) Termination of the Participant's Service for any reason or no reason, with or without cause, including death or Disability. The Repurchase Period, as defined below, will commence on the date of termination of the Participant's Service.

(b) The Participant, the Participant's legal representative, or other holder of shares acquired upon exercise of the Option attempts to sell, exchange, transfer, pledge, or otherwise dispose of any Repurchase Shares without complying with the provisions of Section 11. The Repurchase Period, as defined below, will commence on the date the Company receives actual notice of such attempted sale, exchange, transfer, pledge or other disposition.

(c) The receivership, bankruptcy or other creditor's proceeding regarding the Participant or the taking of any of the Participant's shares of Stock by legal process, such as a levy of execution. The Repurchase Period, as defined below, will commence on the date the Company receives actual notice of the commencement of pendency of the receivership, bankruptcy or other creditor's proceeding or the date of such taking, as the case may be. The Fair Market Value of the Repurchase Shares will be determined as of the last day of the month preceding the month in which the proceeding involved commenced or the taking occurred.

12.2 **Exercise of Vested Share Repurchase Option**. The Company may exercise the Vested Share Repurchase Option by written notice to the Participant, the Participant's legal representative, or other holder of the Repurchase Shares, as the case may be, during the Repurchase Period. The "***Repurchase Period***" will be the period commencing at the time set forth in Section 12.1 above and ending on the later of (a) the date ninety (90) days after the commencement of the Repurchase Period or (b) the date nine (9) months after the Option is last exercised. If the Company fails to give notice during the Repurchase Period, the Vested Share Repurchase Option will terminate (unless the Company and the Participant have extended the time for the exercise of the Vested Share Repurchase Option) unless and until there is a subsequent Repurchase Event. Notwithstanding a termination of the Vested Share Repurchase Option, the remaining provisions of this Agreement will remain in full force and effect, including, without limitation, the Right of First Refusal set forth in Section 11. If there is a subsequent Repurchase Event, the Vested Share Repurchase Option will again become exercisable as provided in this Section 12. The Vested Share Repurchase Option must be exercised, if at all, for all of the Repurchase Shares, except as the Company and the Participant otherwise agree.

12.3 **Payment for Repurchase Shares**. The repurchase price per share being repurchased by the Company pursuant to the Vested Share Repurchase Option will be an amount

equal to the Fair Market Value of the shares determined as of the date of the Repurchase Event (except as otherwise provided in Section 12.1(c) above) by the Board in good faith. Payment by the Company to the Participant will be made in cash on or before the last day of the Repurchase Period. For purposes of the foregoing, cancellation of any indebtedness of the Participant to the Company will be treated as payment to the Participant in cash to the extent of the unpaid principal and any accrued interest canceled.

12.4 **Transfers Not Subject to Vested Share Repurchase Option**. The Vested Share Repurchase Option will not apply to any transfer or exchange of shares acquired upon exercise of the Option if such transfer or exchange is in connection with an Ownership Change Event. If the consideration received pursuant to such transfer or exchange consists of stock of a Participating Company, such consideration will remain subject to the Vested Share Repurchase Option unless the provisions of Section 12.6 below result in a termination of the Vested Share Repurchase Option. Furthermore, the Vested Share Repurchase Option will not apply to a transfer to the Participant's ancestors, descendants, or spouse or to a custodian or trustee solely for the benefit of the Participant or the Participant's ancestors, descendants, or spouse; *provided, however*, that such transferee agrees in writing (in a form satisfactory to the Company) to receive and hold the shares transferred to the transferee subject to all the terms and conditions of this Agreement, including this Section 12 providing for a Vested Share Repurchase Option with respect to any subsequent transfer.

12.5 **Assignment of Vested Share Repurchase Option**. The Company will have the right to assign the Vested Share Repurchase Option at any time, whether or not such option is then exercisable, to one or more persons as may be selected by the Company.

12.6 **Early Termination of Vested Share Repurchase Option**. The other provisions of this Agreement notwithstanding, the Vested Share Repurchase Option will terminate and be of no further force and effect upon (a) the occurrence of a Change in Control, unless the Acquiring Corporation assumes or continues the Company's rights and obligations under the Option or substitutes a substantially equivalent option for the Acquiring Corporation's stock for the Option, or (b) the existence of a public market, as defined in Section 11.9, for the class of shares subject to the Vested Share Repurchase Option.

13. STOCK DISTRIBUTIONS SUBJECT TO AGREEMENT.

If, from time to time, there is any stock dividend, stock split or other change, as described in Section 8, in the character or amount of any of the outstanding stock of the corporation the stock of which is subject to the provisions of this Agreement, then in such event any and all new, substituted or additional securities to which the Participant is entitled by reason of the Participant's ownership of the shares acquired upon exercise of the Option will be immediately subject to the Right of First Refusal and the Vested Share Repurchase Option with the same force and effect as the shares subject to the Right of First Refusal or the Vested Share Repurchase Option immediately before such event.

14. NOTICE OF SALES UPON DISQUALIFYING DISPOSITION.

The Participant must dispose of the shares acquired pursuant to the Option only in accordance with the provisions of this Agreement. In addition, if the Grant Notice designates this Option as an Incentive Stock Option, the Participant must (a) promptly notify the Chief Financial Officer of the Company if the Participant disposes of any of the shares acquired pursuant to the Option within one (1) year after the date the Participant exercises all or part of the Option or within two (2) years after the Date of Grant and (b) provide the Company with a description of the circumstances of such disposition. Until such time as the Participant disposes of such shares in a manner consistent with the provisions of this Agreement, unless otherwise expressly authorized by the Company, the Participant must hold all shares acquired pursuant to the Option in the Participant's name (and not in the name of any nominee) for the one-year period immediately after the exercise of the Option and the two-year period immediately after Date of Grant. At any time during the one-year or two-year periods set forth above, the Company may place a legend on any certificate representing shares acquired pursuant to the Option requesting the transfer agent for the Company's stock to notify the Company of any such transfers. The obligation of the Participant to notify the Company of any such transfer will continue notwithstanding that a legend has been placed on the certificate pursuant to the preceding sentence.

15. LEGENDS.

The Company may at any time place legends referencing the Right of First Refusal, the Vested Share Repurchase Option and any applicable federal, state or foreign securities law restrictions on all certificates representing shares of stock subject to the provisions of this Agreement. The Participant must, at the request of the Company, promptly present to the Company any and all certificates representing shares acquired pursuant to the Option in the possession of the Participant in order to carry out the provisions of this Section. Unless otherwise specified by the Company, legends placed on such certificates may include, but are not be limited to, the following:

15.1 "THE SECURITIES EVIDENCED BY THIS CERTIFICATE HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED, AND MAY NOT BE SOLD, TRANSFERRED, ASSIGNED OR HYPOTHECATED UNLESS THERE IS AN EFFECTIVE REGISTRATION STATEMENT UNDER SUCH ACT COVERING SUCH SECURITIES, THE SALE IS MADE IN ACCORDANCE WITH RULE 144 OR RULE 701 UNDER THE ACT, OR THE COMPANY RECEIVES AN OPINION OF COUNSEL REASONABLY SATISFACTORY TO THE COMPANY, STATING THAT SUCH SALE, TRANSFER, ASSIGNMENT OR HYPOTHECATION IS EXEMPT FROM THE REGISTRATION AND PROSPECTUS DELIVERY REQUIREMENTS OF SUCH ACT."

15.2 "THE SHARES REPRESENTED BY THIS CERTIFICATE ARE SUBJECT TO CERTAIN RESTRICTIONS ON TRANSFER AND REPURCHASE OPTIONS IN FAVOR OF THE CORPORATION OR ITS ASSIGNEE SET FORTH IN AN AGREEMENT BETWEEN THE CORPORATION AND THE REGISTERED HOLDER, OR SUCH HOLDER'S PREDECESSOR IN INTEREST, A COPY OF WHICH IS ON FILE AT THE PRINCIPAL OFFICE OF THIS CORPORATION."

15.3 "THE SHARES EVIDENCED BY THIS CERTIFICATE WERE ISSUED BY THE CORPORATION TO THE REGISTERED HOLDER UPON EXERCISE OF AN INCENTIVE STOCK OPTION AS DEFINED IN SECTION 422 OF THE INTERNAL REVENUE CODE OF 1986, AS AMENDED ("***ISO***"). IN ORDER TO OBTAIN THE PREFERENTIAL TAX TREATMENT AFFORDED TO ISOs, THE SHARES SHOULD NOT BE TRANSFERRED WITHIN ONE (1) YEAR AFTER THE DATE THE PARTICIPANT EXERCISES ALL OR PART OF THE OPTION NOR WITHIN TWO (2) YEARS AFTER THE DATE OF GRANT. SHOULD THE REGISTERED HOLDER ELECT TO TRANSFER ANY OF THE SHARES PRIOR TO THIS DATE AND FOREGO ISO TAX TREATMENT, THE TRANSFER AGENT FOR THE SHARES MUST NOTIFY THE CORPORATION IMMEDIATELY. THE REGISTERED HOLDER MUST HOLD ALL SHARES PURCHASED UNDER THE INCENTIVE STOCK OPTION IN THE REGISTERED HOLDER'S NAME (AND NOT IN THE NAME OF ANY NOMINEE) PRIOR TO THIS DATE OR UNTIL TRANSFERRED AS DESCRIBED ABOVE."

16. LOCK-UP AGREEMENT.

The Participant hereby agrees that in the event of any underwritten public offering of stock, including an initial public offering of stock, made by the Company pursuant to an effective registration statement filed under the Securities Act, the Participant may not offer, sell, contract to sell, pledge, hypothecate, grant any option to purchase or make any short sale of, or otherwise dispose of any shares of stock of the Company or any rights to acquire stock of the Company for such period of time from and after the effective date of such registration statement as may be established by the underwriter for such public offering; *provided*, *however*, that such period of time may not exceed one hundred eighty (180) days from the effective date of the registration statement to be filed in connection with such public offering or, upon the request of the Company or the underwriter, such longer period as necessary to permit compliance with FINRA Rule 2241 or any successor provisions or amendments thereto. The foregoing limitation will not apply to shares registered in the public offering under the Securities Act. The Participant hereby agrees to enter into any agreement reasonably required by the underwriters to implement the foregoing within a reasonable timeframe if so requested by the Company.

17. RESTRICTIONS ON TRANSFER OF SHARES.

At any time prior to the existence of a public market for the Stock, the Board may prohibit the Participant and any transferee of such Participant from selling, transferring, assigning, pledging or otherwise disposing of or encumbering any shares acquired pursuant to the Option (each, a "***Transfer***") without the prior written consent of the Board. The Board may withhold consent for any reason, including, without limitation, (i) if such Transfer increases the risk of the Company having a class of security held of record by such number of persons as would require the Company to register any class of securities under the Exchange Act; (ii) if such Transfer would result in the loss of any federal or state securities law exemption relied upon by the Company in connection with the initial issuance of such shares or the issuance of any other securities; (iii) if such Transfer is facilitated in any manner by any public posting, message board, trading portal, Internet site, or similar method of communication, including without limitation any trading portal or Internet site intended to facilitate secondary transfers of securities; (iv) if such Transfer is to be effected in a brokered transaction; (v) if such Transfer

would be of less than all of the shares of Stock then held by the stockholder and its affiliates or is to be made to more than a single transferee; or (vi) any Transfer to any individual or entity identified by the Company as a potential competitor or considered by the Company to be unfriendly. No shares acquired upon exercise of the Option may be sold, exchanged, transferred (including, without limitation, any transfer to a nominee or agent of the Participant), assigned, pledged, hypothecated or otherwise disposed of, including by operation of law in any manner which violates any of the provisions of this Agreement, and any such attempted disposition will be void. The Company will not be required (a) to transfer on its books any shares which will have been transferred in violation of any of the provisions set forth in this Agreement or (b) to treat as owner of such shares or to accord the right to vote as such owner or to pay dividends to any transferee to whom such shares will have been so transferred.

18. MISCELLANEOUS PROVISIONS.

18.1 **Captions**. Captions and titles contained herein are for convenience only and do not affect the meaning or interpretation of any provision of this Agreement. Except when otherwise indicated by the context, the singular includes the plural and the plural includes the singular. Use of the term "or" is not intended to be exclusive, unless the context clearly requires otherwise.

18.2 **Further Instruments**. The parties hereto agree to execute such further instruments and to take such further action as may reasonably be necessary to carry out the intent of this Agreement.

18.3 **Binding Effect**. This Agreement will inure to the benefit of the successors and assigns of the Company and, subject to the restrictions on transfer set forth herein, be binding upon the Participant and the Participant's heirs, executors, administrators, successors and assigns.

18.4 **Delivery of Documents and Notices**. Any document relating to participation in the Plan, or any notice required or permitted hereunder will be given in writing and will be deemed effectively given (except to the extent that this Agreement provides for effectiveness only upon actual receipt of such notice) upon personal delivery, electronic delivery at the e-mail address, if any, provided for the Participant by a Participating Company, or upon deposit in the U.S. Post Office or foreign postal service, by registered or certified mail, or with a nationally recognized overnight courier service, with postage and fees prepaid, addressed to the other party at the address of such party set forth in the Grant Notice or at such other address as such party may designate in writing from time to time to the other party.

(a) **Description of Electronic Delivery**. The Plan documents, which may include but do not necessarily include: the Plan, the Grant Notice, this Agreement, and any reports of the Company provided generally to the Company's stockholders, may be delivered to the Participant electronically. In addition, if permitted by the Company, the Participant may deliver electronically the Grant Notice and Exercise Notice called for by Section 3.2 to the Company or to such third party involved in administering the Plan as the Company may designate from time to time. Such means of electronic delivery may include but do not necessarily include the delivery of a link to a Company intranet or the Internet site of a third party involved in administering the Plan, the delivery of the document via e-mail or such other means of electronic delivery specified by the Company.

(b) **Consent to Electronic Delivery**. The Participant acknowledges that the Participant has read Section 18.4(a) of this Agreement and consents to the electronic delivery of the Plan documents and, if permitted by the Company, the delivery of the Grant Notice and Exercise Notice, as described in Section 18.4(a). The Participant acknowledges that he or she may receive from the Company a paper copy of any documents delivered electronically at no cost to the Participant by contacting the Company by telephone or in writing. The Participant further acknowledges that the Participant will be provided with a paper copy of any documents if the attempted electronic delivery of such documents fails. Similarly, the Participant understands that the Participant must provide the Company or any designated third party administrator with a paper copy of any documents if the attempted electronic delivery of such documents fails. The Participant may revoke his or her consent to the electronic delivery of documents described in Section 18.4(a) or may change the electronic mail address to which such documents are to be delivered (if Participant has provided an electronic mail address) at any time by notifying the Company of such revoked consent or revised e-mail address by telephone, postal service or electronic mail. Finally, the Participant understands that he or she is not required to consent to electronic delivery of documents described in Section 18.4(a).

18.5 **Entire Agreement**. The Grant Notice, this Agreement and the Plan constitute the entire understanding and agreement of the Participant and the Participating Company Group with respect to the subject matter contained herein or therein and supersede any prior or contemporaneous agreements, understandings, restrictions, representations or warranties among the Participant and the Participating Company Group with respect to the subject matter hereof, and may not be modified adversely to the Participant's interest (other than as permitted by the Plan) except by means of a writing signed by the Company and Participant. To the extent contemplated herein or therein, the provisions of the Grant Notice, the Agreement and the Plan will survive any exercise of the Option and will remain in full force and effect.

18.6 **Applicable Law**. This Agreement will be governed by the laws of Delaware as such laws are applied to agreements between Delaware residents entered into and to be performed entirely within Delaware.

18.7 **Counterparts**. The Grant Notice may be executed in counterparts, each of which will be deemed an original, but all of which together will constitute one and the same instrument.

☐ Incentive Stock Option
☐ Nonstatutory Stock Option

Participant: _____
Date: _____

STOCK OPTION EXERCISE NOTICE

Alpha Teknova, Inc.
Attention: Chief Financial Officer
_____
_____

Ladies and Gentlemen:

1. **Option**. I was granted an option (the "***Option***") to purchase shares of the common stock (the "***Shares***") of Alpha Teknova, Inc. (the "***Company***") pursuant to the Company's 2020 Equity Incentive Plan (the "***Plan***"), my Notice of Grant of Stock Option (the "***Grant Notice***") and my Stock Option Agreement (the "***Agreement***") as follows:

Date of Grant:	_____
Number of Option Shares:	_____
Exercise Price per Share:	$_____

2. **Exercise of Option**. I hereby elect to exercise the Option to purchase the following number of Shares, all of which are Vested Shares, in accordance with the Grant Notice and the Agreement:

Total Shares Purchased:	_____
Total Exercise Price (Total Shares X Price per Share)	$_____

3. **Payments**. I enclose payment in full of the total exercise price for the Shares in the following form(s), as authorized by my Agreement:

☐ Cash:	$_____
☐ Check:	$_____
☐ Stock Tender Exercise:	Contact Plan Administrator
☐ Cashless Exercise:	Contact Plan Administrator
☐ Net Exercise:	Contact Plan Administrator

4. **Tax Withholding**. I authorize payroll withholding and otherwise will make adequate provision for the federal, state, local and foreign tax withholding obligations of the Company, if any, in connection with the Option. If I am exercising a Nonstatutory Stock Option, I enclose payment in full of my withholding taxes, if any, as follows:

(Contact Plan Administrator for amount of tax due.)

☐ Cash: $_____

☐ Check: $_____

5. **Participant Information**.

My address is: _____

_____

My Social Security Number is: _____

6. **Notice of Disqualifying Disposition**. If the Option is an Incentive Stock Option, I agree that I will promptly notify the Chief Financial Officer of the Company if I transfer any of the Shares within one (1) year from the date I exercise all or part of the Option or within two (2) years of the Date of Grant.

7. **Binding Effect**. I agree that the Shares are being acquired in accordance with and subject to the terms, provisions and conditions of the Grant Notice, the Agreement, including the Right of First Refusal and Vested Share Repurchase Option set forth therein and the Plan, to all of which I hereby expressly assent. This Agreement will inure to the benefit of and be binding upon my heirs, executors, administrators, successors and assigns.

8. **Transfer**. I understand and acknowledge that the Shares have not been registered under the Securities Act of 1933, as amended (the "***Securities Act***"), and that consequently the Shares must be held indefinitely unless they are subsequently registered under the Securities Act, an exemption from such registration is available, or they are sold in accordance with Rule 144 or Rule 701 under the Securities Act. I further understand and acknowledge that the Company is under no obligation to register the Shares. I understand that the certificate or certificates evidencing the Shares will be imprinted with legends which prohibit the transfer of the Shares unless they are registered or such registration is not required in the opinion of legal counsel satisfactory to the Company.

I am aware that Rule 144 under the Securities Act, which permits limited public resale of securities acquired in a nonpublic offering, is not currently available with respect to the Shares and, in any event, is available only if certain conditions are satisfied. I understand that any sale of the Shares that might be made in reliance upon Rule 144 may only be made in limited amounts in accordance with the terms and conditions of such rule and that a copy of Rule 144 will be delivered to me upon request.

I understand that I am purchasing the Shares pursuant to the terms of the Plan, the Grant Notice and my Agreement, copies of which I have received and carefully read and understand.

Very truly yours,

_____

(Signature)

Receipt of the above is hereby acknowledged.

Alpha Teknova, Inc.

By: _____

Title: _____

Dated: _____

Exhibit 10.9

*****Certain identified information has been omitted from this exhibit because it is both (i) not material and (ii) would likely cause competitive harm to the Registrant if publicly disclosed. Such omitted information is indicated by brackets ("[...***...]") in this exhibit. *****

November 16, 2019

Stephen Gunstream

Dear Stephen:

Alpha Teknova, Inc., a Delaware corporation (the "Company"), is pleased to offer you employment with the Company on the terms described below.

1. **Position.** You will start in a full-time position as the Company's Chief Business Officer no later than December 16, 2019 (the actual start date, the "Start Date"), and you will initially report to the Company's Board of Directors (the "Board") and Chief Executive Officer. On such date as determined by the Board, you will assume the title and position of Chief Executive Officer and will be elected to the Board, which is expected to occur on or after March 1, 2020 but no later than June 30, 2020. At such time you will report exclusively to the Board. By signing this letter, you confirm with the Company that you are under no contractual or other legal obligations that would prohibit you from performing your duties with the Company.

2. **Base Salary.** You will be paid a starting salary at the rate of $350,000 per year, which will be paid in accordance with the Company's standard payroll policies and subject to applicable withholdings and other required deductions.

3. **Annual Bonus.** Beginning in fiscal 2020, you will be eligible to earn an annual cash bonus of up to 50% of your base salary rate for the applicable fiscal year (the "Annual Bonus"). The amount of any Annual Bonus that you earn will be determined by the Board in its sole discretion, which determination will be based on the extent that you achieve certain goals to be established and agreed upon in writing by you and by the Board for the applicable fiscal year, which may include an overall corporate performance threshold and non-financial goals, such as operational and organizational goals. Any Annual Bonus payable hereunder will be paid no later than seventy-four (74) days following the end of the fiscal year to which it relates.

4. **Stock Options**. Upon the approval of the Board, which is expected to occur on or around December 31, 2019 (such actual date of approval, the "Grant Date"), you will be granted an option under the Company's 2016 Stock Plan (the "Plan") to acquire shares of the Company's Common Stock in an amount that would result in you owning four percent (4%) of the Company's Fully Diluted Capitalization (as defined below) (the "Time-based Option"). The Time-based Option will vest and become exercisable over four (4) years at the rate of 25% of the total number of the Time-based Option shares on the one (1) year anniversary of your Start Date and 1/48th of the total number of Time-based Option shares on each monthly anniversary thereafter, subject to your continuous service with the Company through each vesting date.

In addition, upon the approval of the Board on the Grant Date, you will be granted an option under the Plan to acquire shares of the Company's Common Stock in an amount that would result in you owning an additional one percent (1%) of the Company's Fully Diluted Capitalization (the "Performance-based Option" and together with the Time-based Option, the "Options"). The Performance-based Option

will vest and become exercisable in full upon (i) the Company's achievement of (a) full fiscal year revenue of [* * *], which must be achieved prior to December 31, 2022 and (b) EBITDA per share of $[* * *] as measured by dividing the Company's EBITDA for the applicable fiscal year by the Fully Diluted Capitalization as of the last day of the fiscal year (in each case, as reasonably determined by the Board based on its review of the audited consolidated financial statements of the Company for the applicable fiscal year) and (ii) your continuous service with the Company through the applicable vesting date, which review shall conclude within 30 days of the Board's receipt of the applicable audited financial statements. Notwithstanding the foregoing, upon a Change of Control (as defined in Section 10), the Performance-based Option shall automatically convert to a time-based option and shall be and become vested and exercisable at the same time, to the same extent and on the same terms and conditions as the Time-based Option granted hereunder.

The exercise price per share of the Options will be equal to the fair market value per share of the Company's Common Stock on the Grant Date, as determined by the Board in good faith based on an independent third-party valuation performed by a qualified appraisal company. The Options will be subject to the terms and conditions set forth in the Plan and the Company's standard form of stock option agreement, which you will be required to sign.

For purposes of the Options, "Fully Diluted Capitalization" means the total number of shares of the Company's outstanding Common Stock plus (without duplication) all Common Stock of the Company issuable pursuant to outstanding stock options or equity awards, if any, that have been issued, all shares that are reserved but unissued under the Plan, and all Common Stock issuable upon the conversion or exercise of any outstanding preferred stock, including the Company's Series A Preferred Stock, and all warrants and other convertible securities or pursuant to any agreements for the issuance of equity, whether or not the same are currently exercisable.

5. **Employee Benefits**. As an executive of the Company, you will be eligible to participate in the employee benefit plans and programs, if any, currently and hereafter maintained by the Company and generally available to similarly situated executives of the Company, including, but not limited to, any group health insurance plans, dental insurance plans, life insurance plans, long and short-term disability insurance plans and retirement plans, subject in each case to the terms and conditions of the plan in question, including any eligibility requirements set forth therein, and the determination of any person or committee administering the plan. Notwithstanding the foregoing, the Company reserves the right to modify or terminate benefits from time to time as it deems necessary or appropriate. In addition to holidays, you will accrue 20 days of paid vacation per year.

6. **Lodging**. The Company will reimburse you for any local hotel expenses for any days that you work at the Company's office in Hollister, California (the "Lodging Benefit"). In order to be eligible for the Lodging Benefit, you must submit a request for reimbursement to the Company with appropriate documentation substantiating the expense pursuant to the Company's standard reimbursement policy. The Lodging Benefit will be made to you within thirty (30) days of the date you submit your valid reimbursement request with the documentation necessary to substantiate the expense and in no event later than March 15th of the year following the end of the year in which such expense was incurred. To the extent that the Lodging Benefit is taxable, the Company shall withhold all federal, state, city or other taxes.

7. **Employee Invention Assignment and Confidentiality Agreement**. Like all Company employees, you will be required, as a condition of your employment with the Company, to sign the Company's enclosed standard Employee Invention Assignment and Confidentiality Agreement, a copy of which is attached hereto as Attachment A.

8. **Employment Relationship.** Employment with the Company is for no specific period of time. Your employment with the Company will be "at will," meaning that either you or the Company may terminate your employment at any time and for any reason, with or without cause or notice. Any contrary representations which may have been made to you are superseded by this offer. This is the full and complete agreement between you and the Company on this term. Although your job duties, title, compensation and benefits, as well as the Company's personnel policies and procedures, may change from time to time, the "at will" nature of your employment may only be changed in an express written agreement signed by you and the Board.

9. **Termination of Employment Relationship**. Notwithstanding the at-will nature of your employment with the Company, in the event the Company terminates your employment without Cause (as defined below), or you resign for Good Reason (as defined below) on or before the fourth anniversary of the Start Date (each a "Qualifying Termination") and subject to (i) you promptly returning all material Company property in your possession following your termination, (ii) you executing (and not revoking) a full and complete general release of all claims that you may have against the Company or persons affiliated with the Company in the form provided by the Company and such release has become effective no later than the 30th day after your termination or, if later, the deadline date required by applicable law (the "Deadline Date"), and (iii) you have continuously complied in all material respects with the Confidentiality Agreement (as defined below) (collectively, the "Conditions"):

(i) **Severance.** You shall receive: (A) (1) if the Qualifying Termination occurs at any time on or before the first anniversary of the Start Date, a severance payment equal to $350,000 and (2) if the Qualifying Termination occurs at any time after the first anniversary through and including the fourth anniversary of the Start Date, a severance payment equal to $175,000, which payment, in each case, shall be made net of required payroll deductions and withholdings, and shall be made in the form of salary continuation on the Company's regularly scheduled payroll dates in accordance with the Company's normal payroll practices, commencing on the first regular pay date following the Deadline Date with the first payment being equal to the total payments that would have been paid had payments commenced on the first payroll date on or after the date of such Qualifying Termination; (B) in the case of a Qualifying Termination under (A)(2) a pro rata portion of your Annual Bonus for the year in which the Qualifying Termination occurs, which amount will be equal to (i) the target bonus for such fiscal year multiplied by (ii) a fraction, the numerator of which is the number of days in the current fiscal year through the date of the Qualifying Termination and the denominator of which is 365, which shall be paid on the first regular pay date following the Deadline Date, and (C) provided you timely elect continued coverage under COBRA, payment of your COBRA premiums sufficient to continue group health insurance coverage for you and any covered dependents at your then current rate of coverage until the sooner of (aa) in the case of a Qualifying Termination under (A)(1), twelve (12) months, and in the case of a

Qualifying Termination under (A)(2), six (6) months following the termination of your employment, or (bb) the date you become eligible for health insurance coverage through another employer.

(ii) **Accelerated Option Vesting.** If such Qualifying Termination occurs prior to the one-year anniversary of the vesting commencement date of the Time-based Option, the Time-based Option shall accelerate and vest as to a number of shares as if such option vested on a 1/48th monthly basis from its respective vesting commencement date with the number of months rounded to the nearest whole month from the respective vesting commencement date through such termination date, and you shall have a period of 12 months following the occurrence of such Qualifying Termination in which to exercise the Time-based Option.

(iii) **Definitions.** For purposes hereof, **"**Cause**"** shall mean: (i) you are convicted of a crime involving dishonesty, fraud or moral turpitude; (ii) you willfully engage in conduct that is in bad faith and materially injurious to the Company, including but not limited to, misappropriation of trade secrets, fraud or embezzlement; (iii) you commit a material breach of this Agreement or the Employee Invention Assignment and Confidentiality Agreement, which, if capable of cure, is not cured within thirty (30) days after written notice to you from the Company; or (iv) you willfully and repeatedly refuse to implement or follow a lawful policy or directive of the Company, which is not cured within thirty (30) days after written notice to you from the Company. For purposes hereof, "Good Reason" means (A) except as provided in Section 1, a change in your job title or position with the Company; (B) the failure of the Board to appoint you as Chief Executive Officer of the Company on or before June 30, 2020; (C) the Company's assignment to you of any duties or responsibilities that, when considered together with all of your ongoing duties and responsibilities, would result in the material diminution of your duties and responsibilities; (D) any material reduction in your base salary or bonus potential; or (E) any material breach by the Company of any material provision of this Agreement; provided, however, that you must notify the Company within thirty (30) days of the occurrence of any of the foregoing conditions that you consider to be a "Good Reason" condition and provide the Company with at least thirty (30) days in which to cure the condition. If you fail to provide this notice and cure period prior to your resignation, or you resign more than sixty (60) days after the initial existence of the condition, your resignation will not be deemed to be for "Good Reason."

10. **Change of Control.** In the event of a Change of Control (as hereinafter defined) and if you experience a Qualifying Termination within twelve (12) months of such Change of Control and you satisfy the Conditions, the vesting of the Options shall be immediately accelerated immediately prior to the Change of Control such that the Options shall be fully vested and exercisable immediately prior to the Change of Control. For purposes hereof, "Change of Control" means the occurrence of any of the following: (i) the sale, transfer or exclusive license of all or substantially all of the assets of the Company in one or a series of related transactions; (ii) a merger, reorganization or consolidation in which the Company is not the surviving corporation (other than a merger, reorganization or consolidation in which the Company's shareholders immediately before the merger, reorganization or consolidation have, immediately after the merger, reorganization or consolidation, more than fifty percent (50%) of the voting power of the surviving corporation); (iii) a reverse merger in which the Company is the surviving corporation but the shares of the Company's Common Stock outstanding immediately preceding the merger are either not converted or by virtue of the merger are converted into

other property, whether in the form of securities, cash or otherwise, in each case (in which the Company's shareholders immediately before the merger do not have, immediately after the merger, more than fifty percent (50%) of the voting power of the Company); or (iv) any "person" (as such term is used in Sections 13(d) and 14(d) of the Securities Exchange Act of 1934, as amended) ("Person") is or becomes the "beneficial owner" (as defined in Rule 13d-3 under said Act), directly or indirectly, of securities of the Company representing 50% or more of the total voting power represented by the Company's then outstanding voting securities (other than on account of the acquisition of securities of the Company by an investor, any affiliate thereof or any other Person that acquires the Company's securities in a transaction or series of related transactions the primary purpose of which is to obtain financing for the Company through the issuance of equity securities unless the proceeds of such financing are intended to be used to engage in an acquisition transaction). If required for compliance with Internal Revenue Code Section 409A, the regulations and other guidance there under and any state law of similar effect (collectively "Section 409A"), in no event will a Change of Control be deemed to have occurred if such transaction is not also a "change in the ownership or effective control of" the Company or "a change in the ownership of a substantial portion of the assets of" the Company as determined under Treasury Regulation Section 1.409A-3(i)(5) (without regard to any alternative definition thereunder).

11. **Code Section 409A**. For purposes of Section 409A, each payment that is paid, and benefit that is provided, pursuant to this Agreement is hereby designated as a separate payment. No severance or benefits to be paid or provided to you will be paid or otherwise provided until you have a "separation from service" within the meaning of Section 409A. For purposes of this Agreement, any reference to "termination" or "termination of employment" or any similar term shall be construed to mean a "separation from service" within the meaning of Section 409A. The parties intend that all payments and benefits made or to be made under this Agreement comply with, or are exempt from, the requirements of Section 409A so that none of the payments or benefits will be subject to the adverse tax penalties imposed under Section 409A, and any ambiguities herein will be interpreted to so comply or be so exempt. Specifically, any severance payments or benefits made under this Agreement and paid or provided on or before the 15th day of the 3rd month following the end of your first tax year in which your Qualifying Termination occurs or, if later, the 15th day of the 3rd month following the end of the Company's first tax year in which your Qualifying Termination occurs, shall be exempt from Section 409A to the maximum extent permitted pursuant to Treasury Regulation Section 1.409A-1(b)(4) and any other severance payments or benefits provided in connection with your Qualifying Termination under this Agreement shall be exempt from Section 409A to the maximum extent permitted pursuant to Treasury Regulation Section 1.409A-1(b)(9)(iii) (to the extent it is exempt pursuant to such section it will in any event be paid no later than the last day of your 2nd taxable year following the taxable year in which your Qualifying Termination occurs). Notwithstanding the foregoing, if any of the payments or benefits provided in connection with your Qualifying Termination do not qualify for any reason to be exempt from Section 409A pursuant to Treasury Regulation Section 1.409A-1(b)(4), Treasury Regulation Section 1.409A-1(b)(9)(iii), or any other applicable exemption then (i) if you are, at the time of your Qualifying Termination, a "specified employee," as defined in Treasury Regulation Section 1.409A-1(i) (i.e., you are a "key employee" of a publicly traded company), each such payment or benefits will not be provided until the first regularly scheduled payroll date of the 7th month after your Qualifying Termination and, on such date (or, if earlier, the date of your death), you will receive all payments and/or benefits that would have been provided during such period in a single lump sum and (ii) if the Deadline Date would allow you to choose payment in a later tax year than the tax year of your Qualifying Termination, then no payment will be made until the later tax year.

12. **Outside Activities.** While you render services to the Company, you agree that you will not engage in any other gainful employment, consulting or other business activity without the written consent of the Company; provided, however, (i) you shall be permitted to continue passive business activities, such as managing personal investments, so long as such passive activities do not interfere with your duties to the Company, and (ii) you shall refrain from any gainful business activity if the Board reasonably determines such activity interferes with your duties to the Company. The Company acknowledges those business activities set forth on Exhibit A, and additional Board consent shall not be required to continue those activities. For clarification, participation on industry thought leadership panels, boards, and related projects will be encouraged by the Company. In addition, while you render services to the Company, you will not assist any person or entity in competing with the Company, in preparing to compete with the Company or in hiring any employees or consultants of the Company.

13. **Taxes, Withholding and Required Deductions.** All forms of compensation referred to in this letter are subject to all applicable taxes, withholding and any other deductions required by applicable law.

14. **Miscellaneous.**

(a) **Governing Law.** The validity, interpretation, construction and performance of this letter, and all acts and transactions pursuant hereto and the rights and obligations of the parties hereto will be governed, construed and interpreted in accordance with the laws of state of California, without giving effect to principles of conflicts of law.

(b) **Entire Agreement.** This letter sets forth the entire agreement and understanding of the parties relating to the subject matter herein and supersedes all prior or contemporaneous discussions, understandings and agreements, whether oral or written, between them relating to the subject matter hereof.

(c) **Counterparts.** This letter may be executed in any number of counterparts, each of which when so executed and delivered will be deemed an original, and all of which together will constitute one and the same agreement. Execution of a facsimile copy will have the same force and effect as execution of an original, and a facsimile signature will be deemed an original and valid signature.

(d) **Electronic Delivery.** The Company may, in its sole discretion, decide to deliver any documents or notices related to this letter, securities of the Company or any of its affiliates or any other matter, including documents and/or notices required to be delivered to you by applicable securities law or any other law or the Company's Certificate of Incorporation or Bylaws by email or any other electronic means. You hereby consent to (i) conduct business electronically (ii) receive such documents and notices by such electronic delivery and (iii) sign documents electronically and agree to participate through an on-line or electronic system established and maintained by the Company or a third party designated by the Company.

[Signature Page Follows]

If you wish to accept this offer, please sign and date this letter and the enclosed Employee Invention Assignment and Confidentiality Agreement and return them to me. As required by law, your employment with the Company is also contingent upon your providing legal proof of your identity and authorization to work in the United States. In addition, the Company reserves the right to conduct background investigations and/or reference checks on all its potential employees. Your job offer, therefore, may be contingent upon a clearance of such a background investigation and/or reference check, if any. This offer, if not accepted, will expire at the close of business on November 22, 2019.

We look forward to your favorable reply and to working with you.

Very truly yours,

ALPHA TEKNOVA, INC.

/s/ Thomas Davis (11/22/2019)
Thomas Davis, CEO

ACCEPTED AND AGREED:

STEPHEN GUNSTREAM

/s/ Stephen Gunstream
(Signature)

11/16/2019
Date

Anticipated Start Date: December 16, 2019

Enclosure:

Attachment A: Employee Invention Assignment and Confidentiality Agreement

Exhibit 10.10

ALPHA TEKNOVA, INC.

January 14, 2019

Thomas E. Davis
2290 Bert Dr.
Hollister, CA 95023

Dear Ted:

Alpha Teknova, Inc., a Delaware corporation (the "Company"), is pleased to confirm the new terms of your employment with the Company as described below, subject to and effective as of the closing of the Series A Preferred Stock investment and common stock repurchase (collectively, the "Transactions"). In the event the Transactions are not otherwise consummated, the offer extended in this letter and this letter agreement shall be null and void.

1. **Position.** You will start in a full-time position as Chief Executive Officer and you will report to the Company's Board of Directors (the "Board"). By signing this letter, you confirm with the Company that you are under no contractual or other legal obligations that would prohibit you from performing your duties with the Company.

2. **Base Salary.** You will be paid a starting salary at the rate of $330,000 per year, which will be paid in accordance with the Company's standard payroll policies and subject to applicable withholdings and other required deductions.

3. **Target Bonus.** In addition, commencing with the 2019 calendar year, you will be eligible to earn an annual target bonus equal to up to 33% of your annual base salary each calendar year during your employment with the Company based upon the achievement of certain performance goals to be mutually agreed upon between you and the Board (the "Target Bonus"). The Company will determine whether you have earned such Target Bonus (including whether the Company's and your established performance objectives have been met) in its sole and absolute discretion, which determination will be final and binding. The payment of any bonus shall be subject to your continued employment through the date of payment by the Company.

4. **2019 Revenue Bonus.** Subject to the terms and conditions hereof, you will also be entitled to an additional bonus of up to $3,000,000 (the "Revenue Bonus") based on the Company's Net Revenue (as defined below) for fiscal year 2019 in accordance with generally accepted accounting principles and as determined by the Company's independent auditors, as set forth in the Company's 2019 audited financial statements (the "2019 Revenue"). The amount of the Revenue Bonus shall be determined as follows:

- In the event that the 2019 Revenue is below $20,250,000, the Revenue Bonus shall be $0.
- In the event that the 2019 Revenue is equal to $20,250,000, the Revenue Bonus shall be $1,500,000.
- In the event that the 2019 Revenue is equal to or greater than $22,500,000, the Revenue Bonus shall be $3,000,000.

- In the event that the 2019 Revenue is above $20,250,000 but below $22,500,000, the Revenue Bonus shall be $1,500,000 plus the Variable Amount. The "Variable Amount" shall mean a dollar amount determined by multiplying (i) $1,500,000 by (ii) a fraction, the numerator of which is the amount by which the 2019 Revenue exceeds $20,250,000, and the denominator of which is $2,250,000.

"Net Revenue" means gross invoices for products sold to third parties by the Company, less the sum of the following (i) any discounts offered, (ii) any refund payments or credits made to customers, whether in connection with the return of any of the Company's products, satisfaction of a customer complaint or otherwise, (iii) tariff duties, custom duties and sales or use taxes directly imposed and with reference to particular sales, and (iv) bad debt in excess of historical percentage of total revenue. For the avoidance of doubt, Net Revenue shall include any shipping or freight charges in connection with such sales, provided that such shipping or freight charges are paid by a customer and in line with historical percentage of total revenue.

Notwithstanding the foregoing, you may elect, at your sole discretion, to allocate all or any portion of the Revenue Bonus to any other then current employees or consultants of the Company (collectively, the "Designees") by delivering to the Company's Chairman of the Board of Directors (i) a written notice of such election duly executed by you, and (ii) a schedule attached thereto that sets forth the name of all Designees and the corresponding percentage of the total Revenue Bonus each such Designee is allocated (collectively, the "Election Materials"). The Election Materials must be delivered no later than five (5) business days following the completion of the 2019 audit of the Company's financial statements. If the Election Materials are delivered in accordance with this Section 4, the Company shall pay the Revenue Bonus, subject to all applicable withholding, to the Designees, and if no such Election Materials are delivered in accordance with this Section 4, the Company shall pay the Revenue Bonus, subject to all applicable withholding, to you, in each case in accordance with the Company's normal payroll processes. The Company shall pay the Revenue Bonus at and in connection with the next regularly schedule payroll following the completion of the 2019 audit and the Company's Board of Directors approval of the 2019 audited financial statements. Notwithstanding the foregoing, the Company's Board of Directors may pay the Revenue Bonus prior to the approval of the 2019 audited financial statements at its discretion, provided that (a) you consent to such early payment and (b) you have been given the opportunity to deliver the Election Materials, if desired.

5. **Employee Benefits/Vacation.** As a regular employee of the Company, you will be eligible to participate in the employee benefit plans and programs, if any, currently and hereafter maintained by the Company and generally available to similarly situated employees of the Company, subject in each case to the terms and conditions of the plan in question, including any eligibility requirements set forth therein, and the determination of any person or committee administering the plan. In addition, you shall be eligible to take a number of days of vacation, holidays and other days off in accordance with your past practice with the Company. Notwithstanding the foregoing, the Company reserves the right to modify or terminate benefits from time to time as it deems necessary or appropriate; provided, however, that in no event shall such the benefits provided to you under such employee benefit plans and programs be reduced from those historically offered to you by the Company or as described on Exhibit A.

6. **Business Expenses.** The Company will reimburse you for your necessary and reasonable business expenses and certain other expenses set forth on Exhibit A, in each case, incurred in connection with your duties hereunder upon presentation of an itemized account and appropriate supporting documentation, all in accordance with the Company's generally applicable policies.

7. **Term**. Your employment will have a term of either (i) eighteen (18) months from the closing date of the Transactions or (ii) until the recruitment of an individual to assume the CEO role, whichever is sooner, subject to earlier termination as provided in Section 9 below. Upon recruitment of a new CEO, you and the Board will consider a continuing role, such as Chief Strategy Officer or Chairman of the Scientific Advisory Board, with such new compensation and other terms to be mutually agreed upon between you and the Board.

8. **Confidential Information and Invention Assignment Agreement.** Like all Company employees, you will be required, as a condition of your employment with the Company, to sign the Company's enclosed standard Confidential Information and Invention Assignment Agreement, a copy of which is attached hereto as Attachment A.

9. **Employment Relationship.** Your employment with the Company will be "at will," meaning that either you or the Company (subject to the limitations set forth in Section 5.4(a) of the Company's Investors' Rights Agreement) may terminate your employment at any time and for any reason, with or without cause or notice. Upon termination of your employment, you will only be entitled to accrued but unpaid salary, vacation/PTO (if any) and any other wages and/or benefits that have accrued or otherwise been earned up through the date of such termination. Any contrary representations which may have been made to you are superseded by this offer. This is the full and complete agreement between you and the Company on this term. Although your job duties, title, compensation and benefits, as well as the Company's personnel policies and procedures, may change from time to time, the "at will" nature of your employment may only be changed in an express written agreement signed by you and the Board.

10. **Outside Activities.** While you render services to the Company, you will not assist any person or entity in competing with the Company, in preparing to compete with the Company or in hiring any employees or consultants of the Company.

11. **Taxes, Withholding and Required Deductions.** All forms of compensation referred to in this letter are subject to all applicable taxes, withholding and any other deductions required by applicable law.

12. **Miscellaneous.**

(a) **Governing Law.** The validity, interpretation, construction and performance of this letter, and all acts and transactions pursuant hereto and the rights and obligations of the parties hereto shall be governed, construed and interpreted in accordance with the laws of state of California, without giving effect to principles of conflicts of law.

(b) **Entire Agreement.** This letter sets forth the entire agreement and understanding of the parties relating to the subject matter herein and supersedes all prior or contemporaneous discussions, understandings and agreements, whether oral or written, between them relating to the subject matter hereof, including (without limitation) any employment agreement or offer letter entered into by and between you and the Company (or any predecessor to the Company).

(c) **Counterparts.** This letter may be executed in any number of counterparts, each of which when so executed and delivered shall be deemed an original, and all of which together shall constitute one and the same agreement. Execution of a facsimile copy will have the same force and effect as execution of an original, and a facsimile signature will be deemed an original and valid signature.

(d) **Electronic Delivery.** The Company may, in its sole discretion, decide to deliver any documents or notices related to this letter, securities of the Company or any of its affiliates or any other matter, including documents and/or notices required to be delivered to you by applicable securities law or any other law or the Company's Certificate of Incorporation or Bylaws by email or any other electronic means. You hereby consent to (i) conduct business electronically (ii) receive such documents and notices by such electronic delivery and (iii) sign documents electronically and agree to participate through an on-line or electronic system established and maintained by the Company or a third party designated by the Company.

[Signature Page Follows]

If you wish to accept this offer, please sign and date this letter and the enclosed Confidential Information and Invention Assignment Agreement and return them to me. As required by law, your employment with the Company is also contingent upon your providing legal proof of your identity and authorization to work in the United States. In addition, the Company reserves the right to conduct background investigations and/or reference checks on all of its potential employees. Your job offer, therefore, may be contingent upon a clearance of such a background investigation and/or reference check, if any.

Very truly yours,

ALPHA TEKNOVA, INC.

/s/ Irene Davis
Irene Davis, Chief Operating Officer

ACCEPTED AND AGREED:

THOMAS E. DAVIS

/s/ Thomas E. Davis
(Signature)

January 14, 2019
Date

Enclosure:

Exhibit A: Authorized Expenses

Attachment A: Confidential Information and Invention Assignment Agreement

EXHIBIT A

BENEFITS AND EXPENSES

The Company shall pay 100% of your costs for medical and dental benefits and an annual Health Savings Account ("HSA") contribution if you chose an HSA medical plan.

Days during which you conduct Company business away from the Company's facilities shall not be considered vacation, holiday or days off.

Business expenses include all expenses related to attending conferences and customer meetings, including expenses relating to:

- Air fare
- Car rental
- Hotel
- Meals
- Mileage
- Parking, tolls, taxi
- Other miscellaneous expenses

Non-travel business expenses include:

- Auto expenses
- Cell phone expenses
- Life insurance premiums
- Meals and entertainment

Exhibit 10.11

ALPHA TEKNOVA, INC.

January 14, 2019

Irene Davis
2290 Bert Dr.
Hollister, CA 95023

Dear Irene:

Alpha Teknova, Inc., a Delaware corporation (the "Company"), is pleased to confirm the new terms of your employment with the Company as described below, subject to and effective as of the closing of the Series A Preferred Stock investment and common stock repurchase (collectively, the "Transactions"). In the event the Transactions are not otherwise consummated, the offer extended in this letter and this letter agreement shall be null and void.

1. **Position.** You will start in a full-time position as Chief Operating Officer and you will report to the Company's Chief Executive Officer and the Company's Board of Directors (the "Board"). By signing this letter, you confirm with the Company that you are under no contractual or other legal obligations that would prohibit you from performing your duties with the Company.

2. **Base Salary.** You will be paid a starting salary at the rate of $225,000 per year, which will be paid in accordance with the Company's standard payroll policies and subject to applicable withholdings and other required deductions.

3. **Target Bonus.** In addition, commencing with the 2019 calendar year, you will be eligible to earn an annual target bonus equal to up to 33% of your annual base salary each calendar year during your employment with the Company based upon the achievement of certain performance goals to be mutually agreed upon between you and the Board (the "Target Bonus"). The Company will determine whether you have earned such Target Bonus (including whether the Company's and your established performance objectives have been met) in its sole and absolute discretion, which determination will be final and binding. The payment of any bonus shall be subject to your continued employment through the date of payment by the Company.

4. **Employee Benefits/Vacation.** As a regular employee of the Company, you will be eligible to participate in the employee benefit plans and programs, if any, currently and hereafter maintained by the Company and generally available to similarly situated employees of the Company, subject in each case to the terms and conditions of the plan in question, including any eligibility requirements set forth therein, and the determination of any person or committee administering the plan. In addition, you shall be eligible to take a number of days of vacation, holidays and other days off in accordance with your past practice with the Company. Notwithstanding the foregoing, the Company reserves the right to modify or terminate benefits from time to time as it deems necessary or appropriate; provided, however, that in no event shall such the benefits provided to you under such employee benefit plans and programs be reduced from those historically offered to you by the Company or as described on Exhibit A.

5. **Business Expenses.** The Company will reimburse you for your necessary and reasonable business expenses and certain other expenses set forth on Exhibit A, in each case, incurred in connection with your duties hereunder upon presentation of an itemized account and appropriate supporting documentation, all in accordance with the Company's generally applicable policies. In addition, all lease and insurance expenses for your Tesla Model S (and any new car following the expiration or termination of the vehicle lease for such car, which shall be at least the same type and quality as the Tesla Model S) shall be paid by the Company or reimbursed by the Company to you.

6. **Severance**. If you experience an involuntary separation from service (as defined in Treasury Regulation 1.409A-1(n)) by the Company (or a successor, if appropriate) without Cause (as defined below) or as a result of your resignation for Good Reason (as defined below) (such termination or resignation, an "Involuntary Termination"), and provided you comply with the Conditions (as defined below), then you shall be entitled to receive the following payments and benefits:

(a) **Compensation Severance.** The Company shall pay you severance pay equal to $100,000 payable over a period of six (6) months following the date of such termination, subject to all applicable withholdings. The severance will be paid in accordance with the Company's standard payroll procedures on the Company's regularly scheduled payroll dates, commencing with the first regularly scheduled payroll date that occurs on or after the Deadline Date (as defined below), with the first payment being equal to the total payments that would have been paid had payments commenced on the first payroll date on or after the date of such Involuntary Termination.

(b) **COBRA Severance.** If you timely elect to continue your health insurance coverage under the Consolidated Omnibus Budget Reconciliation Act ("COBRA") following your Involuntary Termination, then the Company will reimburse you for 100% of your monthly premiums due for such COBRA coverage from the first date on which you lose health coverage as an employee of the Company until the earliest of (i) the date that is six (6) months following your termination date, (ii) the expiration of your continuation coverage under COBRA or (iii) the date when you are eligible to receive substantially equivalent group health insurance coverage in connection with new employment.

For purposes of this letter agreement, "Cause" will mean: (i) any material breach by you of any material written agreement between you and the Company and your failure to cure such breach within 30 days after receiving written notice thereof; (ii) your failure to comply with the Company's material written policies or rules as they may be in effect from time to time that results in, or is reasonably expected to result in, material harm to the business or reputation of the Company; (iii) neglect or persistent unsatisfactory performance of your duties and your failure to cure such condition within 30 days after receiving written notice thereof; (iv) your repeated failure to follow reasonable and lawful instructions from the Board or Chief Executive Officer and your failure to cure such condition within 30 days after receiving written notice thereof; (v) your conviction of, or plea of guilty or nolo contendere to, any crime involving moral turpitude that results in, or is reasonably expected to result in, material harm to the business or reputation of the Company; (vi) your commission of or participation in an act of fraud against the Company; (vii) your intentional material damage to the Company's business, property or reputation; or (viii) your unauthorized use or disclosure of any proprietary information or trade secrets of the Company or

any other party to whom you owe an obligation of nondisclosure as a result of your relationship with the Company. For purposes of clarity, a termination without "Cause" does not include any termination that occurs as a result of your death or disability.

For purposes of this letter agreement, "Conditions" will mean (i) you have returned all Company property in your possession within ten (10) business days following the date of your Involuntary Termination, and (ii) you have executed a full and complete general release of all claims that you may have against the Company or persons affiliated with the Company in the Company's standard form provided by the Company and such release has become effective no later than the 30th day after the date of your Involuntary Termination (the "Deadline Date").

For purposes of this letter agreement, "Good Reason" means your resignation due to the occurrence of any of the following conditions which occurs without your written consent, provided that the requirements regarding advance notice and an opportunity to cure set forth below are satisfied: (i) your then-current base salary is reduced by more than 10% or the benefits and business expenses to which you are entitled under this letter agreement are materially reduced (other than as part of an across-the-board salary and benefits reduction applicable to all similarly situated employees); (ii) a material reduction of your duties, authority, responsibilities or reporting relationship, relative to your duties, authority, responsibilities or reporting relationship as in effect immediately prior to such reduction; or (iii) the Company (or its successor) conditions your continued service on you being transferred to a site of employment that would increase your one-way commute by more than 50 miles from your then-principal residence. In order for you to resign for Good Reason, you must provide written notice to the Company of the existence of the Good Reason condition within 90 days of the initial existence of or (if not apparent) within 90 days of your discovery of the existence of such Good Reason condition. Upon receipt of such notice, the Company will have 30 days during which it may remedy the Good Reason condition and not be required to provide for the severance described herein as a result of such proposed resignation. If the Good Reason condition is not remedied within such 30 day period, you may resign based on the Good Reason condition specified in the notice effective no later than 60 days following the expiration of the Company's 30-day cure period.

For purposes of Internal Revenue Code Section 409A, the regulations and other guidance thereunder and any state law of similar effect (collectively "Section 409A"), each payment that is paid pursuant to this letter agreement is hereby designated as a separate payment. The parties intend that all payments made or to be made under this letter agreement comply with, or are exempt from, the requirements of Section 409A so that none of the payments or benefits will be subject to the adverse tax penalties imposed under Section 409A, and any ambiguities herein will be interpreted to so comply or be so exempt.

7. **Confidential Information and Invention Assignment Agreement.** Like all Company employees, you will be required, as a condition of your employment with the Company, to sign the Company's enclosed standard Confidential Information and Invention Assignment Agreement, a copy of which is attached hereto as Attachment A.

8. **Employment Relationship.** Employment with the Company is for no specific period of time. Your employment with the Company will be "at will," meaning that either you or the Company (subject to the limitations set forth in Section 5.4(a) of the Company's Investors' Rights Agreement) may terminate your employment at any time and for any reason, with or

without cause or notice. Any contrary representations which may have been made to you are superseded by this offer. This is the full and complete agreement between you and the Company on this term. Although your job duties, title, compensation and benefits, as well as the Company's personnel policies and procedures, may change from time to time, the "at will" nature of your employment may only be changed in an express written agreement signed by you and the Company's Chief Executive Officer.

9. **Outside Activities.** In addition, while you render services to the Company, you will not assist any person or entity in competing with the Company, in preparing to compete with the Company or in hiring any employees or consultants of the Company.

10. **Taxes, Withholding and Required Deductions.** All forms of compensation referred to in this letter are subject to all applicable taxes, withholding and any other deductions required by applicable law.

11. **Miscellaneous.**

(a) **Governing Law.** The validity, interpretation, construction and performance of this letter, and all acts and transactions pursuant hereto and the rights and obligations of the parties hereto shall be governed, construed and interpreted in accordance with the laws of state of California, without giving effect to principles of conflicts of law.

(b) **Entire Agreement.** This letter sets forth the entire agreement and understanding of the parties relating to the subject matter herein and supersedes all prior or contemporaneous discussions, understandings and agreements, whether oral or written, between them relating to the subject matter hereof, including (without limitation) any employment agreement or offer letter entered into by and between you and the Company (or any predecessor to the Company).

(c) **Counterparts.** This letter may be executed in any number of counterparts, each of which when so executed and delivered shall be deemed an original, and all of which together shall constitute one and the same agreement. Execution of a facsimile copy will have the same force and effect as execution of an original, and a facsimile signature will be deemed an original and valid signature.

(d) **Electronic Delivery.** The Company may, in its sole discretion, decide to deliver any documents or notices related to this letter, securities of the Company or any of its affiliates or any other matter, including documents and/or notices required to be delivered to you by applicable securities law or any other law or the Company's Certificate of Incorporation or Bylaws by email or any other electronic means. You hereby consent to (i) conduct business electronically (ii) receive such documents and notices by such electronic delivery and (iii) sign documents electronically and agree to participate through an on-line or electronic system established and maintained by the Company or a third party designated by the Company.

[Signature Page Follows]

If you wish to accept this offer, please sign and date this letter and the enclosed Confidential Information and Invention Assignment Agreement and return them to me. As required by law, your employment with the Company is also contingent upon your providing legal proof of your identity and authorization to work in the United States. In addition, the Company reserves the right to conduct background investigations and/or reference checks on all of its potential employees. Your job offer, therefore, may be contingent upon a clearance of such a background investigation and/or reference check, if any.

Very truly yours,

ALPHA TEKNOVA, INC.

/s/ Thomas Davis
Name: Thomas E. Davis
Title: Chief Executive Officer

ACCEPTED AND AGREED:

IRENE DAVIS

/s/ Irene Davis
(Signature)

January 14, 2019
Date

Enclosure:

Exhibit A: Authorized Expenses

Attachment A: Confidential Information and Invention Assignment Agreement

EXHIBIT A

BENEFITS AND EXPENSES

The Company shall pay 100% of your costs for medical and dental benefits and an annual Health Savings Account ("HSA") contribution if you chose an HSA medical plan.

Days during which you conduct Company business away from the Company's facilities shall not be considered vacation, holiday or days off.

Business expenses include all expenses related to attending conferences and customer meetings, including expenses relating to:

- Air fare
- Car rental
- Hotel
- Meals
- Mileage
- Parking, tolls, taxi
- Other miscellaneous expenses

Non-travel business expenses include:

- Auto expenses
- Cell phone expenses
- Life insurance premiums
- Meals and entertainment

TEKNOVA
science matters

August 18, 2020

Damon A. Terrill

Re: Offer of Employment

Dear Damon:

Alpha Teknova, Inc. ("Company") is pleased to offer you the position of General Counsel & Chief Administrative Officer, initially reporting to Stephen Gunstream. Your primary job duties and responsibilities shall include overseeing the legal and administrative operations within our organization. Your anticipated starting date will be August 31, 2020. This offer and your employment relationship will be subject to the terms and conditions of this letter.

1. Compensation. If you decide to join us, your initial salary will be $225,000 per year, less applicable withholdings, paid in accordance with Company's normal payroll practices. Future adjustments in compensation, if any, will be made by Company in its sole and absolute discretion. This position is an exempt position, which means you are paid for the job and not by the hour. Accordingly, you will not receive overtime pay if you work more than 8 hours in a work day or 40 hours in a workweek.

2. Benefits. You will also be eligible for all fringe benefits available to other full-time Company employees, including medical, dental and vision programs, PTO at the immediate rate of 3 weeks per year (accrued at 4.62 hours per pay period), and 401k plan, in accordance with Company's benefit plans. Company reserves the right to change or eliminate these benefits on a prospective basis at any time.

3. Stock Options**.** In addition, subject to the approval of Company's Board of Directors (the "Board"), you will be granted an incentive stock option to purchase 93,000 shares of Company's common stock (the "Option") in accordance with Company's 2020 Equity Incentive Plan (as amended, the "Plan") and related stock option documents. The Option will have an exercise price per share equal to the fair market value of one share of the Company's common stock on the date of grant of the Option, as determined by the Board. As a condition of receipt of the Option, you will be required to sign Company's standard form of stock option agreement (the "Agreement") and the Option will be subject to the terms and conditions of the Plan and the Agreement. The Option will vest over a four-year period from your employment start date, subject to your continued employment with the Company, with 25% of the shares subject to the Option becoming vested on the first year anniversary of your employment start date and the remainder vesting in equal monthly installments over the subsequent 36 month period.

4. No Violation of Rights of Third Parties. By accepting this offer, you represent that you are not a party to any other agreement which will interfere with your ability to fully and satisfactorily provide the services for which you are being employed by Company. During your employment with Company, you will not breach any agreement between you and any third party to keep in confidence proprietary information, knowledge or data belonging to that third party that was acquired by you prior to your employment with Company. In addition, you agree that you will not disclose to Company, or induce Company to use, any confidential or proprietary information or material belonging to any previous employer or others. You agree not to enter into any agreement, whether written or oral, in conflict with your promises in this provision.

5. At-Will Employment. If you accept our offer, your employment with Company will be "at-will." This means your employment is not for any specific period of time and can be terminated by you at any time for any reason. Likewise, Company may terminate the employment relationship at any time, with or without cause or advance notice. In addition, Company reserves the right to modify your position, duties and reporting relationship to meet business needs and to use its managerial discretion in deciding on appropriate discipline. Any change to the at-will employment relationship must be by a specific, written agreement signed by you and Company's Chief Executive Officer.

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6. No Conflict of Interest. During your employment with the Company, you agree that you will not engage in any work, paid or unpaid, that creates an actual conflict of interest with the Company. Such work shall include, but is not limited to, directly or indirectly competing with the Company in any way, or acting as an officer, director, employee, consultant, stockholder, volunteer, lender, or agent of any business enterprise of the same nature as, or which is in direct competition with, the business in which the Company is now engaged or in which the Company becomes engaged during your employment with the Company, as may be determined by the Company in its sole discretion. If the Company believes such a conflict exists, the Company may ask you to choose to discontinue the other work or resign employment with the Company.

7. Contingencies. This offer is contingent upon the following:

- Signing Company's Employee Proprietary Information and Inventions Agreement (See enclosed).
- Signing Company's Arbitration Agreement (See enclosed).
- Compliance with federal I-9 requirements (please bring suitable documentation with you on your first day of work verifying your identity and legal authorization to work in the United States).
- Verification of the information contained in your employment application, including satisfactory references.
- Signing and promptly returning the enclosed Disclosure and Authorization for Background Checking so that our designated agency may complete a background check before you begin work, and our receipt of satisfactory results from the background check.

8. Complete Agreement. This letter, including the enclosed Employee Proprietary Information and Inventions Agreement, the enclosed Arbitration Agreement, the Plan, the Agreement and other related stock option documents, constitutes the entire agreement between you and Company relating to this subject matter and supersedes all prior or contemporaneous agreements, understandings, negotiations or representations, whether oral or written, express or implied, on this subject. This letter may not be modified or amended except by a specific, written agreement signed by you and Company's Chief Executive Officer.

This offer will remain open until August 21, 2020. To indicate your acceptance of Company's offer on the terms and conditions set forth in this letter, please sign and date this letter in the space provided below and return it to me no later than August 21, 2020.

We hope your employment with Company will prove mutually rewarding, and we look forward to having you join us. If you have any questions, please feel free to call me at .

Sincerely,

/s/ Stephen Gunstream
Name: Stephen Gunstream
Title: Chief Executive Officer

* * *

I have read this offer letter in its entirety, and agree to and accept the terms and conditions of employment stated above. I understand and agree that my employment with Company is at-will.

Dated 8/19/2020 Signature /s/ Damon Terrill

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Matthew Lowell

January 22, 2021

Re: Offer of Employment

Dear Matthew:

Alpha Teknova, Inc. ("Company") is pleased to offer you the position of Chief Financial Officer, initially reporting to Stephen Gunstream. Your primary job duties and responsibilities shall include the planning, implementation, managing and running of all the finance activities of a company, including business planning, budgeting, forecasting and negotiations. As a key member of the Executive Management, the Chief Financial Officer will assume a strategic role in the overall management of the company.

Your anticipated starting date will be February 16, 2021. This offer and your employment relationship will be subject to the terms and conditions of this letter.

1. Compensation. If you decide to join us, your initial salary will be $300,000 per year, less applicable withholdings, paid in accordance with Company's normal payroll practices. Future adjustments in compensation, if any, will be made by Company in its sole and absolute discretion. This position is an exempt position, which means you are paid for the job and not by the hour. Accordingly, you will not receive overtime pay if you work more than 8 hours in a work day or 40 hours in a workweek. A bonus plan will provide you the opportunity to earn an annual bonus of as much as 25% of your annual salary, depending upon your and the Company's performance.

2. Benefits. You will also be eligible for all fringe benefits available to other full-time Company employees, including medical, dental and vision programs, PTO at the immediate rate of 3 weeks per year (accrued at 4.62 hours per pay period), and 401k plan, in accordance with Company's benefit plans. Company reserves the right to change or eliminate these benefits on a prospective basis at any time.

3. Stock Options. In addition, subject to the approval of Company's Board of Directors (the "Board"), you will be granted an incentive stock option to purchase 105,000 shares of Company's common stock (the "Option") in accordance with Company's 2020 Equity Incentive Plan (as amended, the "Plan") and related stock option documents. The Option will have an exercise price per share equal to the fair market value of one share of the Company's common stock on the date of grant of the Option, as determined by the Board. As a condition of receipt of the Option, you will be required to sign Company's standard form of stock option agreement (the "Agreement") and the Option will be subject to the terms and conditions of the Plan and the Agreement. The Option will vest over a four-year period from your employment start date, subject to your continued employment with the Company, with 25% of the shares subject to the Option becoming vested on the first year anniversary of your employment start date and the remainder vesting in equal monthly installments over the subsequent 36 month period.

4. No Violation of Rights of Third Parties. By accepting this offer, you represent that you are not a party to any other agreement which will interfere with your ability to fully and satisfactorily provide the services for which you are being employed by Company. During your employment with Company, you will not breach any agreement between you and any third party to keep in confidence proprietary information, knowledge or data belonging to that third party that was acquired by you prior to your employment with Company. In addition, you agree that you will not disclose to Company, or induce Company to use, any confidential or proprietary information or material belonging to any previous employer or others. You agree not to enter into any agreement, whether written or oral, in conflict with your promises in this provision.

5. At-Will Employment. If you accept our offer, your employment with Company will be "at-will." This means your employment is not for any specific period of time and can be terminated by you at any time for any reason. Likewise, Company may terminate the employment relationship at any time, with or without cause or advance notice. In addition, Company reserves the right to modify your position, duties and reporting relationship to meet business needs and to use its managerial discretion in deciding on appropriate discipline. Any change to the at-will employment relationship must be by a specific, written agreement signed by you and Company's Chief Executive Officer.

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6. No Conflict of Interest. During your employment with the Company, you agree that you will not engage in any work, paid or unpaid, that creates an actual conflict of interest with the Company. Such work shall include, but is not limited to, directly or indirectly competing with the Company in any way, or acting as an officer, director, employee, consultant, stockholder, volunteer, lender, or agent of any business enterprise of the same nature as, or which is in direct competition with, the business in which the Company is now engaged or in which the Company becomes engaged during your employment with the Company, as may be determined by the Company in its sole discretion. If the Company believes such a conflict exists, the Company may ask you to choose to discontinue the other work or resign employment with the Company.

7. Contingencies. This offer is contingent upon the following:

   - Signing Company's Employee Proprietary Information and Inventions Agreement (See enclosed).
   - Signing Company's Arbitration Agreement (See enclosed).
   - Compliance with federal I-9 requirements (please bring suitable documentation with you on your first day of work verifying your identity and legal authorization to work in the United States).
   - Verification of the information contained in your employment application, including satisfactory references.
   - Signing and promptly returning the enclosed Disclosure and Authorization for Background Checking so that our designated agency may complete a background check before you begin work, and our receipt of satisfactory results from the background check.

8. Complete Agreement. This letter, including the enclosed Employee Proprietary Information and Inventions Agreement, the enclosed Arbitration Agreement, the Plan, the Agreement and other related stock option documents, constitutes the entire agreement between you and Company relating to this subject matter and supersedes all prior or contemporaneous agreements, understandings, negotiations or representations, whether oral or written, express or implied, on this subject. This letter may not be modified or amended except by a specific, written agreement signed by you and Company's Chief Executive Officer.

This offer will remain open until January 24, 2021. To indicate your acceptance of Company's offer on the terms and conditions set forth in this letter, please sign and date this letter in the space provided below and return it to me no later than January 24, 2020.

We hope your employment with Company will prove mutually rewarding, and we look forward to having you join us. If you have any questions, please feel free to call me at .

Sincerely,

/s/ Stephen Gunstream
Name: Stephen Gunstream
Title: Chief Executive Officer

* * *

I have read this offer letter in its entirety, and agree to and accept the terms and conditions of employment stated above. I understand and agree that my employment with Company is at-will.

Signature / Dated /s/ Matthew Lowell (January 22, 2021)

TEKNOVA
science matters

November 4, 2020

Lisa Hood

Re: Offer of Employment

Dear Lisa:

Alpha Teknova, Inc. ("Company") is pleased to offer you the position of Chief People Officer, initially reporting to Stephen Gunstream. Your primary job duties and responsibilities shall include developing and implementing HR strategies and managing all aspects of Human Resources for the business. Your anticipated starting date will be December 14, 2020.

This offer and your employment relationship will be subject to the terms and conditions of this letter.

1. Compensation. If you decide to join us, your initial salary will be $285,000 per year, less applicable withholdings, paid in accordance with Company's normal payroll practices. Future adjustments in compensation, if any, will be made by Company in its sole and absolute discretion. This position is an exempt position, which means you are paid for the job and not by the hour. Accordingly, you will not receive overtime pay if you work more than 8 hours in a work day or 40 hours in a workweek. A bonus plan will provide you the opportunity to earn an annual bonus of as much as 25% of your annual salary, depending upon your and the Company's performance. An additional one-time "signing" bonus of $25,000 will be paid to you with your first paycheck. If you voluntarily terminate your employment with the Company within 12 months of becoming an employee, you must repay the signing bonus to the Company on or before your last day.

2. Benefits. You will also be eligible for all fringe benefits available to other full-time Company employees, including medical, dental and vision programs, PTO at the immediate rate of 3 weeks per year (accrued at 4.62 hours per pay period), and 401k plan, in accordance with Company's benefit plans. Company reserves the right to change or eliminate these benefits on a prospective basis at any time.

3. Stock Options**.** In addition, subject to the approval of Company's Board of Directors (the "Board"), you will be granted an incentive stock option to purchase 60,000 shares of Company's common stock (the "Option") in accordance with Company's 2020 Equity Incentive Plan (as amended, the "Plan") and related stock option documents. The Option will have an exercise price per share equal to the fair market value of one share of the Company's common stock on the date of grant of the Option, as determined by the Board. As a condition of receipt of the Option, you will be required to sign Company's standard form of stock option agreement (the "Agreement") and the Option will be subject to the terms and conditions of the Plan and the Agreement. The Option will vest over a four-year period from your employment start date, subject to your continued employment with the Company, with 25% of the shares subject to the Option becoming vested on the first year anniversary of your employment start date and the remainder vesting in equal monthly installments over the subsequent 36 month period.

4. No Violation of Rights of Third Parties. By accepting this offer, you represent that you are not a party to any other agreement which will interfere with your ability to fully and satisfactorily provide the services for which you are being employed by Company. During your employment with Company, you will not breach any agreement between you and any third party to keep in confidence proprietary information, knowledge or data belonging to that third party that was acquired by you prior to your employment with Company. In addition, you agree that you will not disclose to Company, or induce Company to use, any confidential or proprietary information or material belonging to any previous employer or others. You agree not to enter into any agreement, whether written or oral, in conflict with your promises in this provision.

5. At-Will Employment. If you accept our offer, your employment with Company will be "at-will." This means your employment is not for any specific period of time and can be terminated by you at any time for any reason. Likewise, Company may terminate the employment relationship at any time, with or without cause or

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advance notice. In addition, Company reserves the right to modify your position, duties and reporting relationship to meet business needs and to use its managerial discretion in deciding on appropriate discipline. Any change to the at-will employment relationship must be by a specific, written agreement signed by you and Company's Chief Executive Officer.

6. No Conflict of Interest. During your employment with the Company, you agree that you will not engage in any work, paid or unpaid, that creates an actual conflict of interest with the Company. Such work shall include, but is not limited to, directly or indirectly competing with the Company in any way, or acting as an officer, director, employee, consultant, stockholder, volunteer, lender, or agent of any business enterprise of the same nature as, or which is in direct competition with, the business in which the Company is now engaged or in which the Company becomes engaged during your employment with the Company, as may be determined by the Company in its sole discretion. If the Company believes such a conflict exists, the Company may ask you to choose to discontinue the other work or resign employment with the Company.

7. Contingencies. This offer is contingent upon the following:

- Signing Company's Employee Proprietary Information and Inventions Agreement (See enclosed).
- Signing Company's Arbitration Agreement (See enclosed).
- Compliance with federal I-9 requirements (please bring suitable documentation with you on your first day of work verifying your identity and legal authorization to work in the United States).
- Verification of the information contained in your employment application, including satisfactory references.
- Signing and promptly returning the enclosed Disclosure and Authorization for Background Checking so that our designated agency may complete a background check before you begin work, and our receipt of satisfactory results from the background check.

8. Complete Agreement. This letter, including the enclosed Employee Proprietary Information and Inventions Agreement, the enclosed Arbitration Agreement, the Plan, the Agreement and other related stock option documents, constitutes the entire agreement between you and Company relating to this subject matter and supersedes all prior or contemporaneous agreements, understandings, negotiations or representations, whether oral or written, express or implied, on this subject. This letter may not be modified or amended except by a specific, written agreement signed by you and Company's Chief Executive Officer.

This offer will remain open until November 11, 2020. To indicate your acceptance of Company's offer on the terms and conditions set forth in this letter, please sign and date this letter in the space provided below and return it to me no later than November 11, 2020.

We hope your employment with Company will prove mutually rewarding, and we look forward to having you join us. If you have any questions, please feel free to call me at .

Sincerely,

/s/ Stephen Gunstream
Name: Stephen Gunstream
Title: Chief Executive Officer

* * *

I have read this offer letter in its entirety, and agree to and accept the terms and conditions of employment stated above. I understand and agree that my employment with Company is at-will.

Signature / Date /s/ Lisa Hood (November 6, 2020)

November 24, 2020

Neal Goodwin

Re: Offer of Employment

Dear Neal:

Alpha Teknova, Inc. ("Company") is pleased to offer you the position of Chief Science Officer, initially reporting to Stephen Gunstream. Your primary job duties and responsibilities shall include building, leading, coaching and growing a great team of highly skilled scientists able to support the business in its ambitious goals and deliver breakthrough products for cell and gene therapy and clinical diagnostics. Your anticipated starting date will be December 14, 2020.

This offer and your employment relationship will be subject to the terms and conditions of this letter.

1. Compensation. If you decide to join us, your initial salary will be $280,000 per year, less applicable withholdings, paid in accordance with Company's normal payroll practices. Future adjustments in compensation, if any, will be made by Company in its sole and absolute discretion. This position is an exempt position, which means you are paid for the job and not by the hour. Accordingly, you will not receive overtime pay if you work more than 8 hours in a work day or 40 hours in a workweek. A bonus plan will provide you the opportunity to earn an annual bonus of as much as 25% of your annual salary, depending upon your and the Company's performance.

2. Benefits. You will also be eligible for all fringe benefits available to other full-time Company employees, including medical, dental and vision programs, PTO at the immediate rate of 3 weeks per year (accrued at 4.62 hours per pay period), and 401k plan, in accordance with Company's benefit plans. Company reserves the right to change or eliminate these benefits on a prospective basis at any time.

3. Stock Options**.** In addition, subject to the approval of Company's Board of Directors (the "Board"), you will be granted an incentive stock option to purchase 40,000 shares of Company's common stock (the "Option") in accordance with Company's 2020 Equity Incentive Plan (as amended, the "Plan") and related stock option documents. The Option will have an exercise price per share equal to the fair market value of one share of the Company's common stock on the date of grant of the Option, as determined by the Board. As a condition of receipt of the Option, you will be required to sign Company's standard form of stock option agreement (the "Agreement") and the Option will be subject to the terms and conditions of the Plan and the Agreement. The Option will vest over a four-year period from your employment start date, subject to your continued employment with the Company, with 25% of the shares subject to the Option becoming vested on the first year anniversary of your employment start date and the remainder vesting in equal monthly installments over the subsequent 36 month period.

4. No Violation of Rights of Third Parties. By accepting this offer, you represent that you are not a party to any other agreement which will interfere with your ability to fully and satisfactorily provide the services for which you are being employed by Company. During your employment with Company, you will not breach any agreement between you and any third party to keep in confidence proprietary information, knowledge or data belonging to that third party that was acquired by you prior to your employment with Company. In addition, you agree that you will not disclose to Company, or induce Company to use, any confidential or proprietary information or material belonging to any previous employer or others. You agree not to enter into any agreement, whether written or oral, in conflict with your promises in this provision.

5. At-Will Employment. If you accept our offer, your employment with Company will be "at-will." This means your employment is not for any specific period of time and can be terminated by you at any time for any reason. Likewise, Company may terminate the employment relationship at any time, with or without cause or

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advance notice. In addition, Company reserves the right to modify your position, duties and reporting relationship to meet business needs and to use its managerial discretion in deciding on appropriate discipline. Any change to the at-will employment relationship must be by a specific, written agreement signed by you and Company's Chief Executive Officer.

6. No Conflict of Interest. During your employment with the Company, you agree that you will not engage in any work, paid or unpaid, that creates an actual conflict of interest with the Company. Such work shall include, but is not limited to, directly or indirectly competing with the Company in any way, or acting as an officer, director, employee, consultant, stockholder, volunteer, lender, or agent of any business enterprise of the same nature as, or which is in direct competition with, the business in which the Company is now engaged or in which the Company becomes engaged during your employment with the Company, as may be determined by the Company in its sole discretion. If the Company believes such a conflict exists, the Company may ask you to choose to discontinue the other work or resign employment with the Company.

7. Contingencies. This offer is contingent upon the following:

- Signing Company's Employee Proprietary Information and Inventions Agreement (See enclosed).
- Signing Company's Arbitration Agreement (See enclosed).
- Compliance with federal I-9 requirements (please bring suitable documentation with you on your first day of work verifying your identity and legal authorization to work in the United States).
- Verification of the information contained in your employment application, including satisfactory references.
- Signing and promptly returning the enclosed Disclosure and Authorization for Background Checking so that our designated agency may complete a background check before you begin work, and our receipt of satisfactory results from the background check.

8. Complete Agreement. This letter, including the enclosed Employee Proprietary Information and Inventions Agreement, the enclosed Arbitration Agreement, the Plan, the Agreement and other related stock option documents, constitutes the entire agreement between you and Company relating to this subject matter and supersedes all prior or contemporaneous agreements, understandings, negotiations or representations, whether oral or written, express or implied, on this subject. This letter may not be modified or amended except by a specific, written agreement signed by you and Company's Chief Executive Officer.

This offer will remain open until November 30, 2020. To indicate your acceptance of Company's offer on the terms and conditions set forth in this letter, please sign and date this letter in the space provided below and return it to me no later than November 30, 2020.

We hope your employment with Company will prove mutually rewarding, and we look forward to having you join us. If you have any questions, please feel free to call me at .

Sincerely,

/s/ Stephen Gunstream
Name: Stephen Gunstream
Title: Chief Executive Officer

* * *

I have read this offer letter in its entirety, and agree to and accept the terms and conditions of employment stated above. I understand and agree that my employment with Company is at-will.

Signature / Date /s/ Neal Goodwin (November 30, 2020)

LEASE AGREEMENT
2250 Bert Drive
Hollister, CA 95023
Parcel Number 051-15-04-009-0

THIS LEASE is made and executed, in duplicate, at Hollister, California, on the date hereinafter set forth by and between **Michael & Paige McCullough** and **TEKNOVA, a Corporation**, hereinafter referred to respectively as "Lessor," and "Lessee", without regard to number or gender.

IT IS AGREED between the parties hereto as follows:

1. PREMISES. Lessor hereby lets to Lessee, and Lessee hereby hires from Lessor, on the terms and conditions hereinafter set forth, those certain premises, with appurtenances, commonly known as 2250 Bert Drive, in the City of Hollister, County of San Benito, State of California, San Benito County Assessor Parcel Number **051-15-04-009-0**, or particularly described as "Exhibit A", attached hereto and made a part hereof by reference.

2. TERM. The term of this Lease shall be for ten (10) years, commencing Dec.01/2015 and initially terminating Nov.30, 2025 unless terminated as provide herein. Upon the initial 10 year term of this agreement expiring, the term of this agreement will be renewed for an additional five year period. The terms of the agreement shall remain the same except as may be modified by written mutual agreement.

3. DELAY AND DELIVERY OF POSSESSION. If Lessor, for any reason whatsoever, cannot deliver possession of the premises to Lessee at the commencement of the term of this Lease, as hereinbefore specified, this Lease shall not be void or voidable, nor shall Lessor be liable to Lessee for any loss or damage resulting therefrom, but in that event there shall be a proportionate reduction of rent covering the period between the commencement of the term and the time when Lessor can deliver possession. The term of this Lease shall not be extended by such delay.

4. RENT. The total rent is $2,349,960.00, lawful money of the United States of America, which Lessee shall pay to Lessor, without deduction or offset, at such place or places as may be designated from time to time in writing by Lessor, in installments as follows:

$19,583.00 on or before the 1st day of each and every month during the term hereof, commencing on the 1st day of December 2015.

Any rent increases under this Lease shall commence no earlier than three (3) years after the date of the commencement of this Lease. The maximum amount that the rent may be increased in any one year (starting in the fourth year of this Lease) shall be five 5% over the beginning base rent under this Lease.

5. Supplemental Improvement. Notwithstanding anything to the contrary contained herein, provided Tenant is not in default of this Tenant Work Letter or otherwise under the Lease . The Supplemental Improvement, $345,262.36 plus interest thereon at 5.5 percent, shall be amortized over the initial Term into Base Rent to be paid pursuant to Section 4 of the Lease. Notwithstanding anything hereinbefore to the contrary, the last monthly payment of Base Rent due on the first day of the final month of the initial Term shall be equal to any remaining balance of the Supplemental Improvement and interest thereon still owing as of such date. If Tenant terminates or defaults beyond the applicable cure period, in addition to all other damages and liability under the Lease, at law or in equity, Tenant shall be liable for the entire unamortized portion of the Supplemental Improvement.

5. LATE CHARGE. Lessee acknowledges that late payment to Lessor of the rent and other sums due hereunder will cause Lessee to incur costs not contemplated by this Lease, the exact amount of which will be extremely difficult to ascertain. Accordingly, if any installment of cash rent or any other cash sums due from Lessee is not received by Lessor within ten (10) days after such amount shall be due Lessee shall pay to Lessor a charge equal to six per cent (6%) of such overdue amount. The parties hereby agree that such late charge represents a fair and reasonable estimate of costs Lessor will incur by reason of late payment by Lessee. Acceptance of such late charge by Lessor shall in no event constitute a waiver of Lessee's default with respect to such overdue amount, nor prevent Lessor from exercising any of the other rights and remedies granted hereunder.

6. PERSONAL PROPERTY TAXES. Prior to delinquency, Lessee shall pay all taxes assessed against and levied on fixtures, furnishings, equipment and other personal property of Lessee, located in or on the premises, and, when possible, Lessee shall cause said fixtures, furnishings, equipment and other personal property to be assessed and billed separately from real property taxes. In the event any or all of Lessee's fixtures, furnishings, equipment or other personal property shall be assessed and billed with real property taxes, Lessee shall pay to Lessor, without deduction or offset, all such taxes within ten (10) days after delivery to Lessee by Lessor of a statement in writing setting forth the amount of such taxes.

7. REAL PROPERTY TAX INCREASE AND ASSESSMENTS. Lessee shall, in addition to all other sums agreed to be paid by it under this Lease, pay to Lessor all real property taxes which shall, during the term of this Lease, be assessed and levied against the real property in excess of the real property taxes assessed and levied for the fiscal year ending July 01, 2012. Lessee shall pay to Lessor such taxes within ten (10) days after delivery to Lessee by Lessor of a statement in writing setting forth the amount of such taxes.

From and after Jan. 1, 2015, Lessee shall pay before delinquency all general and special assessments levied and assessed against the premises during the term of the Lease. On demand by Lessor, Lessee shall furnish Lessor with satisfactory evidence of these payments. Real property tax increase and assessments shall be paid as additional rent.

Notwithstanding the above provisions of this paragraph 8, Lessee shall not be liable for increases in real property taxes that result from changes in ownership of the premises. For purposes of this Lease, “change of ownership” has the same definition as in California Revenue and Taxation Code §§60-62, or any amendments or successor statutes to those sections.

8. UTILITIES. Lessee shall pay for all water, gas, heat, light, power, telephone, and all other services and utilities supplied to the premises.

9. PERMITS AND LICENSES. Lessee shall, at its sole cost and expense, apply for, obtain and maintain all permits and licenses necessary or required for the operation of Lessee’s business and shall comply with all of the requirements of all governmental authorities now in force, or which may hereafter be in force, regulating any phase of the business of Lessee.

10. OCCUPANCY AND USE OF PREMISES/LESSEE’S OBLIGATIONS. The premises shall be used and occupied only for the purpose of manufacturing and processing of bio-tech equipment and materials, and activities related thereto, and for no other purpose without Lessor’s prior written consent. Lessee shall not do or permit to be done, on or about the premises, anything that may be forbidden by the rules of the fire insurance underwriters or which may result in the cancellation of any fire insurance policy in standard form. Lessee shall keep the premises in a clean and sanitary condition.

11. INSURANCE HAZARDS. No use shall be, or permitted to be, made on the premises, nor act done, which will increase fire insurance rates for the premises, or cause cancellation of any fire insurance policy covering the premises, or any part thereof, nor shall Lessee sell or permit to be sold, kept or used in or about the premises any article which may be prohibited by a standard form of fire insurance policy. Lessee shall, at its sole cost and expense, comply with any and all requirements pertaining to the premises of any insurance organization or company, necessary for the maintenance of reasonable fire insurance covering the premises.

12. ENTRY BY LESSOR. Lessee shall permit Lessor and their agents to enter into and upon said premises at all reasonable times for the purpose of inspecting the same or for any lawful purpose without any rebate of rent and without any liability to Lessee for any loss of occupation or quiet enjoyment of the premises thereby occasioned.

13. ACCEPTANCE OF PREMISES AND SURRENDER AT END OF TERM. Subject to the provisions of paragraph 17 below, by entry hereunder, Lessee accepts the premises as being in good and sanitary order, condition and repair, and agrees on the last day

of the term of this Lease, or sooner termination thereof, to surrender to Lessor all and singular the premises and appurtenances thereto in the same condition as received, or as hereafter may be put, reasonable use and wear thereof and damage by fire, act of God, or the elements excepted.

14. ALTERATIONS. Lessee shall not make or suffer to be made any improvements, alterations or additions to the premises, or any part or parts thereof, without first submitting written plans and specifications for the same to Lessor for approval, and without the consent of Lessor being first had and obtained. Any improvements, alterations, or additions to the premises, except moveable furniture and trade fixtures, shall become at once a part of the realty and belong to Lessor.

15. LIENS. Lessee shall keep the premises free from any liens arising out of any work performed, materials furnished or obligations incurred by Lessee.

16. MAINTENANCE AND REPAIR. As a material part of the consideration for the leasing of the premises at the rental herein provided, Lessee shall, at its sole cost and expense, keep and maintain the premises and appurtenances and every part thereof in good and sanitary order, condition and repair. Lessee waives the provisions of Civil Code Sections 1941 and 1942 with respect to Lessor's obligations for tenantability of the premises and tenants right to make repairs and deduct the expenses of such repairs from the rent.

Excepting only as in this Lease expressly provided, Lessor shall have not duty, obligation or liability whatsoever to care for or maintain the premises. In the event that, by any express provision of this Lease, Lessor agrees to care for or maintain the, or any part of, the premises, such agreement on the part of Lessor shall constitute a covenant only, and no obligations or liability whatsoever shall exist on the part of Lessor to Lessee by reasons thereof unless Lessee shall first serve on Lessor written notice specifying with particularity the provisions of this Lease wherein said duty is claimed to exist on the part of Lessor, the facts existing that require the performance of such duty and the failure or omission on the part of Lessor to commence the performance or observance thereof with reasonable diligence after actual receipt of said notice.

17. COMPLIANCE WITH THE LAW. Lessee shall, at its sole cost and expense, comply with all of the requirements of all governmental authorities now in force, or which may hereafter be in force, pertaining to the premises, and shall faithfully observe in the use of the premises all rules, regulations, ordinances and statutes now in force or which may hereafter be in force. The judgment of any court of competent jurisdiction, decision of any regulatory agency, or the admission of Lessee in any action or proceeding against Lessee, whether Lessor be a party thereto or not, that Lessee has violated any such rule, regulation, ordinance or statute in the use of the premises shall be conclusive of that fact as between Lessor and Lessee.

18. DUTY IMPOSED BY LAW TO ALTER PREMISES. In the event that during the term hereof any alteration, addition, change, or otherwise to the premises, or any portion thereof, be required by any rule, regulation or law, the same shall be made by Lessee at Lessee's sole cost and expense after first giving Lessor written notice of the proposed alteration, as more particularly required by Section 15 of this Lease.

19. INSPECTION FEES AND CHARGES. Lessee shall, in addition to all other sums, pay all fees for permits, inspections, or examinations of the premises, or any part thereof, or anything pertaining thereto, charged by any public authority having jurisdiction over the premises.

20. HAZARDOUS MATERIAL.

(a) Use of Hazardous Material. Lessee shall not cause or permit any Hazardous Material, as defined in subparagraph (f) below, to be generated, brought onto, used, stored, or disposed of in or about the premises or the building by Lessee or its agents, employees, contractors, subtenants, or invitees, except for such substances that are required in the ordinary course of Lessee's business conducted on the premises or are otherwise approved by Lessor. Lessee shall:

(i) Use, store, and dispose of all such Hazardous Material in strict compliance with all applicable statues, ordinances, and regulations in effect during the Lease term that relate to public health and safety and protection of the environment (Environmental Laws), including those Environmental Laws identified in subparagraph (e) below; and

(ii) Comply at all times during the Lease term with all Environmental Laws.

(b) Notice of Release or Investigation. If, during the Lease term (including extensions), Lessee becomes aware of (a) any actual or threatened release of any Hazardous Material on, under, or about the premises or the building or (b) any inquiry, investigation, proceeding, or claim by any government agency or other person regarding the presence of Hazardous Material on, under, or about the premises or the Building, Lessee shall give Lessor written notice of the release or investigation within five (5) days after learning of it and shall simultaneously furnish to Lessor copies of any claims, notices of violation, reports, or other writings received by Lessee that concern the release or investigation.

(c) Indemnification. Lessee shall, at Lessee's sole expense and with counsel reasonably acceptable to Lessor, indemnify, defend, and hold harmless Lessor and Lessor's shareholders, directors, officers, employees, partners, affiliates, and agents with respect to all losses arising out of or resulting from the release of any Hazardous Material in or about the premises or the Building, or the violation of any Environmental Law, by Lessee or Lessee's agents, contractors, or invitees. This indemnification includes:

(i) Losses attributable to diminution in value of the premises or the Building;

(ii) Loss or restriction of use of rentable space in the Building;

(iii) Adverse effect on the marketing of any space in the Building; and

(iv) All other liabilities, obligations, penalties, fines, claims, actions (including remedial or enforcement actions of any kind and administrative or judicial proceedings, orders, or judgments), damages (including consequential and punitive damages), and costs (including attorney, consultant, and expert fees and expenses) resulting from the release or violation.

(d) Remediation Obligations. If the presence of any Hazardous Material brought onto the premises or the building by Lessee or Lessee's employees, agents, contractors, or invitees results in contamination of the Building, Lessee shall promptly take all necessary actions, at Lessee's sole expense, to return the premises or the building to the condition that existed before the introduction of such Hazardous Material. Lessee shall first obtain Lessor's approval of the proposed remedial action. This provision does not limit the indemnification obligation set forth in subparagraph (c) above.

(e) Lessor warrants that it has no knowledge of any contamination or the presence of any hazardous materials upon the premises. Lessor further warrants that it has no knowledge of any release onto the premises or any building on the premises of any hazardous materials and, further, that Lessor has received no notice that the premises or the building in which the premises are situated is in violation of any environmental law.

(f) Definition of "Hazardous Material". As used in this paragraph 21 the term "Hazardous Material" shall mean any hazardous or toxic substance, material, or waste that is or becomes regulated by the United States, the State of California, or any local government authority having jurisdiction over the Building. Hazardous Material includes:

(i) Any "hazardous substance," as that term is defined in the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (CERCLA)(42 United States Code§§ 9601-9675);

(ii) "Hazardous waste," as that term is defined in the Resource Conservation and Recovery Act of 1976 (RCRA)(42 United States Code§§ 6901-6992k);

(iii) Any pollutant, contaminant, or hazardous, dangerous, or toxic chemical, material, or substance, within the meaning of any other applicable federal, state, or local law, regulation, ordinance, or requirement (including consent decrees and administrative orders imposing liability or standards of conduct concerning any hazardous, dangerous, or toxic waste, substance, or material, now or hereafter in effect);

(iv) Petroleum products;

(v) Radioactive material, including any source, special nuclear, or byproduct material as defined in 42 United States Code§§ 2011-22978g-4;

(vi) Asbestos in any form or condition; and

(vii) Polychlorinated biphenyls (PCBs) and substances or compounds containing PCBs.

21. NONLIABILITY OF OWNER FOR DAMAGES. This Lease is made upon the express condition that Lessor is to be free from all liability and claims for damages by reason of any injury to any person or persons, including Lessee, or property of any kind whatsoever and to whomsoever belonging, including Lessee, from any cause or causes whatsoever, while in, upon, or in any way connected with the premises during the term of this Lease or any extension thereof or any occupancy hereunder. Lessee hereby covenants and agrees to indemnify, defend, and hold harmless Lessor from all liability, loss, cost and obligations on account of, or arising out of, any injuries or losses, however occurring.

22. LIABILITY INSURANCE. In addition to and independent of all other provisions of this Lease, Lessee shall take out and keep in force during the term hereof, at Lessee's sole cost and expense, a policy of comprehensive public liability insurance to protect against any liability to the public incident to the use of or resulting from any accident occurring in or about the premises, the liability under such insurance to be not less than $5,000,000.00 for any one person injured, of $5,000,000.00 for any one accident, or $1,000,000.00 for property damage. All public liability insurance and property damage insurance shall insure performance by Lessee of the indemnity provisions of paragraph 22. Both parties hereto shall be named as coinsureds, and the policy shall contain cross-liability endorsements.

Not than less that fifteen (15) days prior to the date of commencement of the term of this Lease, Lessee shall secure and deliver to Lessor a certificate of said insurance together with a receipt for the payment of the premium thereof and a written undertaking on the part of the insurance carrier to notify Lessor in writing at least thirty (30) days prior to any cancellation thereof.

Certificates for such insurance shall be deposited by Lessee with Lessor on renewal of the policy, not less than twenty (20) days before expiration of the term of the prior policy.

Lessee agrees, if Lessee does not keep such insurance in full force and effect, that Lessor may take out the necessary insurance and pay the premium therefor. Repayment of said premium shall be deemed to be a part of the rental and payable as such on the next day upon which rent becomes due.

This Lease is made upon the express condition that Lessor is to be free from all liability and claim for damages by reason of any injury to any person or persons, including Lessee, or property of any kind whatsoever and to whomever belonging, including Lessee,

from any cause or causes whatsoever, while in, upon or anyway connected with the premises during the term of this Lease, or any extension thereof, or any occupancy thereunder, Lessee hereby covenanting and agreeing to indemnify and save harmless Lessor from all liability, loss, cost and obligation on account of or arising out of any injuries or losses howsoever occurring.

23. PREMISES INSURANCE. Lessee at its cost shall maintain on all its personal property, tenant improvements, and alterations, as well as on the buildings situated on the premises, a standard policy of fire with an extended coverage, vandalism and malicious mischief endorsements, to the extent of 100% of their full replacement cost.

The "full replacement cost" of the building, personal property, and other improvements to be insured by Lessee shall be determined by the company issuing the insurance policy at the time it is initially obtained, and shall include replacement in accord with official building code requirements at the time of any loss. No more frequently than once every two years, either party shall have the right to notify the other party that it elects to have the replacement cost determined by an insurance company. The redetermination shall be made promptly and in accordance with the rules and practices of the Board of Underwriters, or a like board recognized and generally accepted by the insurance company, and each party shall be promptly notified of the results by the company. The insurance policy shall be adjusted according to the redetermination.

The policy covering the building shall include rental income insurance to protect Lessor from loss of rents for a period of 12 months. All policies of insurance shall be issued in the name of Lessee and shall name Lessor as an additional insured, and shall contain cross-liability endorsements.

Not less than fifteen (15) days prior to the commencement of the term of this Lease, Lessee shall secure and deliver to Lessor a certificate of said insurance together with a receipt for the payment of the premium thereof and a written undertaking on the part of the insurance carrier to notify Lessor in writing at least thirty (30) days prior to any cancellation thereof. Certificates for such insurance shall be deposited by Lessee with Lessor, on renewal of the policy, not less than twenty (20) days before expiration of the term of the prior policy.

Lessee agrees, if Lessee does not keep such insurance in full force and effect, that Lessor may take out the necessary insurance and pay the premium therefor. Repayment of said premium shall be deemed to be a part of the rental and payable as such on the next day upon which rent becomes due.

Lessor and Lessee hereby release the other from any and all liability for loss or damage insured against under all policies of insurance, now or hereafter during the term hereof existing and purchased by either or both insuring or covering the premises, or any portion thereof, or Lessee's operations, and hereby waive all rights of subrogation which the insurer under said policies might otherwise, if at all, have as against the other hereto.

24. DAMAGE OR DESTRUCTION OF PREMISES. If any improvements, including buildings or other structures, located on the premises are damaged or destroyed during the term of this Lease or any renewal or extension thereof, the damage shall be repaired as follows:

(a) If the damage or destruction is caused by a peril against which fire and extended coverage insurance is required to be carried under provisions of this Lease, Lessee shall repair that damage as soon as reasonably possible and shall restore the premises and improvements to substantially the same condition as existed before the damage or destruction, regardless of whether the insurance proceeds are sufficient to cover the actual cost of repair and restoration. If insurance required to be carried by this Lease has lapsed or not been carried, Lessee shall solely be responsible for the full cost and expense of necessary repairs.

(b) If the damage or destruction is caused by a peril against which insurance is not required to be carried by this Lease, and if such damage exceeds one-half (1/2) or more of the then full replacement cost from a cause not insured, Lessor shall have the right to terminate this Lease by giving written notice of termination to Lessee within thirty (30) days after the date of damage or destruction. If this Lease is not terminated, then Lessor shall diligently proceed to repair and restore the leased premises.

(c) If the damage or destruction is caused either by a peril against which fire and extended coverage insurance is required by this Lease to be carried, or by a peril against which insurance is not required to be carried by this Lease, Lessee expressly waives any right under Civil Code Sections 1931-1933 to terminate this Lease for damage or destruction to the premises.

25. CONDEMNATION. If, during the term or during the period of time between the execution of this Lease and the date the term commences, there is any taking of all or any part of the premises or any interest in this Lease by condemnation, the rights and obligations of the parties shall be determined as hereinafter provided.

If the premises are totally taken by condemnation, this Lease shall terminate on the date of taking. If any portion of the premises is taken by condemnation, this Lease shall remain in effect, except that Lessee can elect to terminate this Lease if the remaining portion of the building or other improvements or the parking area that are a part of the premises is rendered unsuitable for Lessee’s continued use of the premises. If Lessee elects to terminate this Lease, Lessee must exercise its right to terminate pursuant to this paragraph by giving notice to Lessor within thirty (30) days after the nature and the extent of the taking has been finally determined. If Lessee elects to terminate this Lease as provided in this paragraph, Lessee shall also notify Lessor of the date of termination, which date shall not be earlier than thirty (30) days nor later than ninety (90) days after Lessee has notified Lessor of its election to terminate. If Lessee does not elect to terminate this Lease within said period, this Lease shall continue in full force and effect as otherwise provided herein, however, the rent payable hereunder shall be adjusted so that Lessee shall be required to pay for the remainder of the term only such portion of the rent as the value of the part remaining after the condemnation bears to the value of the premises to the date of condemnation.

Each party hereto waives the provisions of Code of Civil Procedure §1265.130 allowing either party to petition the Superior Court to terminate this Lease in the event of a partial taking of the premises.

If there is a partial taking of the premises and this Lease remains in full force and effect, Lessee at its cost shall accomplish all necessary restoration.

The award shall belong to and be paid to Lessor, except that Lessee shall receive from the award the following:

(a) The sum attributable to Lessee's improvements or alterations made to the premises by Lessee in accordance with this Lease, which improvements or alterations Lessee has the right to remove from the premises pursuant to the provisions of this Lease but elects not to remove, or if Lessee elects to remove any of such improvements or alterations, a sum for reasonable removal and relocation costs not to exceed the market value of such improvements or alterations.

(b) A sum attributable to that portion of the award constituting severance damages for the restoration of the premises, but only if Lessee undertakes such restoration at its sole cost.

(c) A sum paid to Lessee from the entity undertaking condemnation for loss of good will of Lessee.

26. SUBORDINATION. This Lease shall be subordinate to any and all encumbrances on the premises, to the interest on all obligations made on the security thereof, to all advances made on the security thereof, and to all extensions, renewals or replacements of the security therefore, provided, however, that so long as Lessee performs all of its obligations under this Lease, no foreclosure, deed given in lieu of foreclosure, or sale under the encumbrances, and no steps or procedures taken under the encumbrances, shall affect Lessee's rights under this Lease. Lessee shall attorn to any purchaser at any foreclosure sale, or to any grantee or transferee designated in any deed given in lieu of foreclosure. Lessee shall, from time to time, on request of Lessor, execute and deliver any document or instrument that may be required by any lender to effectuate any subordination. If Lessee fails to execute and deliver any such document or instrument, Lessee irrevocably constitutes and appoints Lessor as Lessee's special attorney-in-fact to execute and deliver any such document or instrument.

27. ASSIGNMENT OR SUBLETTING. Lessee shall not sell, transfer, assign, mortgage or hypothecate this Lease, or any interest in this Lease, nor permit the use of the premises by any person or entity other than Lessee, nor sublet the premises or any part thereof, without the prior written consent of Lessor. For any assignment or subletting, the assignee or subtenant must agree to be bound by all terms of this Lease and Lessee shall remain liable for the performance of all of the terms, covenants and conditions of this Lease. Any subletting by Lessee shall not be for any consideration or rental greater than that provided for in this Lease. Consent to any of the aforementioned acts shall not operate as a waiver of the necessity of first obtaining the written consent of Lessor to any such subsequent act, and the terms of any such consent shall be binding upon any person or entity holding by, under or through any such consent and as a condition precedent to the giving of such consent, such person or entity shall

agree in writing, delivered to and for the benefit of Lessor, to assume, be bound by, and perform all of the terms, covenants and conditions of this Lease to be done, kept and performed by Lessee.

If this Lease is assigned to any person or entity pursuant to the provisions of the Bankruptcy Code 11 U.S.C. sections 101 et seq. (The "Bankruptcy Code"), any and all monies or other considerations payable or otherwise to be delivered in connection with such assignment shall be paid or delivered to Lessor, shall be and remain the exclusive property of Lessor and shall not constitute property of Lessee or of the estate of Lessee within the meaning of the Bankruptcy Code. Any and all monies or other considerations constituting Lessor's property under the preceding sentence not paid or delivered to Lessor shall be held in trust for the benefit of Lessor and be promptly paid or delivered to Lessor.

28. WASTE AND NUISANCE. Lessee shall not commit, nor suffer to be committed, any waste of the premises, or any nuisance, or any other act or thing which may disturb any other person or persons.

29. LESSEE'S DEFAULT. The occurrence of any of the following shall constitute a default by Lessee:

1. Failure to pay rent when due.

2. Abandonment and vacation of the premises (failure to occupy and operate the premises for 10 consecutive days shall be deemed an abandonment and vacation.)

3. Failure to perform any other provision of this Lease if the failure to perform is not cured within three days after notice has been given to Lessee. If the default cannot reasonably be cured within 3 days, Lessee shall not be in default of this Lease if Lessee commences to cure the default within the three-day period and diligently and in good faith continues to cure the default.

Notices given under this paragraph shall specify the alleged default and the applicable lease provisions, and shall demand that Lessee perform the provisions of this Lease or pay the rent that is in arrears, as the case may be, within the applicable period of time, or quit the premises. No such notice shall be deemed a forfeiture or a termination of this Lease unless Lessor so elects in the notice.

30. LESSOR'S REMEDIES ON DEFAULT. Lessor shall have the following remedies, if Lessee commits a default. These remedies are not exclusive, but rather cumulative and in addition to any remedies now or later allowed by law:

1. Termination of Lessee's Right to Possession: Lessor can terminate Lessee's right to possession of the premises at any time. No act by Lessor other than giving notice to Lessee shall terminate this Lease. Act of maintenance, efforts to relet the premises, or the appointment of a receiver on Lessor's initiative to protect Lessor's interest under this Lease shall not constitute a termination of Lessee's right to possession. On termination, Lessor has the right to recover from Lessee:

(a) The worth, at the time of the award of the unpaid rent that had been earned at the time of termination of this lease;

(b) The worth, at the time of the award of the amount by which the unpaid rent that would have been earned after the date of termination of this Lease until the time of award exceeds the amount of the loss of rent that Lessee proves could have been reasonably avoided;

(c) The worth, at the time of the award of the amount by which the unpaid rent for the balance of the term after the time of award exceeds the amount of the loss of rent that Lessee proves could have been reasonably avoided; and

(d) Any other amount and court costs, necessary to compensate Lessor for all detriment proximately caused by Lessee's default.

"The worth, at the time of the award," as used in a and b of this paragraph, is to be computed by allowing interest at the maximum rate an individual is permitted by law to charge. "The worth, at the time of the award," as referred to in c of this paragraph, is to be computed by discounting the amount at the discount rate of the Federal Reserve Bank of San Francisco at the time of the award, plus 1%.

2. Continue Lease:

(a) Have this Lease continue in effect for so long as Lessor does not terminate this Lease and Lessee's right to possession of the premises, and Lessor shall have the right to enforce all of Lessor's rights and remedies under this Lease as they become due; or

(b) Without terminating this Lease, make alterations and repairs as may be necessary in order to relet the premises; and relet the premises or any part thereof for a term (which may be for a term extending beyond the term) and at a rent and upon other terms and conditions as Lessor in Lessor's sole discretion may deem advisable; provided that on each reletting all rent and other sums received by Lessor from reletting shall be applied, first, to the payment of any indebtedness other than rent due under this Lease from Lessee to Lessor; second, to the payment of any costs and expenses of the reletting, including reasonable brokerage fees and attorney fees and costs of alterations and repairs; third, to the payment of rent due and unpaid under this Lease; and the residue, if any, shall be held by Lessor and applied in payment of future rent payable by Lessee under this Lease as the same may become due and payable under this Lease. If the rent and other sums received from reletting during any month are less than the rent to be paid during that month by Lessee, Lessee shall pay the deficiency to Lessor; if rent and other sums shall be more, Lessee shall have no right to the excess. Any deficiency shall be calculated and paid monthly. No reentry or taking possession of the premises by Lessor shall be construed as an election on Lessor's part to terminate this Lease unless a written notice of that intention is given to Lessee or unless the termination is decreed by a court of competent jurisdiction. Notwithstanding any reletting without termination, Lessor may at any time afterwards elect to terminate this Lease for the previous breach.

3. Appointment of a Receiver: If Lessee is in default under this Lease Lessor shall have the right to have a receiver appointed to collect rent and conduct Lessee's business. Neither the filing of a petition for the appointment of a receiver nor the appointment itself shall constitute an election by Lessor to terminate this Lease.

4. Lessor's Right to Cure Lessee's Default: Lessor, at any time after Lessee commits a default, can cure the default at Lessee's cost. If Lessor at any time, by reason of Lessee's default, pays any sum or does any act that requires the payment of any sum, the sum paid by Lessor shall be due immediately from Lessee to Lessor at the time the sum is paid, and if paid at a later date shall bear interest at the maximum rate an individual is permitted by law to charge from the date the sum is paid by Lessor until Lessor is reimbursed by Lessee. The sum, together with interest on it, shall be additional rent.

5. Interest on Unpaid Rent: Rent not paid when due shall bear interest at the maximum rate an individual is permitted by law to charge, from the date due until paid.

31. ABANDONMENT OF PREMISES. Lessee shall not vacate or abandon the premises at any time during the term of this Lease. If Lessee shall abandon, vacate or surrender said premises, or be dispossessed by process of law, or otherwise, any personal property belonging to Lessee and left on the premises shall be deemed to be abandoned, at the option of Lessor.

32. SURRENDER OF LEASE NOT MERGER. The voluntary or other surrender of this Lease by Lessee, or a mutual cancellation thereof, shall not work a merger, and shall, at the option of Lessor, terminate all or any existing subleases or subtenancies, or may, at the option of Lessor, operate as an assignment to it of any and all such subleases or subtenancies.

33. DISTURBANCE OF POSSESSION. Lessee shall not have any claim whatsoever against Lessee for any damages, nor shall Lessee be released or discharged from any of its obligations, liabilities, or indebtedness hereunder, should the possession by Lessee of the premises be disturbed or interfered with or affected in any manner whatsoever, and irrespective of how caused or by whom, excepting only the intentional, wrongful, affirmative and willful eviction of Lessee by Lessor.

34. SURRENDER OF PREMISES. On expiration of the term, Lessee shall surrender to Lessor the premises and all Lessee's improvements and additions in good condition, except for ordinary wear and tear occurring after the last necessary maintenance made by Lessee and except for alterations that Lessee has the right to remove. Lessee shall remove all its personal property by the date of such termination of the term, and shall perform restoration made necessary by removal of any alterations or Lessee's personal property.

Lessor may elect to retain or dispose of in any manner any alterations or Lessee's personal property that Lessee does not remove from the premises on expiration or termination of the term of this Lease by giving at least ten (10) days notice to Lessee. Title to any such alteration or to Lessee's personal property that Lessor elects to retain or dispose of on the expiration of the ten (10) day period shall vest in Lessor. Lessee waives all claims against Lessor for any damage to Lessee resulting from Lesson's retention or disposition of any such alterations or Lessee's personal property. Lessee shall be liable to Lessor for Lessor's costs for storing, removing and disposing of any alterations or Lessee's personal property.

If Lessee fails to surrender the premises to Lessor on expiration or termination of the term as required under this paragraph, Lessee shall defend Lessor and hold Lessor harmless from all damages resulting from Lessee's failure to surrender the premises, including, without limitation, claims made by a succeeding Tenant resulting from Lessee's failure to surrender the premises.

35. ATTORNEY'S FEES. In the event of the bringing of any action or proceeding by either party hereto as against the other hereon or hereunder, or by reason of any breach of any term, covenant or condition on the part of the other party, or arising out of this Lease, then and in that event the prevailing party shall be entitled to have and recover from the other reasonable attorney's fees to be fixed by the court wherein said judgment or order shall be entered.

In the event Lessor is made a defendant in any action by a third person arising out of any act, default or omission of the Lessee or their patrons, guests, or agents, the Lessee agrees to pay all reasonable costs and expenses incurred by Lessor, including, but not limited to, reasonable attorney's fees and costs.

36. NOTICES. Any and all notices or demands by or from Lessor to Lessee, or Lessee to Lessor, shall be in writing and shall be served either personally or by mail. If served personally, service shall be conclusively deemed made at the time of service. If served by mail, service shall be conclusively deemed made twenty-four (24) hours after the deposit thereof in the United States Postal Service mail, postage prepaid, addressed to the party to whom such notice or demand is to be given, as herein provided.

Any notice or demand to Lessor shall be given at 3842 Palo Alto Drive, Lafayette, California, 94549, or such other place or places as Lessor may designate from time to time in writing.

Any notice or demand to Lessee shall be given at the premises, whether or not Lessee has departed from, abandoned or vacated the same, or such other place or places as Lessee may designate from time to time in writing.

38. OPTION TO BUY.

A. Grant of Option. Lessor grants to Lessee the exclusive option to purchase the property in accordance with the provisions hereafter set forth, so long as Lessee is not in default under the terms of this Lease either at the time of exercise of the option to purchase or at close of escrow thereafter.

B. Term and Exercise of Option. Lessee shall have the right to exercise the option to purchase at any time after commencement of the term of this Lease and prior to ninety (90) days before the end of the Lease term. If the Lease is terminated prior to the end of the Lease term provided for therein, except as a result of the sole default of Lessor, this option shall terminate upon termination of the Lease.

Such option shall be exercised by written notice from Lessee to Lessor given within the notice period set forth herein. If Lessee fails to give Lessor such written notice of exercise of the option within said time, or if this Lease terminates for any cause before the end of said option period, this option shall terminate and shall be of no further force or effect.

C. Documents on Termination of Option. If this option is terminated other than by purchase of the property, Lessee agrees, if requested by Lessor, to execute, acknowledge, and deliver a Quitclaim Deed to Lessor within thirty (30) days after termination of the option, and to execute, acknowledge, and deliver any other documents required by any title company to remove the cloud of this option from the property.

D. Condition of Property. Lessee agrees and acknowledges that in acquiring rights and the option under this Lease it is not relying, in whole or in part, upon any representation or warranty respecting the property made by Lessor or by anyone else on Landlord's behalf. Without limiting the generality of the foregoing, Lessee hereby acknowledges that it will be purchasing the property in an "AS IS" condition, and further that:

(1) Lessee has made Lessee's own independent investigation with respect to the property and all other aspects of this transactions, and is relying entirely thereon and on the advice of Lessee's consultants.

(2) Lessee has reviewed all instruments, records, and documents which Lessee has deemed appropriate or advisable to review in connection with this transaction, and Lessee has determined that the information and data contained therein or evidenced thereby is satisfactory to Lessee.

(3) The property is or may be situated in a Special Studies Zone as designated under the Alquist-Priolo Special Studies Zone Act, section 2621-2625, inclusive, of the California Public Resources Code; and, as such, the construction or development on this property of any structure for human occupancy may be subject to the findings of a geologic report prepared by a geologist registered in the State of California. No representations on the subject are made by Lessor or Lessor's agent, and Lessee should make its own investigation or inquiry.

G. Term of Sale and Escrow Instructions. The parties shall, within fifteen (15) days after the date of notice of exercise of the option is given, open an escrow account at Fidelity National Title Insurance Company of California, Hollister, California ("Escrow Holder"). The escrow shall be scheduled to close the day after expiration of the term of the Lease, if that is a business day; and if it is not a business day, then on the first business day thereafter.

Within fifteen (15) days after the opening of the escrow, Lessor and Lessee shall sign and deliver to the Escrow Holder escrow instruction on the Escrow Holder's standard form of Purchase and Sale Escrow Instructions. The instructions shall set forth the agreement of the parties as to the purchase and sale of the property, which agreement is as follows:

(1) Title Report. Lessee shall obtain a Preliminary Report of Title from Escrow Holder within ten (10) days after opening of the escrow, and within ten (10) days thereafter provide Lessor with a copy of such report along with a statement, in writing, of any exceptions to the title on such Preliminary Report to which Lessee objects. If no such notice is given by Lessee at the time Lessee provides Lessor with a copy of the Preliminary Title Report, then title to the property as to which the option is exercised shall be taken by Lessee subject to all exceptions shown on such Preliminary Report of Title. If Lessee shall object to any exceptions shown on the such Preliminary Report of Title within the time provided for above, and if Lessor shall elect not to remove any exceptions to which Lessee objects (except monetary liens or encumbrances thereon, which Lessor may advise Lessee will be removed at close of escrow), then the options and rights hereunder shall terminate and shall be of no further force or effect.

(2) Title. At close of escrow, Lessor shall convey the property to Lessee by Grant Deed, subject only to the lien of current taxes not yet delinquent, and to those exceptions to which Lessee has failed to object.

Lessor shall cause to be delivered to Lessee upon close of escrow a CLTA standard coverage policy of title insurance on the property issued by the Escrow Holder with liability equal to the full purchase price of the property, and insuring title in a condition as set forth above, vested in Buyer or Buyer's nominee.

(3) Purchase Price. The total purchase price for the property shall be determined through mutual agreement.

(4) Payment of Purchase Price. The purchase price shall be paid by Lessee to Lessor, in cash or by Lessee's Promissory Note in the full amount of the purchase price, in the Escrow Holder's usual form of installment note, providing for interest on the principal due thereunder from time to time, at a rate equal to one and one quarter percent (1.25%) over the prime rate of the 1s t Capital Bank in effect on the date of close of escrow. Principal and interest shall be amortized under said Promissory Note over a period of twenty five(25) years, all due five (5) years from close of escrow, commencing on the date of close of escrow, and payments of principal and interest shall be made monthly, commencing one (1) month after the date of close of escrow.

Said Promissory Note shall be secured by a Deed of Trust in the Escrow Holder's usual form, first in priority, describing the property.

(5) Exchange. Notwithstanding the above provisions for payment of a purchase price, Lessee and Lessor shall accommodate each other in an Internal Revenue Code§ 1031 tax deferred exchange of the property. Neither party shall bear any liabilities in regard to the other party's exchange. Each party shall bear all costs incurred in regard to their individual exchange. In the purchase cannot be consummated as either a simultaneous or non-simultaneous exchange before the date provided for close of escrow, then the transaction shall be consummated as a purchase and sale for the price and on the terms provided herein.

(6) Prorations. Property taxes, insurance and rent shall be prorated to close of escrow on the basis of a thirty (30) day month.

(7) Closing Costs and Fees. Title insurance premiums, escrow fees, documentary stamp tax, document preparation charges, recording charges and other closing costs and fees shall be paid equally by Lessor and Lessee.

(8) Conditions to Close of Escrow. The close of escrow and the obligation of the parties to purchase and sell the real property is expressly subject to the following conditions precedent:

(a) The conveyance to Lessee of good and marketable title to the property, subject only to the exceptions to title referred to hereinabove, as evidenced by a standard form CLTA title insurance policy issued by Escrow Holder in the full amount of the purchase price.

(b) Payment by Lessee to Lessor, through escrow, of the purchase price, either in cash or Lessee's Promissory Note and Deed of Trust, at close of escrow.

(c) The absence of any default by Lessee under the above Lease, or under this Option to Buy.

(9) Tax Withholding. Lessor agrees to provide Lessee at close of escrow with affidavit under penalty of perjury that Lessor is not a "foreign person" in order to establish Lessor's exemption from tax withholding under the Foreign Investment and Real Property Tax Act.

(10) Destruction After Exercise of Option. If the real property improvements or the equipment are totally or partially destroyed between the date Lessee exercises this option to purchase and the date set for close of escrow, Lessor may restore the same pursuant to paragraph 25, as to real property improvements. However, if Lessor elects to terminate this Lease following such total or partial destruction, Lessee's right to purchase hereunder shall terminate as to the real property, unless Lessee notifies Lessor that Lessee will purchase the real property despite the damage, and without reduction in the purchase price. Lessee must notify Lessor of its decision to proceed with such purchase within ten (10) days after Lessee received notice of Lessor's election to terminate this Lease on account of such damage or destruction. If Lessee elects to purchase irrespective of such damage or destruction, Lessee shall be entitled to receive all insurance proceeds resulting therefrom. If this Lease does not terminate as a result of such damage or destruction, and Lessor restores the premises or equipment damaged or destroyed, the time for close of escrow shall be extended for a period of time equal to a reasonable period of time required for Lessor to restore and repair the premises.

(11) Termination of Lease. On close of escrow, the Lease provided for under this agreement shall terminate and the parties hereto shall be released from all future liabilities and obligations thereunder.

H. Real Estate Broker. No real estate broker or brokers are involved in the sale and purchase and no real estate broker's commission is, or shall be, due or payable.

I. Additional Acts and Instruments. Lessor and Lessee shall do and perform such additional acts and execute and deliver such additional documents and instruments as may be necessary to effectuate the provisions hereof.

J. Survival. Provisions hereof shall survive the execution and delivery of any and all documents and instruments that may be convenient or necessary to effectuate the provisions hereof.

K. Assignment of Option. Lessee may not assign the option provided for herein. Lessor may, at any time, transfer all or any part of Lessor's interest in the property described herein subject to this agreement.

Following exercise of Lessee's option hereunder, and before close of escrow, Lessee shall have no right to designate any other party as a nominee to take title to the property at close of escrow.

L. Memorandum of Option. The parties hereto shall execute and acknowledge a Memorandum of Option to Purchase in the form attached hereto. Only said Memorandum, and not this agreement, shall be recorded.

M. Participation in any Loan Prepayment Penalties and Prorated Loan Expenses: Lessee agrees to pay to the Lessor the cost of any Prepayment Penalty assessed by the Lending Agency for early termination of the loan due to the purchase of the property and prorated loan expenses for the term of the lease.

39. WAIVER. The waiver by Lessor of any breach of any term, covenant, or condition contained herein shall not be deemed to be a waiver of such term, covenant, or condition or any subsequent breach of the same or any other term, covenant, or condition. The subsequent acceptance of rent hereunder by Lessor shall not be deemed to be waived of any preceding breach by Lessee or any term, covenant, or condition of this Lease, other than the failure of Lessee to pay the particular rental so accepted, regardless of Lessor's knowledge of such preceding breach at the time of acceptance of such rent.

40. INDEPENDENT CONDITIONS. All terms, covenants, condition and agreements contained herein are independent. Should Lessee fail to keep or perform any term, covenant, condition or agreement, Lessor, at its option, may cancel and terminate this Lease and all of Lessee's rights hereunder.

41. TIME. Time is of the essence hereof.

42. SCOPE. This Lease constitutes the entire agreement between the parties and no representations, warranties, conditions, understandings or agreements of any kind shall be binding on any party unless incorporated herein. This Lease shall not be modified or altered except by written agreement signed by the parties hereto.

43. HOLDING OVER. Any holding over after the expiration of the term of this Lease with the consent of Lessor shall be construed as a tenancy from month to month and shall be otherwise on the same terms and conditions herein contained, as far as applicable.

44. CAPTIONS. The title or heading to the paragraphs of this Lease is not a part of this Lease and shall have no effect upon the construction or interpretation of any part thereof.

45. BINDING ON SUCCESSORS. The covenants and conditions contained herein shall, subject to the provisions as to assignment, apply to and bind the heirs, successors, executors, administrators, and assigns of all of the parties hereto, and all of the parties hereto shall be jointly and severally liable hereunder.

Dated: Dec. 01, 2015

Michael McCullough
Paige McCullough

By: /s/ Michael McCullough

By: /s/ Paige McCullough

LESSOR

TEKNOVA, a Corporation

By: /s/ Thomas E. Davis
President

By: /s/ Valerie Westerdale
Secretary

LESSEE

EXHIBIT A

All that real property situated in the city of Hollister, County of San Benito, State of California, particularly described as follows:

San Benito County Records. Assessor's Parcel No: **051-15-04-009-0**

Exhibit 10.19

LEASE AGREEMENT
2290 Bert Drive
Hollister, CA 95023
Parcel Number 051-15-08-0

THIS LEASE is made and executed, in duplicate, at Hollister, California, on the date hereinafter set forth by and between **MCMAR LLC.** and **TEKNOVA**, a Corporation, hereinafter referred to respectively as "Lessor," and "Lessee", without regard to number or gender.

IT IS AGREED between the parties hereto as follows:

1. PREMISES. Lessor hereby lets to Lessee, and Lessee hereby hires from Lessor, on the terms and conditions hereinafter set forth, those certain premises, with appurtenances, commonly known as 2290 Bert Drive, in the City of Hollister, County of San Benito, State of California, San Benito County Assessor Parcel Number 051-15-08-0, or particularly described as "Exhibit A", attached hereto and made a part hereof by reference.

2. TERM. The term of this Lease shall be for five (5) years, commencing Nov. 1, 2015 and initially terminating Nov. 1, 2020 unless terminated as provide herein. Upon the initial 5 year term of this agreement expiring, the term of this agreement will be renew for an additional five year period. The terms of the agreement shall remain the same except as may be modified by written mutual agreement.

3. DELAY AND DELIVERY OF POSSESSION. If Lessor, for any reason whatsoever, cannot deliver possession of the premises to Lessee at the commencement of the term of this Lease, as hereinbefore specified, this Lease shall not be void or voidable, nor shall Lessor be liable to Lessee for any loss or damage resulting therefrom, but in that event there shall be a proportionate reduction of rent covering the period between the commencement of the term and the time when Lessor can deliver possession. The term of this Lease shall not be extended by such delay.

4. RENT. The total rent is $690,000.00, lawful money of the United States of America, which Lessee shall pay to Lessor, without deduction or offset, at such place or places as may be designated from time to time in writing by Lessor, in installments as follows:

$11,500.00 on or before the 1st day of each and every month during the term hereof, commencing on the 1st day of November 2015.

Any rent increases under this Lease shall commence no earlier than three (3) years after the date of the commencement of this Lease. The maximum amount that the rent may be increased in any one year (starting in the fourth year of this Lease) shall be five 5% over the beginning base rent under this Lease.

5. LATE CHARGE. Lessee acknowledges that late payment to Lessor of the rent and other sums due hereunder will cause Lessee to incur costs not contemplated by this Lease, the exact amount of which will be extremely difficult to ascertain. Accordingly, if any installment of cash rent or any other cash sums due from Lessee is not received by Lessor within ten (10) days after such amount shall be due Lessee shall pay to Lessor a charge equal to six per cent (6%) of such overdue amount. The parties hereby agree that such late charge represents a fair and reasonable estimate of costs Lessor will incur by reason of late payment by Lessee. Acceptance of such late charge by Lessor shall in no event constitute a waiver of Lessee's default with respect to such overdue amount, nor prevent Lessor from exercising any of the other rights and remedies granted hereunder.

6. PERSONAL PROPERTY TAXES. Prior to delinquency, Lessee shall pay all taxes assessed against and levied on fixtures, furnishings, equipment and other personal property of Lessee, located in or on the premises, and, when possible, Lessee shall cause said fixtures, furnishings, equipment and other personal property to be assessed and billed separately from real property taxes. In the event any or all of Lessee's fixtures, furnishings, equipment or other personal property shall be assessed and billed with real property taxes, Lessee shall pay to Lessor, without deduction or offset, all such taxes within ten (10) days after delivery to Lessee by Lessor of a statement in writing setting forth the amount of such taxes.

7. REAL PROPERTY TAX INCREASE AND ASSESSMENTS. Lessee shall, in addition to all other sums agreed to be paid by it under this Lease, pay to Lessor all real property taxes which shall, during the term of this Lease, be assessed and levied against the real property in excess of the real property taxes assessed and levied for the fiscal year ending July 01, 2012. Lessee shall pay to Lessor such taxes within ten (10) days after delivery to Lessee by Lessor of a statement in writing setting forth the amount of such taxes.

From and after Nov. l, 2015, Lessee shall pay before delinquency all general and special assessments levied and assessed against the premises during the term of the Lease. On demand by Lessor, Lessee shall furnish Lessor with satisfactory evidence of these payments. Real property tax increase and assessments shall be paid as additional rent.

Notwithstanding the above provisions of this paragraph 8, Lessee shall not be liable for increases in real property taxes that result from changes in ownership of the premises. For purposes of this Lease, “change of ownership” has the same definition as in California Revenue and Taxation Code §§60-62, or any amendments or successor statutes to those sections.

8. UTILITIES. Lessee shall pay for all water, gas, heat, light, power, telephone, and all other services and utilities supplied to the premises.

9. PERMITS AND LICENSES. Lessee shall, at its sole cost and expense, apply for, obtain and maintain all permits and licenses necessary or required for the operation of Lessee’s business and shall comply with all of the requirements of all governmental authorities now in force, or which may hereafter be in force, regulating any phase of the business of Lessee.

10. OCCUPANCY AND USE OF PREMISES/LESSEE’S OBLIGATIONS. The premises shall be used and occupied only for the purpose of manufacturing and processing of bio-tech equipment and materials, and activities related thereto, and for no other purpose without Lessor’s prior written consent. Lessee shall not do or permit to be done, on or about the premises, anything that may be forbidden by the rules of the fire insurance underwriters or which may result in the cancellation of any fire insurance policy in standard form. Lessee shall keep the premises in a clean and sanitary condition.

11. INSURANCE HAZARDS. No use shall be, or permitted to be, made on the premises, nor act done, which will increase fire insurance rates for the premises, or cause cancellation of any fire insurance policy covering the premises, or any part thereof, nor shall Lessee sell or permit to be sold, kept or used in or about the premises any article which may be prohibited by a standard form of fire insurance policy. Lessee shall, at its sole cost and expense, comply with any and all requirements pertaining to the premises of any insurance organization or company, necessary for the maintenance of reasonable fire insurance covering the premises.

12. ENTRY BY LESSOR. Lessee shall permit Lessor and their agents to enter into and upon said premises at all reasonable times for the purpose of inspecting the same or for any lawful purpose without any rebate of rent and without any liability to Lessee for any loss of occupation or quiet enjoyment of the premises thereby occasioned.

13. ACCEPTANCE OF PREMISES AND SURRENDER AT END OF TERM. Subject to the provisions of paragraph 17 below, by entry hereunder, Lessee accepts the premises as being in good and sanitary order, condition and repair, and agrees on the last day of the term of this Lease, or sooner termination thereof, to surrender to Lessor all and singular the premises and appurtenances thereto in the same condition as received, or as hereafter may be put, reasonable use and wear thereof and damage by fire, act of God, or the elements excepted.

14. ALTERATIONS. Lessee shall not make or suffer to be made any improvements, alterations or additions to the premises, or any part or parts thereof, without first submitting written plans and specifications for the same to Lessor for approval, and without the consent of Lessor being first had and obtained. Any improvements, alterations, or additions to the premises, except moveable furniture and trade fixtures, shall become at once a part of the realty and belong to Lessor.

15. LIENS. Lessee shall keep the premises free from any liens arising out of any work performed, materials furnished or obligations incurred by Lessee.

16. MAINTENANCE AND REPAIR. As a material part of the consideration for the leasing of the premises at the rental herein provided, Lessee shall, at its sole cost and expense, keep and maintain the premises and appurtenances and every part thereof in good and sanitary order, condition and repair. Lessee waives the provisions of Civil Code Sections 1941 and 1942 with respect to Lessor's obligations for tenantability of the premises and tenants right to make repairs and deduct the expenses of such repairs from the rent.

Excepting only as in this Lease expressly provided, Lessor shall have not duty, obligation or liability whatsoever to care for or maintain the premises. In the event that, by any express provision of this Lease, Lessor agrees to care for or maintain the, or any part of, the premises, such agreement on the part of Lessor shall constitute a covenant only, and no obligations or liability whatsoever shall exist on the part of Lessor to Lessee by reasons thereof unless Lessee shall first serve on Lessor written notice specifying with particularity the provisions of this Lease wherein said duty is claimed to exist on the part of Lessor, the facts existing that require the performance of such duty and the failure or omission on the part of Lessor to commence the performance or observance thereof with reasonable diligence after actual receipt of said notice.

17. COMPLIANCE WITH THE LAW. Lessee shall, at its sole cost and expense, comply with all of the requirements of all governmental authorities now in force, or which may hereafter be in force, pertaining to the premises, and shall faithfully observe in the use of the premises all rules, regulations, ordinances and statutes now in force or which may hereafter be in force. The judgment of any court of competent jurisdiction, decision of any regulatory agency, or the admission of Lessee in any action or proceeding against Lessee, whether Lessor be a party thereto or not, that Lessee has violated any such rule, regulation, ordinance or statute in the use of the premises shall be conclusive of that fact as between Lessor and Lessee.

18. DUTY IMPOSED BY LAW TO ALTER PREMISES. In the event that during the term hereof any alteration, addition, change, or otherwise to the premises, or any portion thereof, be required by any rule, regulation or law, the same shall be made by Lessee at Lessee's sole cost and expense after first giving Lessor written notice of the proposed alteration, as more particularly required by Section 15 of this Lease.

19. INSPECTION FEES AND CHARGES. Lessee shall, in addition to all other sums, pay all fees for permits, inspections, or examinations of the premises, or any part thereof, or anything pertaining thereto, charged by any public authority having jurisdiction over the premises.

20. HAZARDOUS MATERIAL.

(a) Use of Hazardous Material. Lessee shall not cause or permit any Hazardous Material, as defined in subparagraph (f) below, to be generated, brought onto, used, stored, or disposed of in or about the premises or the building by Lessee or its agents, employees, contractors, subtenants, or invitees, except for such substances that are required in the ordinary course of Lessee's business conducted on the premises or are otherwise approved by Lessor. Lessee shall:

(i) Use, store, and dispose of all such Hazardous Material in strict compliance with all applicable statues, ordinances, and regulations in effect during the Lease term that relate to public health and safety and protection of the environment (Environmental Laws), including those Environmental Laws identified in subparagraph (e) below; and

(ii) Comply at all times during the Lease term with all Environmental Laws.

(b) Notice of Release or Investigation. If, during the Lease term (including extensions), Lessee becomes aware of (a) any actual or threatened release of any Hazardous Material on, under, or about the premises or the building or (b) any inquiry, investigation, proceeding, or claim by any government agency or other person regarding the presence of Hazardous Material on, under, or about the premises or the Building, Lessee shall give Lessor written notice of the release or investigation within five (5) days after learning of it and shall simultaneously furnish to Lessor copies of any claims, notices of violation, reports, or other writings received by Lessee that concern the release or investigation.

(c) Indemnification. Lessee shall, at Lessee's sole expense and with counsel reasonably acceptable to Lessor, indemnify, defend, and hold harmless Lessor and Lessor's shareholders, directors, officers, employees, partners, affiliates, and agents with respect to all losses arising out of or resulting from the release of any Hazardous Material in or about the premises or the Building, or the violation of any Environmental Law, by Lessee or Lessee's agents, contractors, or invitees. This indemnification includes:

(i) Losses attributable to diminution in value of the premises or the Building;

(ii) Loss or restriction of use of rentable space in the Building;

(iii) Adverse effect on the marketing of any space in the Building; and

(iv) All other liabilities, obligations, penalties, fines, claims, actions (including remedial or enforcement actions of any kind and administrative or judicial proceedings, orders, or judgments), damages (including consequential and punitive damages), and costs (including attorney, consultant, and expert fees and expenses) resulting from the release or violation.

(d) Remediation Obligations. If the presence of any Hazardous Material brought onto the premises or the building by Lessee or Lessee's employees, agents, contractors, or invitees results in contamination of the Building, Lessee shall promptly take all necessary actions, at Lessee's sole expense, to return the premises or the building to the condition that existed before the introduction of such Hazardous Material. Lessee shall first obtain Lessor's approval of the proposed remedial action. This provision does not limit the indemnification obligation set forth in subparagraph (c) above.

(e) Lessor warrants that it has no knowledge of any contamination or the presence of any hazardous materials upon the premises. Lessor further warrants that it has no knowledge of any release onto the premises or any building on the premises of any hazardous materials and, further, that Lessor has received no notice that the premises or the building in which the premises are situated is in violation of any environmental law.

(f) Definition of "Hazardous Material". As used in this paragraph 21 the term "Hazardous Material" shall mean any hazardous or toxic substance, material, or waste that is or becomes regulated by the United States, the State of California, or any local government authority having jurisdiction over the Building. Hazardous Material includes:

(i) Any "hazardous substance," as that term is defined in the Comprehensive Environmental Response, Compensation, and Liability Act of 1980 (CERCLA)(42 United States Code§§ 9601-9675);

(ii) "Hazardous waste," as that term is defined in the Resource Conservation and Recovery Act of 1976 (RCRA)(42 United States Code§§ 6901-6992k);

(iii) Any pollutant, contaminant, or hazardous, dangerous, or toxic chemical, material, or substance, within the meaning of any other applicable federal, state, or local law, regulation, ordinance, or requirement (including consent decrees and administrative orders imposing liability or standards of conduct concerning any hazardous, dangerous, or toxic waste, substance, or material, now or hereafter in effect);

(iv) Petroleum products;

(v) Radioactive material, including any source, special nuclear, or byproduct material as defined in 42 United States Code§§ 2011-229789-4;

(vi) Asbestos in any form or condition; and

(vii) Polychlorinated biphenyls (PCBs) and substances or compounds containing PCBs.

21. NONLIABILITY OF OWNER FOR DAMAGES. This Lease is made upon the express condition that Lessor is to be free from all liability and claims for damages by reason of any injury to any person or persons, including Lessee, or property of any kind whatsoever and to whomsoever belonging, including Lessee, from any cause or causes whatsoever, while in, upon, or in any way connected with the premises during the term of this Lease or any extension thereof or any occupancy hereunder. Lessee hereby covenants and agrees to indemnify, defend, and hold harmless Lessor from all liability, loss, cost and obligations on account of, or arising out of, any injuries or losses, however occurring.

22. LIABILITY INSURANCE. In addition to and independent of all other provisions of this Lease, Lessee shall take out and keep in force during the term hereof, at Lessee's sole cost and expense, a policy of comprehensive public liability insurance to protect against any liability to the public incident to the use of or resulting from any accident occurring in or about the premises, the liability under such insurance to be not less than $5,000,000.00 for any one person injured, of $5,000,000.00 for any one accident, or $1,000,000.00 for property damage. All public liability insurance and property damage insurance shall insure performance by Lessee of the indemnity provisions of paragraph 22. Both parties hereto shall be named as coinsureds, and the policy shall contain cross-liability endorsements.

Not than less that fifteen (15) days prior to the date of commencement of the term of this Lease, Lessee shall secure and deliver to Lessor a certificate of said insurance together with a receipt for the payment of the premium thereof and a written undertaking on the part of the insurance carrier to notify Lessor in writing at least thirty (30) days prior to any cancellation thereof.

Certificates for such insurance shall be deposited by Lessee with Lessor on renewal of the policy, not less than twenty (20) days before expiration of the term of the prior policy.

Lessee agrees, if Lessee does not keep such insurance in full force and effect, that Lessor may take out the necessary insurance and pay the premium therefor. Repayment of said premium shall be deemed to be a part of the rental and payable as such on the next day upon which rent becomes due.

This Lease is made upon the express condition that Lessor is to be free from all liability and claim for damages by reason of any injury to any person or persons, including Lessee, or property of any kind whatsoever and to whomever belonging, including Lessee, from any cause or causes whatsoever, while in, upon or anyway connected with the premises during the term of this Lease, or any extension thereof, or any occupancy thereunder, Lessee hereby covenanting and agreeing to indemnify and save harmless Lessor from all liability, loss, cost and obligation on account of or arising out of any injuries or losses howsoever occurring.

23. PREMISES INSURANCE. Lessee at its cost shall maintain on all its personal property, tenant improvements, and alterations, as well as on the buildings situated on the premises, a standard policy of fire with an extended coverage, vandalism and malicious mischief endorsements, to the extent of 100% of their full replacement cost.

The "full replacement cost" of the building, personal property, and other improvements to be insured by Lessee shall be determined by the company issuing the insurance policy at the time it is initially obtained, and shall include replacement in accord with official building code requirements at the time of any loss. No more frequently than once every two years, either party shall have the right to notify the other party that it elects to have the replacement cost determined by an insurance company. The redetermination shall be made promptly and in accordance with the rules and practices of the Board of Underwriters, or a like board recognized and generally accepted by the insurance company, and each party shall be promptly notified of the results by the company. The insurance policy shall be adjusted according to the redetermination.

The policy covering the building shall include rental income insurance to protect Lessor from loss of rents for a period of 12 months. All policies of insurance shall be issued in the name of Lessee and shall name Lessor as an additional insured, and shall contain cross-liability endorsements.

Not less than fifteen (15) days prior to the commencement of the term of this Lease, Lessee shall secure and deliver to Lessor a certificate of said insurance together with a receipt for the payment of the premium thereof and a written undertaking on the part of the insurance carrier to notify Lessor in writing at least thirty (30) days prior to any cancellation thereof. Certificates for such insurance shall be deposited by Lessee with Lessor, on renewal of the policy, not less than twenty (20) days before expiration of the term of the prior policy.

Lessee agrees, if Lessee does not keep such insurance in full force and effect, that Lessor may take out the necessary insurance and pay the premium therefor. Repayment of said premium shall be deemed to be a part of the rental and payable as such on the next day upon which rent becomes due.

Lessor and Lessee hereby release the other from any and all liability for loss or damage insured against under all policies of insurance, now or hereafter during the term hereof existing and purchased by either or both insuring or covering the premises, or any portion thereof, or Lessee's operations, and hereby waive all rights of subrogation which the insurer under said policies might otherwise, if at all, have as against the other hereto.

24. DAMAGE OR DESTRUCTION OF PREMISES. If any improvements, including buildings or other structures, located on the premises are damaged or destroyed during the term of this Lease or any renewal or extension thereof, the damage shall be repaired as follows:

a) If the damage or destruction is caused by a peril against which fire and extended coverage insurance is required to be carried under provisions of this Lease, Lessee shall repair that damage as soon as reasonably possible and shall restore the premises and improvements to substantially the same condition as existed before the damage or destruction, regardless of whether the insurance proceeds are sufficient to cover the actual cost of repair and restoration. If insurance required to be carried by this Lease has lapsed or not been carried, Lessee shall solely be responsible for the full cost and expense of necessary repairs.

b) If the damage or destruction is caused by a peril against which insurance is not required to be carried by this Lease, and if such damage exceeds one-half (1/2) or more of the then full replacement cost from a cause not insured, Lessor shall have the right to terminate this Lease by giving written notice of termination to Lessee within thirty (30) days after the date of damage or destruction. If this Lease is not terminated, then Lessor shall diligently proceed to repair and restore the leased premises.

c) If the damage or destruction is caused either by a peril against which fire and extended coverage insurance is required by this Lease to be carried, or by a peril against which insurance is not required to be carried by this Lease, Lessee expressly waives any right under Civil Code Sections 1931-1933 to terminate this Lease for damage or destruction to the premises.

25. CONDEMNATION. If, during the term or during the period of time between the execution of this Lease and the date the term commences, there is any taking of all or any part of the premises or any interest in this Lease by condemnation, the rights and obligations of the parties shall be determined as hereinafter provided.

If the premises are totally taken by condemnation, this Lease shall terminate on the date of taking. If any portion of the premises is taken by condemnation, this Lease shall remain in effect, except that Lessee can elect to terminate this Lease if the remaining portion of the building or other improvements or the parking area that are a part of the premises is rendered unsuitable for Lessee's continued use of the premises. If Lessee elects to terminate this Lease, Lessee must exercise its right to terminate pursuant to this paragraph by giving notice to Lessor within thirty (30) days after the nature and the extent of the taking has been finally determined. If Lessee elects to terminate this Lease as provided in this paragraph, Lessee shall also notify Lessor of the date of termination, which date shall not be earlier than thirty (30) days nor later than ninety (90) days after Lessee has notified Lessor of its election to terminate. If Lessee does not elect to terminate this Lease within said period, this Lease shall continue in full force and effect as otherwise provided herein, however, the rent payable hereunder shall be adjusted so that Lessee shall be required to pay for the remainder of the term only such portion of the rent as the value of the part remaining after the condemnation bears to the value of the premises to the date of condemnation.

Each party hereto waives the provisions of Code of Civil Procedure §1265.130 allowing either party to petition the Superior Court to terminate this Lease in the event of a partial taking of the premises.

If there is a partial taking of the premises and this Lease remains in full force and effect, Lessee at its cost shall accomplish all necessary restoration.

The award shall belong to and be paid to Lessor, except that Lessee shall receive from the award the following:

a) The sum attributable to Lessee's improvements or alterations made to the premises by Lessee in accordance with this Lease, which improvements or alterations Lessee has the right to remove from the premises pursuant to the provisions of this Lease but elects not to remove, or if Lessee elects to remove any of such improvements or alterations, a sum for reasonable removal and relocation costs not to exceed the market value of such improvements or alterations.

b) A sum attributable to that portion of the award constituting severance damages for the restoration of the premises, but only if Lessee undertakes such restoration at its sole cost.

c) A sum paid to Lessee from the entity undertaking condemnation for loss of good will of Lessee.

26. SUBORDINATION. This Lease shall be subordinate to any and all encumbrances on the premises, to the interest on all obligations made on the security thereof, to all advances made on the security thereof, and to all extensions, renewals or replacements of the security therefore, provided, however, that so long as Lessee performs all of its obligations under this Lease, no foreclosure, deed given in lieu of foreclosure, or sale under the encumbrances, and no steps or procedures taken under the encumbrances, shall affect Lessee's rights under this Lease. Lessee shall attorn to any purchaser at any foreclosure sale, or to any grantee or transferee designated in any deed given in lieu of foreclosure. Lessee shall, from time to time, on request of Lessor, execute and deliver any document or instrument that may be required by any lender to effectuate any subordination. If Lessee fails to execute and deliver any such document or instrument, Lessee irrevocably constitutes and appoints Lessor as Lessee's special attorney-in-fact to execute and deliver any such document or instrument.

27. ASSIGNMENT OR SUBLETTING. Lessee shall not sell, transfer, assign, mortgage or hypothecate this Lease, or any interest in this Lease, nor permit the use of the premises by any person or entity other than Lessee, nor sublet the premises or any part thereof, without the prior written consent of Lessor. For any assignment or subletting, the assignee or subtenant must agree to be bound by all terms of this Lease and Lessee shall remain liable for the performance of all of the terms, covenants and conditions of this Lease. Any subletting by Lessee shall not be for any consideration or rental greater than that provided for in this Lease. Consent to any of the aforementioned acts shall not operate as a waiver of the necessity of first obtaining the written consent of Lessor to any such subsequent act, and the terms of any such consent shall be binding upon any person or entity holding by, under or through any such consent and as a condition precedent to the giving of such consent, such person or entity shall agree in writing, delivered to and for the benefit of Lessor, to assume, be bound by, and perform all of the terms, covenants and conditions of this Lease to be done, kept and performed by Lessee.

If this Lease is assigned to any person or entity pursuant to the provisions of the Bankruptcy Code 11 U.S.C. sections 101 et seq. (The "Bankruptcy Code"), any and all monies or other considerations payable or otherwise to be delivered in connection with such assignment shall be paid or delivered to Lessor, shall be and remain the exclusive property of Lessor and shall not constitute property of Lessee or of the estate of Lessee within the meaning of the Bankruptcy Code. Any and all monies or other considerations constituting Lessor's property under the preceding sentence not paid or delivered to Lessor shall be held in trust for the benefit of Lessor and be promptly paid or delivered to Lessor.

28. WASTE AND NUISANCE. Lessee shall not commit, nor suffer to be committed, any waste of the premises, or any nuisance, or any other act or thing which may disturb any other person or persons.

29. LESSEE'S DEFAULT. The occurrence of any of the following shall constitute a default by Lessee:

1. Failure to pay rent when due.

2. Abandonment and vacation of the premises (failure to occupy and operate the premises for 10 consecutive days shall be deemed an abandonment and vacation.)

3. Failure to perform any other provision of this Lease if the failure to perform is not cured within three days after notice has been given to Lessee. If the default cannot reasonably be cured within 3 days, Lessee shall not be in default of this Lease if Lessee commences to cure the default within the three-day period and diligently and in good faith continues to cure the default.

Notices given under this paragraph shall specify the alleged default and the applicable lease provisions, and shall demand that Lessee perform the provisions of this Lease or pay the rent that is in arrears, as the case may be, within the applicable period of time, or quit the premises. No such notice shall be deemed a forfeiture or a termination of this Lease unless Lessor so elects in the notice.

30. LESSOR'S REMEDIES ON DEFAULT. Lessor shall have the following remedies, if Lessee commits a default. These remedies are not exclusive, but rather cumulative and in addition to any remedies now or later allowed by law:

1. Termination of Lessee's Right to Possession: Lessor can terminate Lessee's right to possession of the premises at any time. No act by Lessor other than giving notice to Lessee shall terminate this Lease. Act of maintenance, efforts to relet the premises, or the appointment of a receiver on Lessor's initiative to protect Lessor's interest under this Lease shall not constitute a termination of Lessee's right to possession. On termination, Lessor has the right to recover from Lessee:

a) The worth, at the time of the award of the unpaid rent that had been earned at the time of termination of this lease;

b) The worth, at the time of the award of the amount by which the unpaid rent that would have been earned after the date of termination of this Lease until the time of award exceeds the amount of the loss of rent that Lessee proves could have been reasonably avoided;

c) The worth, at the time of the award of the amount by which the unpaid rent for the balance of the term after the time of award exceeds the amount of the loss of rent that Lessee proves could have been reasonably avoided; and

d) Any other amount and court costs, necessary to compensate Lessor for all detriment proximately caused by Lessee's default.

"The worth, at the time of the award," as used in a and b of this paragraph, is to be computed by allowing interest at the maximum rate an individual is permitted by law to charge. "The worth, at the time of the award," as referred to inc of this paragraph, is to be computed by discounting the amount at the discount rate of the Federal Reserve Bank of San Francisco at the time of the award, plus 1%.

2. Continue Lease:

a) Have this Lease continue in effect for so long as Lessor does not terminate this Lease and Lessee's right to possession of the premises, and Lessor shall have the right to enforce all of Lessor's rights and remedies under this Lease as they become due; or

b) Without terminating this Lease, make alterations and repairs as may be necessary in order to relet the premises; and relet the premises or any part thereof for a term (which may be for a term extending beyond the term) and at a rent and upon other terms and conditions as Lessor in Lessor's sole discretion may deem advisable; provided that on each reletting all rent and other sums received by Lessor from reletting shall be applied, first, to the payment of any indebtedness other than rent due under this Lease from Lessee to Lessor; second, to the payment of any costs and expenses of the reletting, including reasonable brokerage fees and attorney fees and costs of alterations and repairs; third, to the payment of rent due and unpaid under this Lease; and the residue, if any, shall be held by Lessor and applied in payment of future rent payable by Lessee under this Lease as the same may become due and payable under this Lease. If the rent and other sums received from reletting during any month are less than the rent to be paid during that month by Lessee, Lessee shall pay the deficiency to Lessor; if rent and other sums shall be more, Lessee shall have no right to the excess. Any deficiency shall be calculated and paid monthly. No reentry or taking possession of the premises by Lessor shall be construed as an election on Lessor's part to terminate this Lease unless a written notice of that intention is given to Lessee or unless the termination is decreed by a court of competent jurisdiction. Notwithstanding any reletting without termination, Lessor may at any time afterwards elect to terminate this Lease for the previous breach.

3. Appointment of a Receiver: If Lessee is in default under this Lease Lessor shall have the right to have a receiver appointed to collect rent and conduct Lessee's business. Neither the filing of a petition for the appointment of a receiver nor the appointment itself shall constitute an election by Lessor to terminate this Lease.

4. Lessor's Right to Cure Lessee's Default: Lessor, at any time after Lessee commits a default, can cure the default at Lessee's cost. If Lessor at any time, by reason of Lessee's default, pays any sum or does any act that requires the payment of any sum, the sum paid by Lessor shall be due immediately from Lessee to Lessor at the time the sum is paid, and if paid at a later date shall bear interest at the maximum rate an individual is permitted by law to charge from the date the sum is paid by Lessor until Lessor is reimbursed by Lessee. The sum, together with interest on it, shall be additional rent.

5. Interest on Unpaid Rent: Rent not paid when due shall bear interest at the maximum rate an individual is permitted by law to charge, from the date due until paid.

31. ABANDONMENT OF PREMISES. Lessee shall not vacate or abandon the premises at any time during the term of this Lease. If Lessee shall abandon, vacate or surrender said premises, or be dispossessed by process of law, or otherwise, any personal property belonging to Lessee and left on the premises shall be deemed to be abandoned, at the option of Lessor.

32. SURRENDER OF LEASE NOT MERGER. The voluntary or other surrender of this Lease by Lessee, or a mutual cancellation thereof, shall not work a merger, and shall, at the option of Lessor, terminate all or any existing subleases or subtenancies, or may, at the option of Lessor, operate as an assignment to it of any and all such subleases or subtenancies.

33. DISTURBANCE OF POSSESSION. Lessee shall not have any claim whatsoever against Lessee for any damages, nor shall Lessee be released or discharged from any of its obligations, liabilities, or indebtedness hereunder, should the possession by Lessee of the premises be disturbed or interfered with or affected in any manner whatsoever, and irrespective of how caused or by whom, excepting only the intentional, wrongful, affirmative and willful eviction of Lessee by Lessor.

34. SURRENDER OF PREMISES. On expiration of the term, Lessee shall surrender to Lessor the premises and all Lessee's improvements and additions in good condition, except for ordinary wear and tear occurring after the last necessary maintenance made by Lessee and except for alterations that Lessee has the right to remove. Lessee shall remove all its personal property by the date of such termination of the term, and shall perform restoration made necessary by removal of any alterations or Lessee's personal property.

Lessor may elect to retain or dispose of in any manner any alterations or Lessee's personal property that Lessee does not remove from the premises on expiration or termination of the term of this Lease by giving at least ten (10) days notice to Lessee. Title to any such alteration or to Lessee's personal property that Lessor elects to retain or dispose of on the expiration of the ten (10) day period shall vest in Lessor. Lessee waives all claims against Lessor for any damage to Lessee resulting from Lessor's retention or disposition of any such alterations or Lessee's personal property. Lessee shall be liable to Lessor for Lessor's costs for storing, removing and disposing of any alterations or Lessee's personal property.

If Lessee fails to surrender the premises to Lessor on expiration or termination of the term as required under this paragraph, Lessee shall defend Lessor and hold Lessor harmless from all damages resulting from Lessee's failure to surrender the premises, including, without limitation, claims made by a succeeding Tenant resulting from Lessee's failure to surrender the premises.

35. ATTORNEY'S FEES. In the event of the bringing of any action or proceeding by either party hereto as against the other hereon or hereunder, or by reason of any breach of any term, covenant or condition on the part of the other party, or arising out of this Lease, then and in that event the prevailing party shall be entitled to have and recover from the other reasonable attorney's fees to be fixed by the court wherein said judgment or order shall be entered.

In the event Lessor is made a defendant in any action by a third person arising out of any act, default or omission of the Lessee or their patrons, guests, or agents, the Lessee agrees to pay all reasonable costs and expenses incurred by Lessor, including, but not limited to, reasonable attorney's fees and costs.

36. NOTICES. Any and all notices or demands by or from Lessor to Lessee, or Lessee to Lessor, shall be in writing and shall be served either personally or by mail. If served personally, service shall be conclusively deemed made at the time of service. If served by mail, service shall be conclusively deemed made twenty-four (24) hours after the deposit thereof in the United States Postal Service mail, postage prepaid, addressed to the party to whom such notice or demand is to be given, as herein provided.

Any notice or demand to Lessor shall be given at 3842 Palo Alto Drive, Lafayette, California, 94549, or such other place or places as Lessor may designate from time to time in writing.

Any notice or demand to Lessee shall be given at the premises, whether or not Lessee has departed from, abandoned or vacated the same, or such other place or places as Lessee may designate from time to time in writing.

37. OPTION TO BUY.

A. Grant of Option. Lessor grants to Lessee the exclusive option to purchase the property in accordance with the provisions hereafter set forth, so long as Lessee is not in default under the terms of this Lease either at the time of exercise of the option to purchase or at close of escrow thereafter. Lessee agrees to include the purchase of the building and property in conjunction with any sale of the Teknova Business.

B. Term and Exercise of Option. Lessee shall have the right to exercise the option to purchase at any time after commencement of the term of this Lease and prior to ninety (90) days before the end of the Lease term. If the Lease is terminated prior to the end of the Lease term provided for therein, except as a result of the sole default of Lessor, this option shall terminate upon termination of the Lease.

Such option shall be exercised by written notice from Lessee to Lessor given within the notice period set forth herein. If Lessee fails to give Lessor such written notice of exercise of the option within said time, or if this Lease terminates for any cause before the end of said option period, this option shall terminate and shall be of no further force or effect.

C. Documents on Termination of Option. If this option is terminated other than by purchase of the property, Lessee agrees, if requested by Lessor, to execute, acknowledge, and deliver a Quitclaim Deed to Lessor within thirty (30) days after termination of the option, and to execute, acknowledge, and deliver any other documents required by any title company to remove the cloud of this option from the property.

D. Condition of Property. Lessee agrees and acknowledges that in acquiring rights and the option under this Lease it is not relying, in whole or in part, upon any representation or warranty respecting the property made by Lessor or by anyone else on Landlord's behalf. Without limiting the generality of the foregoing, Lessee hereby acknowledges that it will be purchasing the property in an "AS IS" condition, and further that:

(1) Lessee has made Lessee's own independent investigation with respect to the property and all other aspects of this transactions, and is relying entirely thereon and on the advice of Lessee's consultants.

(2) Lessee has reviewed all instruments, records, and documents which Lessee has deemed appropriate or advisable to review in connection with this transaction, and Lessee has determined that the information and data contained therein or evidenced thereby is satisfactory to Lessee.

(3) The property is or may be situated in a Special Studies Zone as designated under the Alquist-Priolo Special Studies Zone Act, section 2621-2625, inclusive, of the California Public Resources Code; and, as such, the construction or development on this property of any structure for human occupancy may be subject to the findings of a geologic report prepared by a geologist registered in the State of California. No representations on the subject are made by Lessor or Lessor's agent, and Lessee should make its own investigation or inquiry.

E. Term of Sale and Escrow Instructions. The parties shall, within fifteen (15) days after the date of notice of exercise of the option is given, open an escrow account at Fidelity National Title Insurance Company of California, Hollister, California ("Escrow Holder"). The escrow shall be scheduled to close the day after expiration of the term of the Lease, if that is a business day; and if it is not a business day, then on the first business day thereafter.

Within fifteen (15) days after the opening of the escrow, Lessor and Lessee shall sign and deliver to the Escrow Holder escrow instruction on the Escrow Holder's standard form of Purchase and Sale Escrow Instructions. The instructions shall set forth the agreement of the parties as to the purchase and sale of the property, which agreement is as follows:

(1) Title Report. Lessee shall obtain a Preliminary Report of Title from Escrow Holder within ten (10) days after opening of the escrow, and within ten (10) days thereafter provide Lessor with a copy of such report along with a statement, in writing, of any exceptions to the title on such Preliminary Report to which Lessee objects. If no such notice is given by Lessee at the time Lessee provides Lessor with a copy of the Preliminary Title Report, then title to the property as to which the option is exercised shall be taken by Lessee subject to all exceptions shown on such Preliminary Report of Title. If Lessee shall object to any exceptions shown on the such Preliminary Report of Title within the time provided for above, and if Lessor shall elect not to remove any exceptions to which Lessee objects (except monetary liens or encumbrances thereon, which Lessor may advise Lessee will be removed at close of escrow), then the options and rights hereunder shall terminate and shall be of no further force or effect.

(2) Title. At close of escrow, Lessor shall convey the property to Lessee by Grant Deed, subject only to the lien of current taxes not yet delinquent, and to those exceptions to which Lessee has failed to object.

Lessor shall cause to be delivered to Lessee upon close of escrow a CLTA standard coverage policy of title insurance on the property issued by the Escrow Holder with liability equal to the full purchase price of the property, and insuring title in a condition as set forth above, vested in Buyer or Buyer's nominee.

(3) Purchase Price. The total purchase price for the property shall be determined through mutual agreement.

(4) Payment of Purchase Price. The purchase price shall be paid by Lessee to Lessor, in cash or by Lessee's Promissory Note in the full amount of the purchase price, in the Escrow Holder's usual form of installment note, providing for interest on the principal due thereunder from time to time, at a rate equal to one and one quarter percent (1.25%) over the prime rate of the 1st Capital Bank in effect on the date of close of escrow. Principal and interest shall be amortized under said Promissory Note over a period of twenty five (25) years, all due five (5) years from close of escrow, commencing on the date of close of escrow, and payments of principal and interest shall be made monthly, commencing one (1) month after the date of close of escrow.

Said Promissory Note shall be secured by a Deed of Trust in the Escrow Holder's usual form, first in priority, describing the property.

(5) Exchange. Notwithstanding the above provisions for payment of a purchase price, Lessee and Lessor shall accommodate each other in an Internal Revenue Code§ 1031 tax deferred exchange of the property. Neither party shall bear any liabilities in regard to the other party's exchange. Each party shall bear all costs incurred in regard to their individual exchange. In the purchase cannot be consummated as either a simultaneous or non-simultaneous exchange before the date provided for close of escrow, then the transaction shall be consummated as a purchase and sale for the price and on the terms provided herein.

(6) Prorations. Property taxes, insurance and rent shall be prorated to close of escrow on the basis of a thirty (30) day month.

(7) Closing Costs and Fees. Title insurance premiums, escrow fees, documentary stamp tax, document preparation charges, recording charges and other closing costs and fees shall be paid equally by Lessor and Lessee.

(8) Conditions to Close of Escrow. The close of escrow and the obligation of the parties to purchase and sell the real property is expressly subject to the following conditions precedent:

(a) The conveyance to Lessee of good and marketable title to the property, subject only to the exceptions to title referred to hereinabove, as evidenced by a standard form CLTA title insurance policy issued by Escrow Holder in the full amount of the purchase price.

(b) Payment by Lessee to Lessor, through escrow, of the purchase price, either in cash or Lessee's Promissory Note and Deed of Trust, at close of escrow.

(c) The absence of any default by Lessee under the above Lease, or under this Option to Buy.

(9) Tax Withholding. Lessor agrees to provide Lessee at close of escrow with affidavit under penalty of perjury that Lessor is not a "foreign person" in order to establish Lessor's exemption from tax withholding under the Foreign Investment and Real Property Tax Act.

(10) Destruction After Exercise of Option. If the real property improvements or the equipment are totally or partially destroyed between the date Lessee exercises this option to purchase and the date set for close of escrow, Lessor may restore the same pursuant to paragraph 25, as to real property improvements. However, if Lessor elects to terminate this Lease following such total or partial destruction, Lessee's right to purchase hereunder shall terminate as to the real property, unless Lessee notifies Lessor that Lessee will purchase the real property despite the damage, and without reduction in the purchase price. Lessee must notify Lessor of its decision to proceed with such purchase within ten (10) days after Lessee received notice of Lessor's election to terminate this Lease on account of such damage or destruction. If Lessee elects to purchase irrespective of such damage or destruction, Lessee shall be entitled to receive all insurance proceeds resulting therefrom. If this Lease does not terminate as a result of such damage or destruction, and Lessor restores the premises or equipment damaged or destroyed, the time for close of escrow shall be extended for a period of time equal to a reasonable period of time required for Lessor to restore and repair the premises.

(11) Termination of Lease. On close of escrow, the Lease provided for under this agreement shall terminate and the parties hereto shall be released from all future liabilities and obligations thereunder.

F. Real Estate Broker. No real estate broker or brokers are involved in the sale and purchase and no real estate broker's commission is, or shall be, due or payable.

G. Additional Acts and Instruments. Lessor and Lessee shall do and perform such additional acts and execute and deliver such additional documents and instruments as may be necessary to effectuate the provisions hereof.

H. Survival. Provisions hereof shall survive the execution and delivery of any and all documents and instruments that may be convenient or necessary to effectuate the provisions hereof.

I. Assignment of Option. Lessee may not assign the option provided for herein. Lessor may, at any time, transfer all or any part of Lessor's interest in the property described herein subject to this agreement.

Following exercise of Lessee's option hereunder, and before close of escrow, Lessee shall have no right to designate any other party as a nominee to take title to the property at close of escrow.

J. Memorandum of Option. The parties hereto shall execute and acknowledge a Memorandum of Option to Purchase in the form attached hereto. Only said Memorandum, and not this agreement, shall be recorded.

K. Participation in any Prepayment Penalties: Lessee agrees to pay to the Lessor the cost of any, Prepayment Penalty assessed by the Lending Agency for early termination of the loan due to the purchase of the property.

38. WAIVER. The waiver by Lessor of any breach of any term, covenant, or condition contained herein shall not be deemed to be a waiver of such term, covenant, or condition or any subsequent breach of the same or any other term, covenant, or condition. The subsequent acceptance of rent hereunder by Lessor shall not be deemed to be waived of any preceding breach by Lessee or any term, covenant, or condition of this Lease, other than the failure of Lessee to pay the particular rental so accepted, regardless of Lessor's knowledge of such preceding breach at the time of acceptance of such rent.

39. INDEPENDENT CONDITIONS. All terms, covenants, condition and agreements contained herein are independent. Should Lessee fail to keep or perform any term, covenant, condition or agreement, Lessor, at its option, may cancel and terminate this Lease and all of Lessee's rights hereunder.

40. TIME. Time is of the essence hereof.

41. SCOPE. This Lease constitutes the entire agreement between the parties and no representations, warranties, conditions, understandings or agreements of any kind shall be binding on any party unless incorporated herein. This Lease shall not be modified or altered except by written agreement signed by the parties hereto.

42. HOLDING OVER. Any holding over after the expiration of the term of this Lease with the consent of Lessor shall be construed as a tenancy from month to month and shall be otherwise on the same terms and conditions herein contained, as far as applicable.

43. CAPTIONS. The title or heading to the paragraphs of this Lease is not a part of this Lease and shall have no effect upon the construction or interpretation of any part thereof.

44. BINDING ON SUCCESSORS. The covenants and conditions contained herein shall, subject to the provisions as to assignment, apply to and bind the heirs, successors, executors, administrators, and assigns of all of the parties hereto, and all of the parties hereto shall be jointly and severally liable hereunder.

Dated: Nov. 1, 2015
MCMAR LLC.

By /s/ Gerald McCullough

By /s/ Donald Marcus

LESSOR

TEKNOVA, a Corporation

By /s/ Thomas E. Davis
President

By /s/ Valerie Westerdale
Secretary

LESSEE

EXHIBIT A

All that real property situated in the city of Hollister, County of San Benito, State of California, particularly described as follows:

San Benito County Records. Assessor’s Parcel No: 051-15-08

LEASE ADDENDUM
2290 Bert Drive
Hollister, CA 95023
Parcel Number, 051-15-08-0

THIS LEASE ADDENDUM is made and executed, in duplicate, at Hollister, California, on the date hereinafter set forth by and between MCMAR, LLC ("Lessor") and TEKNOVA, a Corporation ("Lessee" or "Alpha Teknova, Inc."). It is agreed between the parties hereto that Section 2 of the LEASE AGREEMENT dated November 1, 2015 shall be replaced in its entirety as follows:

> 2. **TERM**. The term of the Lease shall be for ten (10) years, commencing Nov. 1, 2015 and terminating November 1, 2025 unless terminated as provide herein. Upon the 10 year term of this agreement expiring, this agreement will be renewed, if Lessee desires such renewal, for an additional five (5) year period.
>
> Except as expressly set forth in this Lease Addendum, all terms and conditions of the Lease Agreement shall remain unchanged and in full force and effect, except as may be modified by written mutual agreement.

Dated: February 9, 2017

LESSOR: MCMAR, LLC

By /s/ Donald Marcus
Donald Marcus
Managing Member of McMar, LLC

By /s/ Gerald McCullough
Gerald McCullough
Member of McMar, LLC

LESSEE: ALPHA TEKNOVA, INC.

By /s/ Thomas E. Davis
Thomas E. Davis
President/CEO of Alpha Teknova, Inc.

By /s/ Richard Alan Goozh
Richard Alan Goozh
Secretary/Chief Financial Officer of Alpha Teknova, Inc.

LEASE ADDENDUM
2290 Bert Drive
Hollister, CA 95023
Parcel Number 051-15-08-0

THE LEASE ADDENDUM is made and executed, in a duplicate, at Hollister, California, on the date hereinafter set for by and between **MCMAR LLC.** ("Lessor") and **TEKNOVA, a Corporation** ("Lessee"). It is agreed between the parties hereto that Section 23 PREMISES INSURANCE of the LEASE AGREEMENT dated November 1, 2015 shall be replaced in its entirety as follows:

23 PREMISES INSURANCE.

Lessee at its cost shall maintain insurance for all of its personal property, tenant improvements, and alterations.

Lessor shall maintain a standard Commercial Package Policy covering fire and general liability on the building situated on the premises and Lessee will reimburse the Lessor for the building insurance.

Lessor will request reimbursement for the insurance accompanied by the copy of the policy within 60 days from the policy bill date and the Lessee will reimburse the Lessor with 30days after receiving the reimbursement request form the Lessor.

Lessor and Lessee hereby release the other from any and all liability for loss or damage insured against under all policies of insurance, now or hereafter during the term hereof existing and purchased by either or both insuring or covering the premises, or any portion thereof, or Lessee's operations, and hereby waive all rights of subrogation which the insurer under said policies might otherwise, if at all, have as against the other hereto.

Dated: February 3, 2020

LESSOR: MCMAR, LLC

By /s/ Don Marcus
Don Marcus
MCMAR, LLC

LESSEE: ALPHA TEKNOVA, INC

By /s/ Irene Davis
lrene Davis, COO
Alpha Teknova, Inc.

LEASE

THIS LEASE made as of the 1st day of September, 2019 between **MEECHES LLC, a Massachusetts limited liability company**, of 170 Forbes Blvd., Mansfield, MA 02048 ("Lessor"), and **ALPHA TEKNOVA, INC., a Delaware corporation** (d/b/a Teknova), of 2290 Bert Dr. Hollister, CA 95023 ("Lessee").

1. PREMISES: Lessor leases to Lessee, and Lessee leases from Lessor, the following premises ("Premises"):

The property known and numbered as 170 Forbes, Blvd., Mansfield, MA 02048 and the building located thereon consisting of approximately 23,388 rentable square feet (the "Building"), together with the parking lot, driveways, walkways and all other improvements situated on the land on which the Building is located, all as shown on the site plan attached hereto as Exhibit A.

2. TERM; DELIVERY CONDITION; EARLY ACCESS:

(a) Term. To have and to hold the Premises for a lease term of five (5) years (the "Term") commencing on September 1, 2019 (the "Commencement Date") and ending on August 31, 2024 (the "Expiration Date"). In the event that the initial term of this Lease is extended pursuant to Paragraph 33 below or otherwise by agreement of the parties, "Term" shall include such extension period.

(b) Delivery Condition. Lessor shall deliver exclusive possession of the Premises to Lessee free and clear of all tenants and other occupants (other than Lessee) in its as-is condition on the Commencement Date.

(c) Improvements. After the Commencement Date, Lessee shall cause all of the improvements (the "Improvements") shown on the plans identified on or attached as Exhibit B hereto (the "Plans") to be completed in accordance will all applicable Laws (as defined in Paragraph 12 below), and a certificate of occupancy (or the equivalent) permitting use of the Premises for the purposes contemplated by the Plans to be issued and a copy thereof delivered to Lessor. Lessee shall pay the total cost of the Improvements. For the avoidance of doubt, Lessee acknowledges that all of its obligations under this Lease shall commence as of the Commencement Date, including, without limitation, Lessee's obligation to pay Base Rent and Lessee's Tax Obligation (as such terms are defined below), notwithstanding that the Improvements will be under construction after the Term shall have commenced and that Lessee will be unable to make full use or occupancy of the Premises during such construction period.

3. BASE RENT: Commencing as of the Commencement Date, and continuing thereafter on the first day of each calendar month during the Lease term, Lessee shall make payments to Lessor, or lessor's designee, monthly as follows ("Base Rent"). Base Rent for any partial calendar month shall be pro-rated based on the number of days in such calendar month.

September 1, 2019 - August 31, 2020:	$ 19,907
September 1, 2020 - August 31, 2021:	$ 20,902
September 1, 2021 - August 31, 2022:	$ 21,897
September 1, 2022 - August 31, 2023:	$ 22,893
September 1, 2023 - August 31, 2024:	$ 23,888

At Lessee's election, Lessee may make payments of Base Rent and all other amounts payable to Lessor pursuant to this Lease by ACH or other electronic funds transfer.

In case of a failure by the LESSEE to pay Base Rent when due, where such failure shall continue for five (5) business days after written notice thereof from Lessor to Lessee, LESSEE shall, in addition to said stipulated rent, pay a late fee of $100 plus interest at the rate of five percent (5%) per annum on such delinquent rent amount(s) until such time as said rent is paid.

4. ADDITIONAL RENT: In addition to the Base Rent, during the Lease Term, Lessee shall pay to Lessor, as Additional Rent, all Real Estate Taxes ("Lessee's Tax Obligation") as provided in this Paragraph 4.

(a) For the purposes of this Paragraph 4, the following words and terms shall have the following meaning:

(i) "Real Estate Taxes" shall mean all real estate taxes, assessments, and levies, general and special, ordinary and extraordinary, foreseen and unforeseen, of any kind and nature whatsoever, which at any time during the Lease Term may be assessed, levied, confirmed, imposed upon, or may become due and payable out of or in respect of, all or any portion of the Premises (including, without limitation, all improvements thereto) other than: (A) municipal, state and federal income taxes (if any); or (B) municipal, state or federal capital levy, gift, estate, succession, inheritance or transfer taxes; or (C) excess profits or franchise taxes; provided, however, that if at any time during the Lease Term the methods of taxation prevailing at the commencement of the Lease Term shall be altered so that in lieu of, or as a substitute for, the whole or any part of the taxes, assessments, levies or charges now levied, assessed or imposed on real estate and the improvements thereon, there shall be levied, assessed and imposed a tax, assessment, levy, imposition or charge, wholly or partially as a capital levy or otherwise, on the rents received therefrom, or measured by or based in whole or in part upon, the Premises and imposed upon Lessor, then all such taxes, assessments, levies, impositions or charges or the part thereof so measured or based, shall be deemed to be included with the term "Real Estate Taxes". Real Estate Taxes shall not include any penalties, fines, interest or late charges for Lessor's failure to timely pay Real Estate Taxes, except where Lessee shall have failed to timely pay Lessee's Tax Obligations hereunder (as defined in Paragraph 4(b) below). Real Estate Taxes shall not include any transfer tax imposed on the transfer of Lessor's title to the Premises or on the creation or transfer of any Mortgage (as defined in Paragraph 25 below). In the event any Real Estate Taxes (including, without limitation, any assessments or special assessments) may be payable in installments, then for the purpose hereof (regardless of whether Lessor elects to pay same in installments) Real Estate Taxes for any Tax Year occurring during the Term shall include only those installments that would have become due in such Tax Year if Lessor opted to pay same in the maximum number of installments permitted.

(ii) "Tax Year" shall mean each fiscal tax year for Real Estate Taxes commencing July 1st and ending June 30th falling in whole or part during the Term, or such other fiscal tax year as the Town of Mansfield shall hereafter adopt.

(iii) "Tax Statement" shall mean a statement setting forth in reasonable detail the amount payable by Lessee with respect to Real Estate Taxes for any Tax Year.

(b) Lessee shall pay Lessee's Tax Obligation within thirty (30) days after demand by Lessor accompanied by the applicable Tax Statement and supporting documentation; provided however, that Lessee shall have no obligation to pay Lessor any portion of Lessee's Tax Obligation earlier than thirty (30) days before the date the applicable installment of Real Estate Taxes are payable by Lessor to the applicable taxing authority. Within ninety (90) days after the close of each Tax Year, Lessor shall deliver to Lessee an annual reconciliation statement for such Tax Year, which annual statement shall show the amounts paid by Lessee for such Tax Year on account of Lessee's Tax Obligation, the actual Real Estate Taxes for such Tax Year and the actual amount of Lessee's Tax Obligation, and any appropriate adjustment as may be necessary to reflect Lessee's Tax Obligation based on the actual Real Estate Taxes during such Tax Year, including, without limitation, any refund that may be due to Lessee, to be taken as a credit against future payments of Additional Rent due hereunder, or, at Lessee's election, as a cash refund to Lessee. Any such reconciliation payments shall be made by one party to the other within thirty (30) days after demand.

(c) Appropriate credit against any Lessee's Tax Obligation (or, at Lessee's election, cash refund) shall be given for any refund obtained by reason of a reduction in any Real Estate Taxes by the courts or other governmental agency responsible therefor. The original computation of Lessee's Tax Obligation, as well as reimbursement or payments of additional charges, if any, or allowances, if any, under the provisions of this Paragraph 4 shall be based on the original assessed valuations, with adjustments to be made at a later date when the tax refund, if any, shall be paid to Lessor by the taxing authority. Expenditures for legal fees and for other similar reasonable costs incurred in obtaining the tax refund shall be charged against the tax refund before the adjustments are made for any Tax Year.

(d) If the Commencement Date or the expiration or earlier termination of the Term occurs on other than the commencement or expiration, respectively, of a Tax Year, Lessee's Tax Obligation shall be pro-rated on a daily basis using a 365 day Tax Year for such purposes.

(e) Any payment or refund obligation of Lessee or Lessor applicable to the Term of this Lease shall survive the expiration or earlier termination of this Lease.

5. PARKING: The parties acknowledge that the entire Premises are demised to Lessee, including all parking areas therein or thereon.

6. USE: Lessee may use the Premises for the purposes contemplated by the Plans, and/or for such other uses as shall be permitted by applicable Laws. Without limitation, to the extent permitted by applicable Laws, Lessee may use the Premises for general office purposes, storage, lab testing, research, development, manufacturing and shipping of all products related to Lessee's business in cell media, buffers, and reagents. Lessor makes no representation or warranty to Lessee that applicable Laws, including without limitation, zoning laws and building codes, permit the Premises to be used for the purposes contemplated by the Plans or for any other purpose, and Lessee assumes full responsibility for ensuring that its use of the Premises is permitted by applicable Laws.

7. MAINTENANCE BY LESSEE: Lessee, at Lessee's sole cost and expense, shall keep the Premises and every part thereof in good condition and repair, ordinary wear and tear excepted; provided, however, that Lessee shall not be responsible for repairs to the extent such repairs are (i) necessitated by Lessor's breach of this Lease, or the negligence or willful misconduct of Lessor or Lessor's agents, employees or contractors, (ii) capital expenditures pursuant to generally accepted accounting principles ("GAAP"), or (iii) Lessor's obligation pursuant to Paragraph 8 below. Lessee shall further be responsible, at its sole cost and expense, for such cleaning and other janitorial services to the Premises as it shall determine, including snow and ice removal from all walks, driveways and parking areas of the Premises.

8. MAINTENANCE BY LESSOR: Repairs to the Premises necessitated by fire, earthquake, act of God or the elements or by eminent domain, shall be governed by Paragraphs 20 and 32 below, respectively. Lessor shall repair the Premises if they are of the nature described in items (i) or (ii) of Paragraph 7 above. Lessor shall repair and maintain in good condition and repair the Base Building (as defined below); provided, however, that to the extent repairs which Lessor is required to make pursuant to this sentence are necessitated by the negligence or willful misconduct of Lessee or Lessee's agents, employees or contractors, then, subject to Paragraph 15 below, Lessee shall reimburse Lessor for the reasonable cost of such repair. If, following ten (10) days written notice from Lessee to Lessor of necessary repair work under this Paragraph 8 (except that no prior notice shall be required in the case of an emergency as reasonably determined by Lessee), Lessor has failed to commence and diligently pursue to completion the repair, Lessee may perform the repair on Lessor's behalf and at Lessor's sole cost and expense. Lessor shall fully reimburse Lessee for all reasonable expenditures made by Lessee on the repairs within thirty (30) days after demand by Lessee, or, at Lessee's option, Lessee may offset the amount of such expenditures against the Base Rent and Additional Rent payable pursuant to this Lease. After having actual knowledge thereof, Lessee shall give prompt notice to Lessor of any repair required of Lessor pursuant to this Paragraph 8 (to the extent Lessor does not already have notice thereof).

For purposes of this Lease, "Base Building" means the structural portions of the Building (including exterior walls, interior weight bearing walls, roof, foundation, floor slabs), exterior windows, and all Building systems and equipment, including, without limitation, elevator (if any), plumbing, heating, ventilation, air conditioning, electrical and wiring, security, life safety and power systems and equipment.

9. CONDITION OF PREMISES AT COMMENCEMENT OF LEASE TERM: Lessee acknowledges that it has inspected the Premises and accepts it in its present state as of the Commencement Date; provided, however, that the foregoing shall not relieve Lessor from its ongoing maintenance and repair obligations pursuant to this Lease.

10. CONDITION OF PREMISES AT END OF LEASE TERM: Lessee shall deliver the Premises at the end of the Lease Term in as good condition as at the time of commencement of the Lease Term, except for (i) ordinary wear and tear and damage by fire or other casualties or causes beyond Lessee's control, (ii) repairs which are Lessor's obligation pursuant to this Lease, and (iii) Lessee's right to remove the Removable Property (as defined in Paragraph 16 below) from the Premises upon the expiration or earlier termination of this Lease as provided in Paragraphs 16 and 34 below.

11. UTILITIES: Lessee shall pay for all of the utilities consumed at the Premises including, but not limited to, electricity, gas, and water and sewer.

12. COMPLIANCE WITH LAW: Lessee shall abide by all valid laws, orders, rules and regulations of governmental authorities (collectively, "Laws") in relation to the Premises, including, but not limited to, all Laws relating to safety, health and sanitation, Hazardous Materials (as such term is defined in M.G.L. 21E) and the operation of the type of business conducted on the Premises by Lessee. Notwithstanding the foregoing, Lessee shall not be required to perform any compliance work to the Base Building, nor shall Lessee be obligated to perform any other compliance work to the extent (i) required by reason of Lessor's breach of this Lease, or the negligence or willful misconduct of Lessor or Lessor's agents, employees or contractors, (ii) the same would constitute capital expenditures pursuant to generally accepted accounting principles ("GAAP"), or (iii) the same are Lessor's obligation pursuant to Paragraph 8 above. In addition, notwithstanding the foregoing or anything to the contrary contained in this Lease, in no event shall Lessee have any obligation to perform any compliance work (or otherwise have any liability whatsoever) with respect to any Hazardous Materials (as such term is defined in M.G.L. 21E) existing in or upon the Premises prior to the Commencement Date or released or otherwise located upon the Premises, whether prior to or after the Commencement Date, by any party other than Lessee or its agents, employees or contactors.

13. PUBLIC LIABILITY INSURANCE: During this Lease term, Lessee shall maintain commercial general liability insurance with minimum coverages of One Million Dollars ($1,000,000.00) per occurrence combined single limit for bodily injury and property damage, with a Two Million Dollars ($2,000,000.00) general aggregate limit, plus umbrella coverage of Four Million Dollars ($4,000,000.00), for injuries to, or illness or death of, persons and damage to property occurring in or about the Premises. Lessee shall furnish Lessor with a certificate evidencing such insurance coverage at the Commencement Date and annually thereafter on or before the renewal date of each such policy of insurance. Should there be a change in the law or a material change to the condition and/or use of the Premises, or other factor which exposes the Lessor to increased liability, Lessor may require Lessee to provide additional insurance as Lessor may deem reasonably necessary during the Term to provide coverage for any increased liability. Lessor shall be named as an additional named insured on all policies of insurance required by this Lease. All insurance certificates required by this paragraph shall provide that such policies shall not be canceled without at least ten (10) days prior written notice to the Lessor, or, if such provision shall not be obtainable on the certificates, Lessee shall give written notice to Lessor of any notice of cancellation promptly after Lessee has knowledge thereof.

14. CASUALTY INSURANCE: Lessee agrees to keep the Premises insured against loss or damage by fire and such other risks as are insurable under then available standard forms of "special form" (previously known as "all risk") insurance policies (excluding earthquake and flood) with replacement cost endorsement (excluding the land and the footings, foundations and installations below the basement level). Lessee shall furnish Lessor with a certificate evidencing such insurance coverage at the Commencement Date and annually thereafter on or before the renewal date of each such policy of insurance. All insurance certificates required by this paragraph shall provide that such policies shall not be canceled without at least ten (10) days prior written notice from the insurance carrier to the Lessor or, if such provision shall not be obtainable on the certificates, Lessee shall give written notice to Lessor of any notice of cancellation promptly after Lessee has knowledge thereof.

15. WAIVER OF SUBROGATION: Each party to this Lease waives any and every claim which arises or may arise in its favor against the other party during the Term for any property damage to the extent that such loss or damage is from a peril of the kind covered under the property insurance policies required to be carried by Lessee pursuant to Paragraph 14 above, regardless of whether such loss is actually fully covered by such insurance policies. Without limitation, Lessor acknowledges that it shall look solely to the insurance maintained by Lessee pursuant to Paragraph 14 above for recovery on account of any loss or damage to the Building or other improvements in or on the Premises, and waives all right of recovery against Lessee. To the extent that such waivers will preclude the assignment of any aforesaid claim by way of subrogation or otherwise to an insurance company (or any other person), each party agrees to provide any insurance company, which has issued a property insurance policy required by this Lease, with written notice of the terms of such mutual waivers, and to cause such insurance policies to be properly endorsed, if necessary, to prevent the invalidation of such insurance coverages.

16. FIXTURES: All equipment and trade fixtures installed by or for Lessee at the Premises, shall be and be and remain the property of Lessee, regardless of whether installed as part of the Improvements or subsequently installed in the Premises by Lessee. All such equipment and trade fixtures, regardless of the method of attachment or incorporation into the Premises, are referred to herein as the "Removable Property". At the expiration or earlier termination of this Lease, Lessee, at its option may elect to (i) remove from the Premises and retain for its own account, any or all of the Removable Property, or (ii) leave at the Premises any or all of the Removable Property, whereupon the same shall be deemed the property of Lessor. If Lessee shall elect to remove any of the Removable Property, Lessee shall, at its sole cost and expense, repair any damage to the Premises resulting from the removal.

17. PERSONAL PROPERTY AT LESSEE'S RISK. All personal property, equipment, inventory and the like of the Lessee from time to time upon the Premises shall be at the sole risk of Lessee and Lessor shall not be liable for any damage which may be caused to such property or the Premises for any reason including, without limitation, the bursting or leaking of or condensation from any plumbing, cooling or heating pipe or fixture, except to the extent caused by the negligence or willful misconduct of Lessor or its agents, employees or contractors (but subject to Paragraph 15 above).

18. ASSIGNMENT AND SUBLETTING: Lessee may not assign this Lease or sublet all or part of the Premises without the express written consent of the Lessor, which consent shall not be unreasonably withheld and shall be granted or reasonably withheld by Lessor (with its reasons therefor) by written notice to Lessee within ten (10) business days after Lessee's request. If Lessor shall fail to respond to Lessee's request for consent within the aforesaid ten (10) business day period, Lessor's consent shall be deemed to have been granted.

Notwithstanding the foregoing, without Lessor's consent Lessee may assign this Lease or sublet all or any part of the Premises to any partnership, corporation or other entity that controls, is controlled by, or is under common control with Lessee or Lessee's parent (control being defined for such purposes as ownership of at least fifty percent (50%) of the equity interests in, or the power to direct the management of, the relevant entity) or to any partnership, corporation or other entity resulting from a merger or consolidation with Lessee or Lessee's parent, or to any person or entity that acquires substantially all the assets (including by means of a purchase of all or substantially all of Lessee's stock or other applicable ownership interests) of Lessee.

Any sublease or assignment notwithstanding, Lessee shall remain liable for all obligations due to Lessor under the Lease upon any default of any such obligation by Lessee's subtenant and/or assignee.

19. SUBORDINATION: See Paragraph 25 below.

20. DAMAGES TO PREMISES: In the event the Premises shall be damaged by fire or other casualty during the term of this Lease, after having knowledge thereof Lessee shall give prompt notice thereof in writing to Lessor. If the damage is only to portions of the Premises other than the Building, Lessor shall promptly commence and pursue to completion restoration of the damage and neither party shall have a right to terminate this Lease by reason thereof. If all or substantially all of the Building shall be damaged by such fire or other casualty, this Lease shall terminate as of the date of such damage. Should fifty percent (50%) or less of the rentable area of the Building be damaged by any such fire or casualty, Lessor shall restore the Building. If in excess of fifty percent (50%) of the Building is damaged, Lessor may, at its sole option, determine whether to restore the Building or to terminate this Lease. Lessor shall give notice of its election to restore or terminate by notice to Lessee within thirty (30) days of the date of the damage. If Lessor has elected to restore the Building, Lessor shall include in its notice its reasonable estimate of the time required from the date of the damage to complete the restoration work (the "Restoration Period"). If the Restoration Period is more than ninety (90) days, and Lessor does not give notice terminating this Lease within the thirty (30) day period provided above, then Lessee may give notice to Lessor, within thirty (30) days after the expiration of the aforesaid thirty (30) day period, terminating this Lease as of the date specified in Lessee's termination notice, which termination date shall not be before the date of such notice or more than ninety (90) days after the date of Lessee's termination notice.

If Lessee ceases to use any portion of the Premises as a result of any fire or other casualty, then during the period the Premises or portion thereof are not so used, Lessee's Base Rent and Additional Rent shall be proportionately reduced based upon the extent to which the damage and repair prevents Lessee from conducting, and Lessee does not conduct, its business at the Premises.

If Lessee has failed to maintain insurance in the amounts required by this Lease, or if any act or omission by Lessee reduces the amount of insurance available to Lessor for any restoration work required of it pursuant to this Paragraph 20, Lessee shall be solely responsible for the costs of restoring the Premises over and above the available insurance. Any deductible amount shall be paid by Lessor and Lessee shall have no liability for the same.

21. REMEDIES ON DEFAULT: Upon Lessee's monetary default after fifteen (15) days written notice of such default, or Lessee's continued default under any other provision of this Lease after thirty (30) days written notice of such default (or such longer period as shall be reasonably necessary to cure such default given the nature thereof), Lessor may, to the extent allowed by applicable Law, immediately terminate and re-enter and possess the Premises without waiving any other remedy or remedies available to it under the laws of the Commonwealth of Massachusetts. Lessor may exercise any and all remedies available pursuant to applicable Law.

To the extent provided by applicable Law, Lessee shall be liable to Lessor for all damages and costs, including reasonable attorney's fees, caused by Lessee's default. Notwithstanding anything to the contrary contained in this Paragraph 21, Lessor shall have the obligation to mitigate its damages hereunder, and without limitation, if Lessor shall terminate this Lease by reason of Lessee's default hereunder, in no event shall Lessor be entitled to damages on account of Lessee's remaining rental obligation hereunder which exceed the fair market rental value of the Premises for the balance of the Term.

In addition, and without waiving the preceding paragraph, if any default by Lessee shall continue beyond the expiration of the applicable notice and cure period set forth above, Lessor may, at Lessor's sole option, make any payment, or take any action, which Lessee is obligated to undertake under the terms of this Lease, provided that Lessor shall provide Lessee with not less than ten (10) business days' prior written notice that Lessor will make such payment or perform such obligation on Lessee's behalf if the same is not paid or performed by Lessee prior to the expiration of such ten (10) business day notice period. This paragraph shall include, but not be limited to, the right of the Lessor to pay insurance premiums, and reasonable charges for repair and maintenance of the Premises upon the failure of the Lessee to do so within the period allowed pursuant to the foregoing. Lessor shall be entitled to recover from Lessee, any and all reasonable costs and expenses, including, but not limited to, reasonable attorney's fees, which Lessor incurs as a result of making any such payment or taking any such action, plus interest, at the rate of five percent (5%) per annum on any amounts expended by Lessor under this paragraph from the date that the Lessor forwards to Lessee proof of any such payment. By making any such payment, or taking any such action, Lessor shall not be deemed to have waived Lessee's default.

Lessor shall provide to Lessee a copy of any and all notices from third parties of any act or omission by the Lessee which constitutes a default under any provision of this Lease or of any act or omission of the Lessee which, if left uncured, will constitute a breach of any such condition upon the passage of time or otherwise.

22. ENVIRONMENTAL MATTERS: Lessor represents and warrants to Lessee that there is no condition at the Premises which would violate any Law applicable to Hazardous Materials, including but not limited to M.G.L.c. 21E, and that Lessor has provided a written environmental report to Lessee dated July 18, 2019, prepared by EBI Consulting, titled Phase I Environmental Site Assessment, which confirms the accuracy of such representation and warranty.

Lessee hereby indemnifies and holds harmless Lessor from any and all claims, actions, demands, losses, costs, expenses, liabilities, penalties, and/or damages, including counsel fees (hereinafter "Damages") arising from, or in any way related to, the release of oil, gasoline and/or any Hazardous Material and/or the existence of any material or other environmental condition in violation of applicable law in, on or under the Premises, which may occur on or after the Commencement Date by reason of the negligent acts or omissions of Lessee or its agents, employees or contractors; provided, however, that the foregoing indemnity shall not include, nor shall Lessee have any liability whatsoever with respect to (i) any Hazardous Materials existing in or upon the Premises prior to the Commencement Date or (ii) released or otherwise located upon the Premises, whether prior to or after the Commencement Date, by any party other than Lessee or its agents, employees or contactors, and Lessor hereby indemnifies and holds harmless Lessee from and against any and all Damages by reason of the matters in the foregoing clauses (i) and (ii).

"Damages" shall include, but are not limited to: 1) the cost of an investigation related to any material or other environmental condition in, on or under the Premises; 2) the cost of avoiding or opposing the imposition of such an investigation; 3) the cost of remedying any such condition; and, 4) damages to the Premises or to the property or person of third parties.

The provisions of this Paragraph 22 shall survive the expiration or earlier termination of the Lease.

23. NOTICE: All monies payable and notices required to be given under this Lease to Lessor shall be paid and given at, or mailed to, the Lessor's address listed above, Attn: Ted Davis, or at such other place as Lessor shall from time to time specify by written notice to Lessee. All notices given under this Lease to Lessee shall be given at or mailed to the Lessee's address listed above, Attn: Greg Radon, or at such other place as Lessee shall specify by written notice to Lessor. All notices by either party to the other shall be given in writing (whether or not so specified elsewhere in this Lease), by personal delivery, or by United States Registered or Certified Mail, postage and fee prepaid, return receipt requested, or by nationally recognized overnight courier service, such as Federal Express. All notices shall be deemed given when delivered to the applicable address or when receipt is refused.

24. ALTERATIONS AND IMPROVEMENTS: Lessee shall not be permitted to make any alterations, additions or improvements ("Alterations") to the Premises without the prior written consent of Lessor, which consent shall not be unreasonably withheld and shall be granted or reasonably withheld by Lessor (with its reasons therefor) by written notice to Lessee within fifteen (15) business days after Lessee's request. If Lessor shall fail to respond to Lessee's request for consent within the aforesaid fifteen (15) business day period, Lessor's consent shall be deemed to have been granted. Failure of Lessee to remove (by payment or bond or otherwise), within thirty (30) days of notice to Lessee of imposition, any lien against the Premises and/or the property resulting from any Alterations performed by or on behalf of the Lessee (other than by Lessor), shall constitute an event of default. Lessor hereby grants its consent to the Improvements.

Notwithstanding the foregoing, or anything to the contrary contained elsewhere in this Lease, Lessee shall have the right, without Lessor's consent, to make any Alteration that is (i) decorative in nature (such as paint, carpet or other wall or floor finishes, movable partitions or other such work), or does not otherwise materially affect the Base Building. For purposes of the foregoing, without limitation, an Alteration shall not be deemed to materially affect the Base Building if the total hard costs of such Alteration do not exceed Fifty Thousand Dollars ($50,000.00).

Prior to commencing any Alterations under this Paragraph, Lessee shall secure all necessary permits and provide copies thereof to Lessor. Lessee shall cause all contractors performing any Alterations for Lessee to carry reasonable limits of liability and workers compensation insurance.

Lessee shall indemnify and hold the Lessor harmless from any and all damages and personal injuries resulting from any Alterations, and work associated therewith, undertaken by Lessee. This indemnification and hold harmless provision shall survive the expiration or earlier termination of this Lease.

All Alterations by Lessee shall be performed in a work in a good and workmanlike manner, employing materials of good quality and complying with all governmental requirements.

25. RIGHTS OF MORTGAGEES.

(a) Subject to Lessees receipt of a subordination, non-disturbance and attornment agreement as set forth below, this Lease shall be subordinate to any mortgage, deed of trust or ground lease or similar encumbrance (collectively, a "Mortgage") from time to time encumbering the Premises, whether executed and delivered prior to or subsequent to the date of this Lease, unless the holder of such Mortgage (the "Mortgagee") shall elect otherwise. If this Lease is subordinate to any Mortgage and the Mortgagee shall succeed to the interest of Lessor pursuant to the Mortgage (such Mortgagee or other party, a "Successor"), at the election of the Successor, Lessee shall attorn to the Successor and this Lease shall continue in full force and effect between the Successor and Lessee. Not more than fifteen (15) business days after Lessor's written request, Lessee agrees to execute such instruments of subordination or attornment in confirmation of the foregoing agreement as the Mortgagee may reasonably request.

Lessor represents and warrants to Lessee that there is no Mortgage in place with respect to the Premises as of the date of this Lease. However, following the execution and delivery of this Lease by Lessor and Lessee, Lessor intends to finance the Premises with a loan from First Republic Bank (the "First Republic Mortgage").

Notwithstanding the foregoing, the subordination of this Lease to a Mortgage (including, without limitation, the First Republic Mortgage) shall be conditioned upon delivery to Lessee, at Lessor's sole cost and expense, of a written subordination, non-disturbance and attornment agreement executed and acknowledged for recordation by the Mortgagee in form reasonably acceptable to Lessee providing that in the event that the Mortgagee or any other party shall succeed to the interest of Lessor hereunder pursuant to such Mortgage, so long as no event of default exists and continues hereunder beyond the expiration of any applicable notice and cure period, Lessee's right to possession of the Premises shall not be disturbed and Lessee's other rights hereunder shall not be adversely affected by any foreclosure of such Mortgage, and such Successor shall assume Lessor's obligations under this Lease thereafter arising.

(b) With reference to any assignment by Lessor of Lessor's interest in this Lease, or the rents payable hereunder, conditional in nature or otherwise, which assignment is made to a Mortgagee, Lessee agrees that the execution thereof by Lessor, and the acceptance thereof by the Mortgagee, shall never be treated as an assumption by such Mortgagee of any of the obligations of Lessor hereunder unless such Mortgagee shall, by notice sent to Lessee, specifically otherwise elect and such holder shall be treated as having assumed Lessor's obligations hereunder only upon foreclosure of such Mortgage and the taking of possession of the Premises. Except as provided herein, in the event of any transfer of title to the Premises by Lessor, Lessor shall thereafter be entirely freed and relieved from the performance and observance of all covenants and obligations hereunder thereafter arising.

(c) Lessee shall not seek to enforce any remedy it may have to terminate this Lease for any default on the part of Lessor without first giving written notice by certified mail, return receipt requested, specifying the default in reasonable detail to any Mortgagee whose address has been given to Lessee for such purpose, and affording such Mortgagee a reasonable opportunity to perform Lessor's obligations hereunder. Notwithstanding any such attornment or subordination of a Mortgage to this Lease, the Mortgagee shall not be liable for any acts of any previous lessor, shall not be obligated to install any lessee improvements, and shall not be bound by any amendment to which it did not consent in writing nor any payment of rent made more than one month in advance.

26. ESTOPPEL CERTIFICATES. From time to time, upon not less than fifteen (15) days prior written request by Lessor, Lessee agrees to execute and deliver to Lessor, for delivery to a prospective purchaser or Mortgagee of the Premises or to any assignee of any Mortgage of the Premises, a statement in writing certifying: (a) that this Lease is un-amended (or, if there have been any amendments, stating the amendments); (b) that it is then in full force and effect, if that be the fact; (c) the dates to which Base Rent and Additional Rent have been paid; (d) any defenses, offsets and counterclaims which Lessee, at the time of the execution of said statement, believes that Lessee has with respect to Lessee's obligation to pay Rent and to perform any other obligations under this Lease or that there are none, if that be the fact; and (e) to Lessee's actual knowledge, such other statements of fact regarding this Lease as may reasonably be requested. Any such statement may be relied upon by such prospective purchaser or Mortgagee of the Premises, or any assignee of any Mortgagee of the Premises.

27. NOTICE OF LEASE: Lessee agrees not to record this Lease, but, if the Lease Term is seven (7) years or longer, each party hereto agrees, on the request of the other, to execute a notice of lease in recordable form and complying with applicable law. In no event shall such document set forth the rent or other charges payable by Lessee under this Lease; and any such document shall expressly state that it is executed pursuant to the provisions contained in this Lease, and is not intended to vary the terms and conditions of this Lease. At Lessor's request, promptly upon expiration of or earlier termination of the Lease Term, Lessee shall execute and deliver to Lessor a release of any document recorded in the real property records for the location of the Premises evidencing this Lease. The obligations of Lessee under this Paragraph 27 shall survive the expiration or any earlier termination of the Lease Term.

28. ATTORNEYS FEES. In the event of any action or proceeding between Lessor and Lessee to enforce any provision of this Lease, the losing party shall pay to the prevailing party all costs and expenses, including, without limitation, reasonable attorneys' fees and expenses, incurred in such action and in any appeal in connection therewith by such prevailing party. The "prevailing party" will be determined by the court before whom the action was brought based upon an assessment of which party's major arguments or positions taken in the suit or proceeding could fairly be said to have prevailed over the other party's major arguments or positions on major disputed issues in the court's decision.

29. CROSS INDEMNIFICATION: Lessee shall indemnify, defend and hold Lessor harmless from and against any and all claims against Lessor made by or on behalf of any individual or entity for any injury or damage arising from Lessee's acts or omissions if the injury or damage resulted from 1) any negligent, reckless or intentional conduct by Lessee or its agents, employees, contractors, or invitees, or 2) Lessee's violation of any provision of this Lease. Lessee, upon notice from Lessor, shall defend Lessor against any such claim in a manner reasonably satisfactory to Lessor.

Lessor shall indemnify, defend and hold Lessee harmless from and against any and all claims against Lessee made by or on behalf of any individual or entity for any injury or damage arising from Lessor's acts or omissions if the injury or damage resulted from 1) any negligent, reckless or intentional conduct by Lessor or its agents, employees, contractors, or invitees, or 2) Lessor's violation of any provision of this Lease. Lessor, upon notice from Lessee, shall defend Lessee against any such claim in a manner reasonably satisfactory to Lessee.

This Paragraph 29 shall survive the termination of the Lease.

30. SIGNS: Lessee shall have the right to install any signs it shall desire upon the Building or in or upon the balance of the Property, all without the consent of Lessor. Any such signs shall be installed by Lessee in conformity with, and subject to, all local and state laws and ordinances at Lessee's sole cost and expense. Lessee shall obtain all necessary permits and authorizations to install and maintain any such signs. Lessee shall be solely responsible for the maintenance and repair of all signs and poles, stanchions, etc. to which they are affixed. Upon the expiration or earlier termination of this Lease, Lessee shall, at its sole cost and expense, remove all such signage and repair any damage to the Premises caused by such removal.

31. RIGHT OF ENTRY: Lessor may enter onto the Premises during normal business hours, after reasonable prior written notice to Lessee (which shall be at least three (3) business days), for the purpose of inspecting the Premises, showing the Premises to appraisers, bankers, contractors and other persons in relation to any potential or actual financing or sale of the Premises, and the maintenance of the Premises in accordance with the provisions of this Lease. Lessor may enter the Premises at any time if same have been abandoned by the Lessee, or if in Lessor's reasonable judgment an emergency exists at the Premises and such emergency is not being addressed by Lessee. Lessor shall not unreasonably disturb Lessee's conduct of business at the Premises in connection with any such entry. Lessee shall have the right to have a representative accompany any such entry. Lessee shall have the right to designate secured areas of the Premises which shall not be accessed by Lessor as provided above except in the event of emergency. In all cases of Lessor's entry pursuant to this Paragraph 31, Lessor shall comply with Lessee's reasonably security procedures and requirements. Without limitation, Lessor's indemnity pursuant to Paragraph 29 above shall apply in connection with Lessor's exercise of its entry rights pursuant to this Paragraph 31.

32. CONDEMNATION: In the event that the Premises or any material portion thereof is taken or condemned for a public or quasi-public use, Lessee shall be entitled to terminate this Lease by providing Lessor notice of such termination within thirty (30) days of Lessee having notice of such taking or condemnation. Should Lessee fail to provide Lessor with said notice this Lease Agreement shall, as to the part so taken, terminate as of the date title shall vest in the condemnor, and rent shall abate in proportion to the square footage of the Premises taken or condemned or shall cease if the entire Premises is taken or condemned. In either event, Lessee waives all claims against Lessor by reason of the complete or partial taking of the Premises. In the event that only a portion of the Premises is taken and this Lease is not terminated by reason thereof, Lessor, at Lessor's sole cost and expense, shall perform any restoration work required to the Premises.

All condemnation awards and all proceeds of a sale in lieu thereof shall belong to Lessor, whether damages shall be awarded as compensation for diminution in the value of Lessor's leasehold, for improvements, or for the fee of the Premises. However, Lessor shall not be entitled to any award for loss of Lessee's leasehold in the Premises or Lessee's trade fixtures, equipment or other property (including the Removable Property) or for damages for cessation or interruption of Lessee's business or Lessee's relocation costs, to the extent such damages are awarded separate and apart from other damages.

33. OPTION TO EXTEND LEASE TERM. Lessee shall have the right and option, which option shall not be severed from this Lease or separately assigned, mortgaged or transferred, at its election, to extend the initial Lease Term for one (1) additional period of five (5) years (the "Extension Period") commencing upon the expiration of the initial Lease Term, provided that (a) Lessor shall receive written notice from Lessee of the exercise of its election at least six (6) months prior to the expiration or the initial Lease Term, and (b) no default by Lessee beyond the expiration of any applicable notice and cure period shall exist at the time of Lessor's receipt of such notice. If Lessor shall receive notice of the exercise of the election in the manner and within the time provided aforesaid, the Term of the Lease shall be extended for the Extension Period upon the receipt of the notice without the requirement of any action on the part of Lessor or Lessee, except as may be required in order to determine Base Rent as hereinafter provided. Except for the amount of Base Rent (which is to be determined as hereinafter provided), all the terms, covenants, conditions, provisions and agreements contained in this Lease shall be applicable to the Extension Period, except that there shall be no further options to extend the Lease Term nor shall Lessor be obligated to make or pay for any improvements to the Premises nor pay any inducement payments of any kind or nature except as determined as applicable to the "fair market rent" as determined below. Lessor hereby reserves the right, exercisable by Lessor in its sole discretion, to waive (in writing) any condition precedent set forth in clauses (a) or (b) above. Time is of the essence with respect to the exercise of the option contained herein. Lessee shall not have the right to give any notice exercising such option after the expiration of the applicable time limitation set forth herein, and any notice given after such time limitation purporting to exercise such option shall be void and of no force or effect.

The Base Rent payable hereunder during the Extension Period shall be adjusted as of the commencement of the Extension Period so as to equal the then "fair market rent" for the Extension Period as mutually determined by Lessor and Lessee through the process of negotiation. The term "fair market rent" shall mean the rental rate for comparable premises in the Greater Boston area, on an arms' length basis between unrelated parties, taking into consideration all factors typically considered by brokers in determining fair market rent, including (and giving Lessee the benefit of) all market concessions and inducements, such as tenant improvement allowances and free rent periods.

Notwithstanding anything to the contrary contained herein, however, if for any reason Lessor and Lessee shall not agree in writing upon the "fair market rent" for the Extension Period at least three (3) months prior to the commencement of the Extension Period, then the fair market rent for the Premises shall be determined by licensed real estate brokers having at least ten (10) years' experience in the leasing of similar commercial real estate in the Greater Boston, Massachusetts area, one such broker to be designated by each of Lessor and Lessee. If either party shall fail to designate its broker by giving notice of the name of such broker to the other

party within fifteen (15) days after receiving notice of the name of the other party's broker, then the broker chosen by the other party shall determine the fair market rent and his determination shall be final and conclusive. If the brokers designated by Lessor and Lessee shall disagree as to the fair market rent, but if the difference between their estimates of fair market rent shall be five percent (5%) or less of the greater of the estimates, then the average of their estimates shall be the fair market rent for purposes hereof. If the brokers designated by the parties shall disagree as to the amount of fair market rent, and if their estimates of fair market rent shall vary by more than five percent (5%) of the greater of said estimates, then they shall jointly select a third broker meeting the qualifications set forth above (but who is independent and has not previously acted for any party hereto or any of its affiliated persons or entities) and the third broker shall independently determine the fair market rent (without knowledge of the determination of the fair market rent by Lessor's broker or Lessee's broker). If the value determined by the third broker is the average of the values proposed by Lessor's broker and Lessee's broker, the third broker's determination of fair market rent shall be the fair market rent. If such is not the case, fair market rent shall be the rent proposed by whichever of Lessor's broker or Lessee's broker is closest to the determination of fair market rent by the third broker. Lessor and Lessee shall each pay for the services of its broker, and if a third broker shall be chosen, then Lessor and Lessee shall each pay for one half of the services of the third broker.

34. SURRENDER: Lessee shall at the expiration or the termination of this lease remove all Lessee's equipment and other personal property from the Premises, (including, without limitation, all signs and lettering affixed or painted by the Lessee, either inside or outside of the Premises). Lessee shall deliver to Lessor the Premises and all keys, locks thereto, and other fixtures connected therewith and all Alterations in the same condition as they were at the commencement of the term, or as they were put in during the term hereof, reasonable wear and tear and damage by fire or other casualty, and repairs which are Lessor's obligation pursuant to this Lease excepted; provided, however, that at Lessee's option, Lessee may remove from the Premises (or leave in place, as it shall elect) any or all of the Removable Property. In the event of the Lessee's failure to remove any of Lessee's property from the Premises, where such failure continues for ten (10) business days after notice thereof from Lessor to Lessee, Lessor is hereby authorized, without liability to Lessee for loss or damage thereto, and at the sole risk of Lessee, to remove and store any of the property at Lessee's expense, or to retain same under Lessor's control or to sell at public or private sale, without notice, any or all of the property not so removed and to apply the net proceeds of such sale to the payment of any sum due hereunder, or to destroy such property.

35. HOLDOVER BY LESSEE: Lessee agrees that if Lessee remains in possession of the Premises after the termination of this Lease, Lessee shall be a tenant at sufferance under the terms and conditions herein contained in this Lease as far as applicable and shall be required to pay to the Lessor as Base Rent 150% of the Base Rent set forth in the Lease in effect immediately prior to such termination. The acceptance by Lessor of such payments from Lessee shall be for use and occupancy only and shall not create a tenancy-at-will nor constitute an acceptance by Lessor of Lessee as a tenant-at-will or waiver by Lessor of any or all rights which Lessor has under this Lease or against Lessee generally.

36. NON-WAIVER: Except as otherwise provided herein, failure on the part of either party hereto to complain of any action or non-action on the part of the other party hereto, no matter how long the same may continue, shall never be deemed to be a waiver by the first party of any

of his rights hereunder and shall not be construed as a waiver of that or any subsequent default, nonperformance or defective performance. Further , it is covenanted and agreed that no waiver at any time of any of the provisions hereof by either party hereto shall be construed as a waiver at any subsequent time of the same provisions . The consent or approval of either party hereto to or of any action shall not be deemed to waive or render unnecessary such party's consent or approval to or of any subsequent similar act by the other party hereto.

37. TIME OF ESSENCE: Except for force majeure delays, and subject to the express terms of this Lease, time is of the essence with respect to the performance of every provision of this Lease on the part of each party hereto.

38. INTEGRATION: This Lease, including the Exhibits attached hereto and hereby made a part hereof , constitutes the entire contract between the parties. There are no other understandings, representations or warranties , written or oral, relating to the subject matter of this Lease which shall obligate any of the parties.

39. MODIFICATION OR AMENDMENT: No waiver, release , modification or amendment of any of the terms, conditions or provisions of this Lease shall be valid or effective unless in writing, duly executed by Lessor and Lessee.

40. GOVERNING LAW: This Lease shall be governed by the law of the Commonwealth of Massachusetts.

IN WITNESS WHEREOF, the parties hereto have set their hands the day and year first above written.

Lessor:

MEECHES, LLC,
a Massachusetts limited liability company

By: /s/ Thomas E. Davis
Thomas E. Davis, Manager

Lessee:

ALPHA TEKNOVA, INC.,
a Delaware corporation

By: /s/ Irene Davis
Irene Davis, Chief Operating Officer

EXHIBIT A
SITE PLAN

EXHIBIT B
THE PLANS (to be attached or identified)

LEASE AGREEMENT

SUMMARY OF BASIC LEASE INFORMATION

This Summary of Basic Lease Information (the "**Summary**") is hereby incorporated by reference into and made a part of the attached Lease Agreement. Each reference in the *Lease Agreement* to any term of this Summary shall have the meaning as set forth in this Summary for such term. In the event of a conflict between the terms of this Summary and the Lease Agreement, the terms of the Lease Agreement shall prevail. Any initially capitalized terms used herein and not otherwise defined herein shall have the meaning as set forth in the Lease Agreement. The exhibits, riders, schedules, and addenda set forth above shall be deemed to be a part of the Lease Agreement and are hereby incorporated therein.

	TERMS OF LEASE *(References are to the Lease Agreement)*	DESCRIPTION
1.	Effective Date:	December 29, 2020
2.	Landlord:	Simmco LLC, a California limited liability company
3.	Address of Landlord:	P.O. Box 2351, Hollister, CA 95024
4.	Tenant:	Alpha Teknova Inc., a Delaware corporation
5.	Address of Tenant:	2290 Bert Drive, Hollister, CA 95023
6.	Premises (Article 1):	
	6.1 Premises:	Approximately 11,832.89 square feet of Rentable Area located in the Building (as defined below), as depicted in **Exhibit "A"** attached hereto and identified there as "Unit B".
	6.2 Building:	The Premises are located in the Building whose address is 255 Apollo Way, Hollister, CA 95023.
7.	Term (Article 2)	
	7.1 Lease Term:	Sixty (60) months
	7.2 Commencement Date:	The Effective Date
	7.3 Rent Commencement Date:	December 1, 2020
	7.4 Expiration Date:	December 31, 2025

8. Base Rent (Article 3):

Period of the Lease Term	Annual Base Rent	Monthly Installment of Base Rent	Annual Base Rental Rate per Square Foot of Rentable Area of the Premises
January 1, 2021 – December 31, 2021	$ 113,635.20	$ 9,469.60	$ 9.60
January 1, 2021 – December 31, 2022	$ 116,831.19	$ 9,735.93	$ 9.87
January 1, 2023 – December 31, 2023	$ 120,382.29	$ 10,046.30	$ 10.17
January 1, 2024 – December 31, 2024	$ 124,051.76	$ 10,347.69	$ 10.48
January 1, 2025 – December 31, 2025	$ 127,721.23	$ 10,658.12	$ 10.79

9. Security Deposit (Article 4): $10,643.44

10. Tenant's Share of Operating Expenses (Article 6): 36.43% (11,832.89 square feet of Rentable Area within the Premises/32,750 square feet of Rentable Area within the Building).

11. Brokers (Section 22.15): None.

LEASE AGREEMENT

THIS LEASE AGREEMENT (this "**Lease**"), is made and entered into as of December 29, 2020 (the "**Effective Date**"), by and between SIMMCO LLC, a California limited liability company ("**Landlord**"), and ALPHA TEKNOVA INC., a Delaware corporation ("**Tenant**").

W I T N E S S E T H:

For and in consideration of the rental and of the covenants and agreements hereinafter set forth to be kept and performed by Tenant, Landlord hereby leases to Tenant and Tenant hereby leases from Landlord the premises herein described for the term, at the rental and subject to and upon all of the terms, covenants and agreements hereinafter set forth.

1. PREMISES.

1.1 Grant of Premises; The Building; and The Project. Landlord hereby leases to Tenant, and Tenant leases from Landlord, those certain premises set forth in Section 6.1 of the Summary (the "**Premises**"), which Premises are located in the building described in Section 6.2 of the Summary (the "**Building**"). The term "**Project**" as used in this Lease, shall mean (i) the Building, and (ii) the land upon which any of the foregoing are situated (the "**Real Property**"). A floor plan showing the size and location of the Premises within the Building is set forth in the attached **Exhibit "A"**. Tenant's use and occupancy of the Premises shall include the use, in common with others, of the Common Areas as hereinafter described, but excepting therefrom and reserving unto Landlord the exterior faces of all exterior walls, the roof and the right to install, use and maintain where necessary in the Premises all pipes, ductwork, conduits and utility lines through hung ceiling space, partitions, beneath the floor or through other parts of the Premises; provided, however, such installation, use and maintenance do not unreasonably interfere with the use and occupancy of the Premises by Tenant or diminish Tenant's access to the Premises. Landlord reserves the right to affect such other tenancies in the Project as Landlord may elect in its sole business judgment.

1.2 Rentable Area. Landlord and Tenant hereby confirm and stipulate that the number of square feet of "**Rentable Area**" contained in the Premises initially leased by Tenant pursuant to this Lease (i) is as set forth in Section 6.1 of the Summary, (ii) has been calculated in accordance with Landlord's standard rentable area measurement standards used for the Building, and (iii) except as set forth in Section 6.1 below, is not subject to remeasurement, adjustment or modification.

1.3 Condition of Premises, Building and Real Property. Except for Landlord's repair obligations in Sections 8.2 and 12.1 below and as set forth in **Rider 1**, (i) Tenant shall lease the Premises and accept the Premises, Building and Real Property in their current "AS IS" condition, without any obligation on Landlord's part to construct or pay for any improvements, alterations or refurbishment work in the Premises, the Building and the Real Property and (ii) Tenant shall be solely responsible at its sole cost and expense for constructing any and all tenant improvements, alterations and refurbishment work for the Premises pursuant to and in accordance with the provisions of Article 9 below.

2. TERM. The term of this Lease (the "**Lease Term**") shall be as set forth in Section 7.l of the Summary and shall commence on the date (the "**Commencement Date**") set forth in Section 7.2 of the Summary, and shall terminate on the date (the "**Expiration Date**") set forth in Section 7.3 of the Summary, unless this Lease is sooner terminated as hereinafter provided. The term "**Lease Term**" shall include any renewal term expressly set forth in this Lease, if any, if the renewal option is validly exercised in accordance with the terms and conditions of this Lease.

3. RENT.

3.1 Base Rent. Except as otherwise provided in this Lease, Tenant agrees to pay Landlord, promptly when due, without notice or demand and without deduction or set-off of any amount for any reason whatsoever, as "**Base Rent**" for the Premises, the annual amount set forth in Section 8 of the

Summary, which shall be payable in the monthly installment amounts set forth in Section 8 of the Summary. Said monthly installments of Base Rent shall be payable in advance on the first (1st) day of each calendar month during the Lease Term, except that the Base Rent for the first (1st) full calendar month of the Lease Term shall be paid at the time of Tenant's execution of this Lease.

3.2 Adjustment of Rent on Commencement or Expiration. In the event the Lease Term commences or expires on a day other than the first (1st) day of a calendar month, Tenant shall pay to Landlord on the first (1st) day of the Lease Term, or on the first (1st) day of the month in which the Lease Term expires, a sum determined by multiplying one-thirtieth (1/30) of the monthly installment of Base Rent by the number of days in the first (1st) or last calendar month of the Lease Term.

3.3 Operating Expenses. In addition to paying the Base Rent specified in Section 3.1 above, Tenant agrees to pay Landlord, as additional rent, together with monthly installments of Base Rent, Tenant's Share of Operating Expenses defined in Sections 6.1 and 6.2 below.

3.4 Place of Payment; Landlord's Rent Address. Base Rent, Tenant's Share of Operating Expenses and all other sums or charges required by this Lease to be paid by Tenant to Landlord, all of which are herein sometimes collectively referred to as "**Rent,**" shall be paid to Landlord at Landlord's Rent Address (as defined below) or to such other persons, or at such other places designated by Landlord. "**Landlord's Rent Address**" shall mean Simmco LLC, P.O. Box 2351, Hollister, CA 95024, or such other place as Landlord may, from time to time, designate in writing.

4. SECURITY DEPOSIT. Concurrently with Tenant's execution of this Lease, Tenant shall deposit with Landlord a security deposit (the "**Security Deposit**") in the amount set forth in Section 9 of the Summary to be held by Landlord as security for the faithful performance of every provision of this Lease to be performed by Tenant. If Tenant defaults with respect to any provision of this Lease, including, but not limited to, the provisions relating to the payment of Rent, Landlord may (but shall not be required to) use, apply or retain all or any part of the Security Deposit for the payment of Rent or any other sum in default, or for the payment of any amount which Landlord may spend or become obligated to suffer by reason of Tenant's default or to compensate Landlord for any other loss or damage which Landlord may suffer by reason of Tenant's default. If any portion of the Security Deposit is so used or applied, Tenant shall, within ten (10) days after written demand therefor, deposit cash with Landlord in an amount sufficient to restore the Security Deposit to its original amount, and Tenant's failure to do so shall be deemed a material breach of this Lease. Except as required by applicable law, Landlord shall not be required to keep the Security Deposit separate from its general funds and Tenant shall not be entitled to interest on the Security Deposit. If Tenant shall fully and faithfully perform every provision of this Lease to be performed by it, the Security Deposit or any balance thereof shall be returned to Tenant (or Tenant's assignee) at the expiration of the Lease Term and after Tenant has vacated the Premises; provided, however, in no event shall Landlord be under any obligation to return the Security Deposit earlier than sixty (60) days after the expiration of the Lease Term.

5. USE.

5.1 Permitted Use. Tenant shall use the Premises solely for light manufacturing of chemical reagents and other products used in the biomedical research, diagnostic, and therapeutic fields, dry lab operations, warehousing, storage and distribution operations, and for general office use (collectively, the "**Permitted Use**").

5.2 Compliance with Laws. Tenant shall, at its sole cost and expense, promptly comply with all applicable Laws (as defined below) in effect during the Lease Term or any part of the Lease Term hereof, regulating Tenant's particular use or occupancy of the Premises or imposing any duty on Landlord or Tenant with regard thereto or with regard to alteration thereof, including the requirements of federal, state, county and municipal authorities now in force or which may hereinafter be in force. Tenant shall not use or permit the use of the Premises in any manner which may tend to create a nuisance; nor which may tend to obstruct

or interfere with the rights of other tenants of the Project or, injure or annoy them. As used herein, "**Law**" or "**Laws**" shall mean all laws, ordinances, rules, regulations, other requirements, orders, rulings or decisions adopted or made by any governmental body, agency, department or judicial authority having jurisdiction over the Project, the Premises or Tenant's activities at the Premises and any covenants, conditions or restrictions of record which affect the Project.

5.3 Insurance Rate Increases. Other than with the written consent of Landlord, which consent shall not be unreasonably withheld, Tenant shall not do or permit anything to be done on or about the Premises which may in any way increase the existing rate of any insurance policy covering the Building or the Project or any of its contents.

5.4 Compliance with Environmental Laws. Tenant shall comply with all Environmental Laws (as defined below) pertaining to Tenant's occupancy and use of the Premises and concerning the proper storage, handling and disposal of any Hazardous Material introduced to the Premises, the Building or the Project by Tenant, or any of their respective employees, servants, agents, contractors, customers or invitees (collectively, "**Responsible Parties**"). As used herein, "**Environmental Laws**" shall mean all Laws governing the use, storage, disposal or generation of any Hazardous Material, including the Comprehensive Environmental Response Compensation and Liability Act of 1980, as amended, and the Resource Conservation and Recovery Act of 1976, as amended, and "**Hazardous Material**" shall mean such substances, material and wastes which are or become regulated under any Environmental Law; or which are classified as hazardous or toxic under any Environmental Law; and explosives and firearms, radioactive material, asbestos, and polychlorinated biphenyls. Tenant shall not generate, store, handle or dispose of any Hazardous Material in, on, or about the Project except as used in connection with the Permitted Use. In the event that Tenant is notified of any investigation or violation of any Environmental Law arising from Tenant's activities at the Premises, Tenant shall immediately deliver to Landlord a copy of such notice. In such event or in the event Landlord reasonably believes that a violation of Environmental Law exists, Landlord may conduct such tests and studies relating to compliance by Tenant with Environmental Laws or the alleged presence of Hazardous Material upon the Premises as Landlord deems desirable, all of which shall be completed at Tenant's expense. Landlord's inspection and testing rights are for Landlord's own protection only, and Landlord has not, and shall not be deemed to have assumed any responsibility to Tenant or any other party for compliance with Environmental Laws, as a result of the exercise, or non-exercise of such rights.

5.5 Environmental Representation. Landlord represents and warrants to Tenant, that, as of the Effective Date, (i) Landlord has not received any written notice from a governmental agency of any uncured violations of any Laws (including Environmental Laws) affecting the Building, (ii) to Landlord's Actual Knowledge (as defined below), no Hazardous Materials are stored by Landlord on, in or under the Building in quantities which violate Environmental Laws, (iii) to Landlord's Actual Knowledge, the Building is not used by Landlord for the storage, treatment, generation or manufacture of any Hazardous Materials in a manner which would constitute a violation of applicable Environmental Laws, and (iv) to Landlord's Actual Knowledge, the Premises does not contain Hazardous Materials which would constitute a violation of applicable Environmental Laws. For purposes of the Lease, the phrase "**Landlord's Actual Knowledge**" shall mean the current, actual, personal knowledge of Howard Simmons, without investigation and without imputation of any other person's knowledge. The fact that reference is made to the personal knowledge of named individuals shall not render such individuals personally liable for any breach of any of the foregoing representations and warranties.

6. OPERATING EXPENSES.

6.1 Tenant's Obligations. During each Expense Year, or portion thereof, falling within the Lease Term, Tenant shall pay to Landlord as additional rent hereunder Tenant's Share of the Operating Expenses (as defined below) for the applicable Expense Year. In no event shall the amount required to be paid by Tenant with respect to Operating Expenses for any Expense Year during the Lease Term be less

than zero. For purposes hereof, "**Tenant's Share**" shall mean the percentage set forth in Section 10 of the Summary which was calculated by dividing the Rentable Area of the Premises set forth in Section 6.1 of the Summary, by the total Rentable Area within the Building set forth in Section 10 of the Summary. In the event the Rentable Area of the Premises is changed, Tenant's Share shall be appropriately adjusted, and, as to the Expense Year in which such change occurs, Tenant's Share for such year shall be determined on the basis of the number of days during such Expense Year that each such Tenant's Share was in effect.

6.2 Definitions.

(a) Expense Year. "**Expense Year**" shall mean each calendar year during the Lease Term (or partial calendar year if the Lease Term commences or ends on other than the provided first (1st) or last day of a calendar year); provided, however, that Landlord, upon notice to Tenant, may change the Expense Year from time to time to any other twelve (12) consecutive-month period, and, in the event of any such change, Tenant's Share of Operating Expenses shall be equitably adjusted for any Expense Year involved in any such change.

(b) Operating Expenses. "**Operating Expenses**," for purposes hereof, are intended to be inclusive of all costs of operating and maintaining the Project, except estate, inheritance, net income, gift, corporate and excess profit taxes of Landlord, interest on and capital retirement of Landlord's mortgage loans, and costs charged by Landlord directly to specific tenants (including any utilities separately metered and charged to specific tenants). Landlord agrees to make reasonable efforts to minimize operating costs insofar as such efforts are not inconsistent with Landlord's intent to operate and maintain the Project in the first-class manner. Operating Expenses may include, but shall not be limited to, the following:

(i) "**Tax Expenses**," which, for purposes hereof, shall mean, collectively, any and all general and special taxes, assessments and impositions of every kind and nature whatsoever levied, assessed, or imposed upon, or with respect to the Project, any leasehold improvements, fixtures, installations, additions, and equipment, whether owned by Landlord or Tenant, or either because of or in connection with Landlord's ownership, leasing and operation of the Project, including, without limitation, real estate taxes, personal property taxes, sewer rents, water rents, general or special assessments, duties or levies charged or levied upon or assessed against the Project and related personal property, transit taxes, all costs and expenses (including legal fees and court costs) charged for the protest or reduction of property taxes or assessments in connection with the Project, or any tax or excise on rent or any other tax (however described) on account of rental received for use and occupancy of any or all of the Project (except Landlord's net income taxes and other taxes excluded under Section 6.2(b) above), whether any such taxes are imposed by the United States, the State of California, the City of Hollister, California, and County of San Benito, California, or any local governmental municipality, authority, or agency or any political subdivision of any thereof;

(ii) All costs and expenses to Landlord in maintaining fire and extended coverage insurance, property damage, liability and rent loss insurance and any other insurance maintained by Landlord covering the use and operation of the Project which is customary in comparable projects in the area or which is reasonably deemed prudent by Landlord;

(iii) All costs and expenses of repairing, operating and maintaining the ventilation system for the Project, including the cost of all utilities required in the operation thereof, except those paid directly by tenants of the Project and including the cost of replacements of equipment used in connection with such repair and maintenance work and all costs and expenses incurred in making alterations or additions to the ventilation system in order to comply with governmental rules, regulations and statutes;

(iv) The costs of capital improvements and structural repairs and replacements made in or to the Project in order to conform to changes subsequent to completion of the original construction of the Project in any applicable laws, ordinances, rules, regulations or orders of any governmental or quasi-governmental authority having jurisdiction over the Project (herein "**Required**

Capital Improvements") and the costs of any capital improvements and structural repairs and replacements designed primarily to reduce Operating Expenses or to reduce the rate of increase in Operating Expenses (herein "**Cost Savings Improvements**"). The expenditures for Required Capital Improvements and Cost Savings Improvements shall be reimbursed to Landlord in equal installments over the useful life of such capital improvement or structural repair or replacement (as reasonably determined by Landlord) together with interest on the balance of the unreimbursed expenditure at a rate equal to the floating commercial loan rate announced from time to time by US Bank, a national banking association, or its successor, as its prime rate, plus two percent (2%) per annum (the "**Prime Rate**") which is in effect on the date the expenditure was incurred by Landlord; provided, however, the amount to be reimbursed for any Cost Savings Improvements shall be limited in any year to the estimated reduction or estimated savings in Operating Expenses as a result thereof;

(v) All costs and expenses incurred by Landlord in providing standard services and utilities to tenants of the Project, including office janitorial services, window washing and utilities not separately metered and not charged by Landlord directly to specific tenants; together with the cost of replacement of non-building standard electric light bulbs and fluorescent tubes and ballasts, which Landlord shall have the exclusive right to provide and install;

(vi) Professional building management fees (not to exceed a commercially reasonable fee charged in the Hollister, California, metropolitan area);

(vii) All costs and expenses incurred by Landlord in operating, managing, repairing and maintaining the Project, including all sums expended in connection with the Common Areas for general maintenance and repairs, resurfacing, painting, restriping, cleaning, replacing wall and floor coverings, sweeping and janitorial services, window washing, maintenance and repair of stairways, sidewalks, curbs and Building and Project signs, sprinkler systems planting and landscaping, lighting and other utilities, maintenance and repair of any fire protection systems, automatic sprinkler systems, lighting systems, emergency back-up utility systems, storm drainage systems and any other utility systems, personnel to implement such services and to police the Common Areas, rental and/or depreciation of machinery and equipment used in such maintenance and services, police and fire protection services, trash removal services, all costs and expenses pertaining to snow and ice removal, security systems, utilities, premiums and other costs for workers' compensation insurance, wages, withholding taxes, social security taxes, personal property taxes, fees for required licenses and permits, supplies, and charges for management of the Project. Costs and expenses incurred by Landlord in operating, managing, repairing and maintaining the Project which are incurred exclusively for the benefit of specific tenants of the Project will be billed accordingly and will not be included within the general Operating Expenses. If the Building and/or other office buildings located in the Project are not 100% occupied during all or a portion of any calendar year, Landlord shall make an appropriate adjustment to the variable components of Operating Expenses for such year or applicable portion thereof, including without limitation the Base Year, employing sound accounting and management principles, to determine the amount of Operating Expenses that would have been paid had such buildings been 100% occupied; and the amount so determined shall be deemed to have been the amount of Operating Expenses for such year, or applicable portion thereof; and

(c) Exclusions. Notwithstanding the foregoing, for purposes of this Lease, Operating Expenses shall not include the following (collectively, "**Exclusions**"):

(i) costs of items considered capital improvements, capital repairs, capital replacements, and/or capital equipment, all as determined in accordance with Landlord's standard real estate accounting practices, except as permitted in Section 6.2(b)(iv);

(ii) depreciation and amortization, except as provided herein and except on materials, tools, supplies and vendor-type equipment purchased by Landlord to enable Landlord to supply services Landlord might otherwise contract for with a third party where such depreciation and amortization would otherwise have been included in the charge for such third party's services, all as determined in

accordance with standard real estate accounting practices, consistently applied, and when depreciation or amortization is permitted or required, the item shall be amortized over its reasonably anticipated useful life as determined by Landlord in the manner described in Section 6.2(b)(iv) above, together with interest on the unamortized costs at the Prime Rate;

(iii) interest, points, fees and principal payments on any mortgages encumbering the Real Property, and other debt costs, if any, except as specifically included in Sections 6.2(b)(iv) and (b)(vii) above;

(iv) costs incurred by Landlord for the repair of damage to the Building or the Real Property, to the extent that Landlord is reimbursed by insurance proceeds;

(v) brokerage commissions, space planning costs, finders' fees and attorneys' fees incurred by Landlord in connection with leasing or attempting to lease space within the Real Property;

(vi) costs, including permit, license and inspection costs, incurred with respect to the installation of tenant improvements made for any tenants in the Real Property or incurred in renovating or otherwise improving, preparing, decorating, painting or redecorating vacant space for tenants or other occupants of the Real Property;

(vii) interest, penalties or other costs arising out of Landlord's failure to make timely payment of any of its obligations under this Lease, including, without limitation, Landlord's failure to make timely payment of any item that is included in Operating Expenses or Tax Expenses;

(viii) attorneys' fees and other costs and expenses incurred in connection with negotiations or disputes with present or prospective tenants or other occupants of the Real Property (including costs incurred due to violations by tenants of the terms and conditions of their leases), or any other attorneys' fees incurred in connection with the Real Property (including, without limitation, any financing, sale or syndication of the Real Property), except (A) as specifically enumerated as an Operating Expense in this Lease, or (B) to the extent the expenditure of such attorneys' fees generally benefits the tenants of the Building;

(ix) costs and overhead and profit increment paid to Landlord or to subsidiaries or affiliates of Landlord for goods and/or services in or to the Real Property to the extent the same exceeds typical costs and overhead and profit increment of such goods and/or services rendered by qualified unaffiliated third parties on a competitive basis;

(x) Costs of acquisition of sculptures, painting and other objects of art; and

(xi) Costs of removing any Hazardous Materials (as defined below) not caused by Tenant.

Notwithstanding anything above to the contrary, Landlord will not collect more than 100% of the Operating Expenses from all tenants in the Building.

7. UTILITIES AND SERVICES.

7.1 Standard Tenant Services. Landlord shall provide the following services on all days during the Lease Term, unless otherwise stated below.

(a) Landlord shall provide adequate electrical wiring and facilities and power for normal general office use for the Building.

(b) Landlord shall provide city water from the regular Building outlets for drinking, lavatory and toilet purposes.

7.2 Separate Metering. Notwithstanding the foregoing provisions of this Article 7 to the contrary, Landlord shall have the right to cause all electricity, water and/or other utilities to be separately

metered for the Premises, and Tenant shall pay for the cost of all such utilities so separately metered, or which are billed directly to Tenant, within ten (10) days after invoice, in which event Operating Expenses for each Expense Year shall be equitably reduced to exclude all such utilities provided to Tenant and other tenants in the Building.

7.3 Interruption of Services. Landlord shall not be liable for any damage, loss or expense incurred by Tenant by reason of any interruption or failure of the utilities and services. Landlord may, with notice to Tenant, or without notice in case of emergency, cut off and discontinue utilities and service when such discontinuance is necessary in order to make repairs or alterations. No such action shall be construed as an eviction or disturbance of possession by Landlord or relieve Tenant from paying Rent or performing any of its obligations under this Lease. Notwithstanding anything to the contrary contained herein, if (a) the Premises, or a material portion of the Premises, is made untenantable for a period in excess of five (5) consecutive days as a result of an interruption of essential utility services, such as electricity, telephone/telecommunication service, fire protection or water, that is a direct result of Landlord's negligence or willful misconduct or is otherwise within Landlord's reasonable control and (b) Tenant is unable to, and does not, conduct its normal business operations in all or any material portion of the Premises as a result thereof, then Tenant shall be entitled to receive an abatement of Rent payable hereunder during the period beginning on the sixth (6^{th}) consecutive day of the service failure and ending on the day the service has been restored; provided, however, that *(i)* the foregoing conditional abatement of Rent shall not apply if the interruption of such utility service is a result of Tenant's negligence, willful misconduct or breach of this Lease and *(ii)* such abatement shall be in proportion to the portion of the Premises which Tenant is unable to use. In no event, however, shall Landlord be liable to Tenant for any loss or damage, direct or indirect, special or consequential, including loss of business, arising out of or in connection with the failure of any such utility services. The foregoing provisions regarding interruption of utility services shall not apply in case of damage to or destruction of the Premises, which shall be governed by Section 12 of this Lease.

8. MAINTENANCE, REPAIRS AND ALTERATIONS.

8.1 Tenant's Repairs. Subject to Landlord's repair obligations in Section 8.2 below, Tenant shall, at Tenant's own expense, keep the Premises, including all improvements, fixtures and furnishings therein, in good order, repair and condition at all times during the Lease Term. In addition, Tenant shall, at Tenant's own expense but under the supervision and subject to the prior approval of Landlord, and within any reasonable period of time specified by Landlord, promptly and adequately repair all damage to the Premises and replace or repair all damaged or broken fixtures and appurtenances; provided however, that, at Landlord's option, or if Tenant fails to make such repairs, Landlord may, but need not, make such repairs and replacements, and Tenant shall pay Landlord the cost thereof, including a percentage of the cost thereof (to be uniformly established for the Project) sufficient to reimburse Landlord for all overhead, general conditions, fees and other costs or expenses arising from Landlord's involvement with such repairs and replacements forthwith upon being billed for same. Landlord may, but shall not be required to, enter the Premises at all reasonable times to make such repairs, alterations, improvements and additions to the Premises or at the Building or to any equipment located in the Building as Landlord shall desire or deem necessary or as Landlord maybe required to do by governmental or quasi-governmental authority or court order or decree.

8.2 Landlord's Repairs. Anything contained in Section 8.1 above to the contrary notwithstanding, Landlord shall repair and maintain the structural portions of the Building, including the basic plumbing, ventilating, and electrical systems installed or furnished by Landlord (but not including any non-base building facilities installed by or on behalf of Tenant); provided, however, to the extent such maintenance and repairs are caused in part or in whole by the act, neglect, fault of or omission of any duty by Tenant, its agents, servants, employees or invitees, Tenant shall pay to Landlord as additional rent, the reasonable cost of such maintenance and repairs. Landlord shall not be liable for any failure to make any such repairs, or to perform any maintenance unless such failure shall persist for an unreasonable time after

written notice of the need of such repairs or maintenance is given to Landlord by Tenant. Except for Landlord's negligence or willful misconduct, there shall be no abatement of rent and no liability of Landlord by reason of any injury to or interference with Tenant's business arising from the making of any repairs, alterations or improvements in or to any portion of the Project, Building or the Premises or in or to fixtures, appurtenances and equipment therein. Notwithstanding anything in the Lease to the contrary, in the event that Landlord elects to access and/or make any repairs, improvements, changes to the Premises, Project or Common Areas as permitted under the Lease, Landlord agrees to use commercially reasonable efforts to minimize disruption of the conduct of Tenant's business.

8.3 **Notification to Landlord**. Tenant agrees to promptly notify Landlord or its representative of any accidents or defects in the Building or Project of which Tenant becomes aware, including defects in pipes, electrical wiring and HVAC equipment. In addition, Tenant shall provide Landlord with prompt notification of any matter or condition which may cause injury or damage to the Building or the Project or any person or property therein.

8.4 **Condition Upon Expiration of Lease**. Upon the expiration of the Lease Term, or any sooner termination, Tenant shall remove all of its personal property excluding, however, any wiring, cabling or conduit installed above the ceiling, beneath the floors or in the Premises on or behalf of Tenant and surrender the Premises in good condition, ordinary wear and tear excepted. Tenant shall repair, at its expense, any damage to the Premises occasioned by its removal of any article of personal property, trade fixtures, furnishings, signs, and improvements including but not limited to repairing the floor, patching holes and painting walls. In the event that Tenant shall fail to timely perform its obligations under this Section 8.4, Landlord may perform such obligations and may charge the costs incurred by Landlord in connection therewith to Tenant (together with an administration fee equal to ten percent (10%) of the total costs incurred by Landlord in undertaking such obligations), and Tenant shall reimburse Landlord for such costs within thirty (30) days after being billed for the same.

9. ALTERATIONS AND ADDITIONS.

9.1 **Landlord's Consent Required**. Tenant shall not make any structural alterations or additions to the Premises without first procuring Landlord's written consent, which consent shall not be unreasonably withheld, conditioned or delayed. In no event, however, shall Tenant make any change or alteration that would impair the structural soundness of the Building. Upon obtaining such consent, Tenant shall cause the work to be done (a) promptly, (b) in accordance with all Laws, and (c) in a good and workmanlike manner, free of liens or defects, and with the use of good grades of materials. Landlord's consent shall create no responsibility or liability on the part of Landlord for the completeness, design, sufficiency or compliance with all laws, rules and regulations of governmental agencies or authorities regarding the alterations or additions.

9.2 **Surrender at End of Term**. Any alterations, additions and improvements made by Tenant to the Premises, excepting Tenant's trade fixtures, shall at once when made become property of Landlord and remain upon and be surrendered with the Premises at the expiration or earlier termination of the Lease Term.

9.3 **Payment for Work**. All costs of any such work shall be paid promptly by Tenant so as to avoid the assertion of any mechanic's or materialman's lien. Tenant shall discharge, by bonding, payment or other means, any mechanic's lien filed against the Premises, the Building or the Project that results from any Tenant improvement or alteration within thirty (30) days after the receipt of notice thereof, and shall promptly inform Landlord of any such notice. If any such lien is not discharged within said thirty (30) day period, Landlord shall have the right, but not the obligation, to discharge said lien by payment, bonding or otherwise, and the costs and expenses to Landlord of obtaining such discharge shall be paid to Landlord by Tenant on demand as additional rent.

10. INSURANCE.

10.1 Tenant's Compliance with Landlord's Fire and Casualty Insurance. Tenant shall, at Tenant's expense, comply as to the Premises with all insurance company requirements pertaining to the use of the Premises. If Tenant's conduct or use of the Premises causes any increase in the premium for such insurance policies, then Tenant shall reimburse Landlord for any such increase. Tenant, at Tenant's expense, shall comply with all rules, orders, regulations or requirements of the American Insurance Association (formerly the National Board of Fire Underwriters) and with any similar body.

10.2 Tenant's Insurance. Tenant shall maintain the following coverages in the following amounts:

(a) Commercial General Liability Insurance with combined single limits of not less than $1,000,000 covering the insured against claims of bodily injury, personal injury and property damage arising out of Tenant's operations, assumed liabilities or use of the Premises, and assumed contractual liability with respect to Tenant's obligations under Article 11 of this Lease.

(b) Physical Damage Insurance covering (i) all office furniture, trade fixtures, office equipment, merchandise and all other items of Tenant's property on the Premises installed by, for, or at the expense of Tenant, (ii) all improvements, alterations and additions now existing or hereafter installed in or to the Premises, including any improvements, alterations or additions now or hereafter installed at Tenant's request above the ceiling of the Premises or below the floor of the Premises. Such insurance shall be written on an "all risks" of physical loss or damage basis, for the full replacement cost value new without deduction for depreciation of the covered items and in amounts that meet any co-insurance clauses of the policies of insurance and shall include a vandalism and malicious mischief endorsement, sprinkler leakage coverage and earthquake sprinkler leakage coverage.

(c) Workers' compensation insurance as required by law and employer's liability insurance with limits of at least $500,000 each occurrence.

(d) Loss-of-income, business interruption and extra-expense insurance in such amounts as will reimburse Tenant for direct and indirect loss of earnings attributable to all perils commonly insured against by prudent tenants or attributable to prevention of loss of access to the Premises or to the Building as a result of such perils.

(e) Tenant shall carry comprehensive automobile liability insurance having a combined single limit of not less than One Million Dollars ($1,000,000.00) per occurrence and insuring Tenant against liability for claims arising out of ownership, maintenance or use of any owned, hired or non-owned automobiles.

10.3 No Limitation of Liability Under Lease. The minimum limits of policies of insurance required of Tenant under this Lease shall in no event limit the liability of Tenant under this Lease. Such insurance shall name Landlord as an additional insured. Tenant shall deliver said policy or policies or certificates thereof to Landlord within five (5) business days after the Commencement Date and at least thirty (30) days before the expiration dates thereof.

10.4 Subrogation. Landlord and Tenant agree to have their respective insurance companies issuing property damage insurance waive any rights of subrogation that such companies may have against Landlord or Tenant, as the case may be. Landlord and Tenant hereby waive any right that either may have against the other on account of any loss or damage to their respective property to the extent such loss or damage is insurable under policies of insurance for fire and all risk coverage, theft, public liability, or other similar insurance.

11. INDEMNITY.

11.1 Indemnification of Landlord. Tenant shall indemnify and hold the Indemnitees harmless from and against any and all losses, claims and damages arising from Tenant's use of the Premises or the

conduct of its business or from any activity, work or thing done, permitted or suffered by Tenant in or about the Premises, and shall further indemnify and hold the Indemnitees harmless from and against any and all claims arising from any breach or default in the performance of any obligation on Tenant's part to be performed under the terms of this Lease, or arising from any act or negligence of Tenant or any of its agents, contractors or employees, and from and against all costs, attorneys' fees, expenses and liabilities incurred in or about any such claim or any action or proceeding brought thereon; and in case any action or proceeding is brought against Landlord by reason of any such claim, Tenant, upon notice from Landlord, shall defend the same at Tenant's expense by counsel reasonably satisfactory to Landlord. Tenant, as a material part of the consideration to Landlord, hereby assumes all risks of damage to property or injury to persons in, upon or about the Premises.

11.2 Limitation of Liability. Except for Landlord's negligence or willful misconduct, Landlord shall not be liable for injury or damage which may be sustained by the person, goods, wares, merchandise or property of Tenant, its Responsible Parties, or any other person in or about the Premises caused by or resulting from fire, steam, electricity, gas or water, which may leak or flow from or into any part of the Premises, or from breakage, leakage, obstruction or other defects of the pipes, sprinklers, wires, appliances, plumbing or lighting fixtures of the same, whether the said damage or injury results from conditions arising upon the Premises or upon other portions of the Building of which the Premises are a part, or from other sources. Except for Landlord's negligence or willful misconduct, Landlord shall not be liable for any damages arising from any act or neglect of any other tenant of the Building or the Project. In no event shall Landlord be liable for consequential damages.

11.3 Indemnification of Tenant. To the extent permitted by Law, Landlord hereby indemnifies, and agrees to protect, defend and hold the Tenant and each of its respective officers, directors, members, partners, affiliates, employees, agents and representatives (collectively, the "**Tenant Indemnitees**") harmless from and against any and all losses, claims and damages arising from *(i)* Landlord's operation of the Common Areas, except to the extent caused by the negligence or willful misconduct of Tenant or any of its Responsible Parties, *(ii)* any willful act or negligence of Landlord, its agents, contractors, servants or employees, in or about the Premises or the Building or any part of either, and *(iii)* any breach or default in the performance of any obligation on Landlord's part to be performed under the terms of this Lease. Landlord shall not be liable to Tenant or any Tenant Indemnitees for any damage by or from any act or negligence of any co-tenant or other occupant of the Building, or by any owner or occupant of adjoining or contiguous property. The indemnity obligations of Landlord set forth in this Section 11.3 shall not be binding upon any mortgagee and/or ground lessor acquiring Landlord's interest in the Premises and/or this Lease pursuant to any foreclosure proceeding, deed in lieu of foreclosure, or other enforcement action taken pursuant to a deed of trust or mortgage encumbering the Premises.

12. DAMAGE, DESTRUCTION AND BUSINESS INTERRUPTION.

12.1 Repair of Damage to Premises by Landlord. Tenant shall promptly notify Landlord of any damage to the Premises resulting from fire or any other casualty. If the Premises or any Common Areas of the Building or Project serving or providing access to the Premises shall be damaged by fire or other casualty, Landlord shall promptly and diligently, subject to reasonable delays for insurance adjustment or other matters beyond Landlord's reasonable control, and subject to all other terms of this Article 12, restore the structural components of the Premises and such Common Areas. Such restoration shall be to substantially the same condition of the structural components of the Premises and Common Areas prior to the casualty, except for modifications required by zoning and building codes and other laws or by the holder of a mortgage on the Project, or the lessor of a ground or underlying lease with respect to the Project, or any other modifications to the Common Areas deemed desirable by Landlord, provided access to the Premises and any common restrooms serving the Premises shall not be materially impaired. Notwithstanding any other provision of this Lease, upon the occurrence of any damage to the Premises, Tenant shall assign to Landlord (or to any party designated by Landlord) all insurance proceeds payable to Tenant under Tenants insurance required under Section 10.2 above pertaining to all tenant improvements

and fixtures in the Premises (but not Tenants personal property), and Landlord shall repair any injury or damage to the tenant improvements installed in the Premises and shall return such tenant improvements to their original condition; provided that if the cost of such repair by Landlord exceeds the amount of insurance proceeds received by Landlord from Tenants insurance carrier, as assigned by Tenant, the cost of such repairs shall be paid by Tenant to Landlord prior to Landlords repair of the damage. In connection with such repairs and replacements, Tenant shall, prior to the commencement of construction, submit to Landlord, for Landlord's review and approval, all plans, specifications and working drawings relating thereto, and Landlord and Tenant shall by mutual agreement select the contractors to perform such improvement work. Landlord shall not be liable for any inconvenience or annoyance to Tenant or its visitors, or injury to Tenant's business resulting in any way from such damage or the repair thereof; provided however, that if such fire or other casualty shall have damaged the Premises or Common Areas necessary to Tenant's occupancy, and if such damage is not the result of the negligence or willful misconduct of Tenant or Tenant's employees, contractors, licensees, or invitees, Landlord shall allow Tenant a proportionate abatement of Base Rent and Tenant's proportionate share of Operating Expenses during the time and to the extent the Premises are unfit for occupancy for the purposes permitted under this Lease, and not occupied and used by Tenant as a result thereof.

12.2 Landlord's Option to Repair. Notwithstanding the terms of Section 12.1 of this Lease, Landlord may elect not to rebuild and/or restore the Premises, the Building and/or the Project and instead terminate this Lease by notifying Tenant in writing of such termination within sixty (60) days after Landlord becomes aware of such damage, such notice to include a termination date giving Tenant up to ninety (90) days to vacate the Premises, but Landlord may so elect only if the Building and/or Project shall be damaged by fire or other casualty or cause, whether or not the Premises are affected, and one or more of the following conditions is present: (i) repairs cannot reasonably be completed within one hundred eighty (180) days of the date of damage (when such repairs are made without the payment of overtime or other premiums); (ii) the holder of any mortgage on the Project or ground or underlying lessor with respect to the Project shall require that the insurance proceeds or any portion thereof be used to retire the mortgage debt, or shall terminate the ground or underlying lease, as the case may be; or (iii) the damage is not fully covered by Landlord's insurance policies. In addition, in the event that the Premises, the Building or the Project is destroyed or damaged to any substantial extent during the last twenty-four (24) months of the Lease Term, then notwithstanding anything contained in this Article 12, Landlord shall have the option to terminate this Lease by giving written notice to Tenant of the exercise of such option within thirty (30) days after Landlord becomes aware of such damage or destruction, in which event this Lease shall cease and terminate as of the date of such notice. Upon any such termination of the Lease pursuant to this Section 12.2, Tenant shall pay the Base Rent and additional rent, properly apportioned up to such date of termination, and both parties hereto shall thereafter be freed and discharged of all further obligations hereunder, except as provided for in provisions of this Lease which by their terms survive the expiration or earlier termination of the Lease Term. In the event that this Lease is not terminated as provided above, and Landlord proceeds to restore the Premises, but does not complete the restoration within two hundred seventy (270) days of the date of damage, Tenant will have the right to terminate this Lease at any time after the two hundred seventieth (270th) day.

13. TENANT'S TAXES.

13.1 Personal Property. Tenant shall pay, prior to delinquency, all taxes, assessments, license fees and public charges levied, assessed or imposed upon or measured by the value of Tenant's business operation, and/or the cost or value of any furniture, fixtures, equipment and other personal property at any time situated upon or in the Premises. Tenant shall cause all such personal property to be assessed and billed separately from the real property of Landlord.

13.2 Other Taxes for Which Tenant Is Directly Responsible. In addition, except for the exclusions from Tax Expenses set forth in Section 6 of the Lease, Tenant shall reimburse Landlord upon demand for any and all taxes or assessments required to be paid by Landlord, excluding state, local and

federal personal or corporate income taxes measured by the net income of Landlord from all sources and estate and inheritance taxes, whether or not now customary or within the contemplation of the parties hereto, when:

(a) Said taxes are measured by or reasonably attributable to the cost or value of any leasehold improvements made in or to the Premises by or for Tenant, to the extent the cost or value of such leasehold improvements exceeds the cost or value of a building standard build-out as determined by Landlord regardless of whether title to such improvements shall be vested in Tenant or Landlord;

(b) Said taxes are assessed upon or with respect to the possession, leasing, operation, management, maintenance, alteration, repair, use or occupancy by Tenant of the Premises or any portion of the Project (including the Building's and/or Project's parking facility);

(c) Said taxes are assessed upon this transaction or any document to which Tenant is a party creating or transferring an interest or an estate in the Premises; or

(d) Said assessments are levied or assessed upon the Project or any part thereof or upon Landlord and/or by any governmental authority or entity, and relate to the construction, operation, management, use, alteration or repair of mass transit improvements attributable to Tenant's Permitted Use of the Premises.

14. COMMON AREAS.

14.1 Definition. The term "**Common Areas**" means all areas and facilities outside the Premises provided and designated for the common use and convenience of Tenant and other tenants of the Project, their respective officers, agents, employees, customers and invitees, Common Areas include, but are not limited to, corridors, lobbies, pedestrian sidewalks, stairways, landscaped areas, restrooms, and shipping and receiving areas of the Project.

14.2 Maintenance. Landlord agrees to maintain, operate and repair (or cause others to do so) all Common Areas and to keep same in clean and sightly condition during the Lease Term. The manner in which such areas and facilities shall be maintained and the expenditures therefor shall be at the discretion of Landlord and as to all such Common Areas Landlord shall have the right to adopt and promulgate reasonable rules and regulations from time to time generally applicable to tenants and occupants of the Project and their employees and business invitees, including the right to restrict employees of tenants and occupants from parking in areas, if any, designated exclusively for customers of the Project. For the purpose of maintenance and repair, or to avoid an involuntary taking, Landlord may temporarily close portions of the Common Areas, and such actions shall not be deemed an eviction of Tenant or a disturbance of Tenant's use of the Premises.

14.3 Tenant's Rights and Obligations. Landlord grants to Tenant, during the Lease Term, the license to use, for the benefit of Tenant and its officers, agents, employees, customers and invitees, in common with others entitled to such use, the Common Areas as they from time to time exist, subject to the rights and privileges of Landlord herein reserved. Neither Landlord nor Tenant shall at any time interfere with the rights of Landlord, Tenant, or others entitled to use any part of the Common Areas, and neither Landlord nor Tenant shall store, permanently or temporarily, any materials, supplies or equipment in the Common Areas.

14.4 Changes to Common Area. Landlord shall have the right at any time during the Lease Term to change, alter, remodel, reduce, expand or improve the Common Areas, drains, pipes, or any other part of the or Project, except the Premises, without compensation to Tenant. For such purposes, Landlord or its agents or employees may, if necessary, enter, pass through and work upon the Premises provided Landlord shall carry out such work diligently and reasonably. If there is a change in the area of the Common Areas as a result of any of the foregoing, Landlord shall cause adjustments in the computation of Operating Expenses as shall be necessary to provide for any such changes.

15. ASSIGNMENT AND SUBLETTING.

15.1 Transfers. Except as expressly set forth in **Rider 1**, Tenant shall not, without the prior written consent of Landlord, voluntarily or by operation of law, assign, sublet, encumber or transfer all or any part of Tenant's interest in this Lease or in the Premises or permit any part of the Premises to be used or occupied by any person other than Tenant, its employees, customers and others having lawful business with Tenant (all of the foregoing are hereinafter sometimes referred to collectively as "**Transfers**" and any person or entity to whom any Transfer is made or sought to be made is hereinafter sometimes referred to as a "**Transferee**"). If Tenant shall desire Landlord's consent to any Transfer, Tenant shall notify Landlord in writing, which notice (the "**Transfer Notice**") shall include: (i) the proposed effective date of the Transfer, which shall not be less than forty-five (45) days nor more than one hundred eighty (180) days after the date of delivery of the Transfer Notice; (ii) a description of the portion of the Premises to be transferred (the "**Subject Space**"); (iii) all of the terms of the proposed Transfer and the consideration thereof, including a calculation of the Profit Rental, as that term is defined in Section 15.4 below, in connection with such Transfer, the name and address of the proposed Transferee, and a copy of all existing operative documents to be executed to evidence such Transfer or the agreements incidental or related to such Transfer; and (iv) current financial statements pertaining to the proposed Transferee certified by an officer, partner or owner thereof, and any other information required by Landlord, which will enable Landlord to determine the financial responsibility, character, and reputation of the proposed Transferee, nature of such Transferee's business and proposed use of the Subject Space, and such other information as Landlord may reasonably require. Each time Tenant requests Landlords consent to a proposed Transfer, whether or not Landlord shall grant consent, within thirty (30) days after written request by Landlord, as additional rent hereunder, Tenant shall pay to Landlord Two Thousand Five Hundred Dollars ($2,500.00) for Landlord's review and processing fees, and, in addition, Tenant shall reimburse Landlord for any reasonable legal fees incurred by Landlord in connection with Tenant's proposed Transfer. Any attempted Transfer made without Landlord's prior consent shall be wholly void and shall constitute a breach of this Lease.

15.2 Landlord's Consent. Subject to Landlords rights in Section 15.3 below, Landlord shall not unreasonably withhold, condition or delay its consent to any proposed Transfer of the Subject Space to the Transferee on the terms specified in the Transfer Notice. Subject to the provisions of Section 27 of Rider 1, the parties hereby agree that it shall be reasonable under this Lease and under any applicable law for Landlord to withhold consent to any proposed Transfer where one or more of the following apply, without limitation as to other reasonable grounds for withholding consent:

(a) The Transferee is of a character or reputation or engaged in business which is not consistent with the quality of the Building and/or the Project;

(b) The Transferee intends to use the Subject Space for purposes which are not permitted under this Lease;

(c) The Transferee is either a governmental agency or instrumentality thereof;

(d) The Transfer will result in more than a reasonable and safe number of occupants within the Subject Space;

(e) The Transferee is not a party of reasonable financial worth and/or financial stability in light of the responsibilities involved under the Lease on the date consent is requested;

(f) The proposed Transfer would cause Landlord to be in violation of another lease or agreement to which Landlord is a party, or would give an occupant of the Project a right to cancel its lease;

(g) The terms of the proposed Transfer will allow the Transferee to exercise a right of renewal, right of expansion, right of first offer, or other similar right held by Tenant (or will allow the Transferee to occupy space leased by Tenant pursuant to any such right); or

(h) Either the proposed Transferee, or any person or entity which directly or indirectly, controls, is controlled by, or is under common control with, the proposed Transferee, (A) occupies space in the Project at the time of the request for consent, (B) is negotiating with Landlord to lease apace in the Project at such time, or (C) has negotiated with Landlord during the twelve (12)-month period immediately preceding the Transfer Notice.

If Landlord consents to any Transfer pursuant to the terms of this Section 15.2 (and does not exercise any of its rights under Section 15.3 below), Tenant may within six (6) months after Landlord's consent, but not later than the expiration of said six-month period, enter into such Transfer of the Premises or portion thereof, upon substantially the same terms and conditions as are set forth in the Transfer Notice furnished by Tenant to Landlord pursuant to Section 15.1 of this Lease, provided that if there are any changes in the terms and conditions from those specified in the Transfer Notice (A) such that Landlord would initially have been entitled to refuse its consent to such Transfer under this Section 15.2, or (B) which would cause the proposed Transfer to be more favorable to the Transferee than the terms set forth in Tenant's original Transfer Notice, Tenant shall again submit the Transfer to Landlord for its approval and other action under this Article 15 (including Landlord's right under Section 15.3 below).

15.3 Landlord's Right to Sublet or Assume. Except for a Permitted Transfer, Landlord shall have the option to exclude from the Premises covered by this Lease ("**recapture**"), the space proposed to be sublet or subject to the assignment, effective as of the proposed commencement date of such sublease or assignment. If Landlord elects to recapture, Tenant shall surrender possession of the space proposed to be subleased or subject to the assignment to Landlord on the effective date of recapture of such space from the Premises. Effective as of the date of recapture of any portion of the Premises pursuant to this section, the Base Rent and Tenant's Share of Operating Expenses shall be adjusted accordingly.

15.4 Limitation on Profit Rental. In the event Tenant enters into a Transfer (other than a Permitted Transfer), Tenant shall pay to Landlord fifty percent (50%) of the Profit Rental, if any, received from the Transferee, as it is received. "**Profit Rental**" shall be calculated by deducting from the amount received by Tenant from the Transferee on account of the Transfer, the sum of (i) the amounts payable to Landlord by Tenant pursuant to this Lease for the Subject Space which has been Transferred, (ii) the reasonable planning and improvement allowances provided by Tenant to the Transferee in connection with such Transfer, and (iii) the reasonable attorneys' fees and brokerage commissions paid by Tenant in connection with such Transfer.

15.5 Continuing Obligations. No Transfer, even with Landlord's consent, shall relieve Tenant of its obligations to pay the Rent and to perform all of the other obligations to be performed by Tenant under this Lease, unless the subtenant or assignee is Landlord pursuant to Section 15.3. The acceptance of Rent by Landlord from any other person shall not be deemed to be a waiver by Landlord of any provision of this Lease or to be a consent to any subsequent Transfer, and Tenant shall offer to sublet or assign to Landlord pursuant to Section 15.3 prior to requesting consent for any subsequent Transfer.

15.6 Corporations and Partnerships. Except as expressly set forth in **Rider 1**, a sale by Tenant of all or substantially all of its assets shall constitute a Transfer for purposes of this Lease. Except as expressly set forth in **Rider 1** (if at all), if Tenant is a corporation or limited liability company, then any assignment or transfer of this Lease by merger, consolidation or liquidation, or any change in ownership of or power to vote of a majority of its outstanding voting stock or membership interests, other than as a consequence of a public offering or listing of some or all of Tenant's equity shares on an exchange located in the United States, shall, in Landlord's reasonable discretion, constitute a Transfer for purposes of this Lease.

15.7 Assumption and Attornment. If Tenant shall assign this Lease as permitted herein, the assignee shall expressly assume all of the obligations of Tenant hereunder in a written instrument satisfactory to Landlord and furnished to Landlord not later than fifteen (15) days prior to the effective date

of the assignment. If Tenant shall sublease the Premises as permitted herein, Tenant shall, at Landlord's option, within fifteen (15) days following any request by Landlord, obtain and furnish to Landlord the written agreement of such subtenant to the effect that the subtenant will attorn to Landlord and will pay all subrent directly to Landlord.

16. TENANT'S DEFAULT.

16.1 Definition. The occurrence of any of the following shall constitute default and breach of this Lease by Tenant:

(a) Any failure by Tenant to pay within 5 days following written notice from Landlord any Rent or any other monetary sums required to be paid thereunder.

(b) Intentionally deleted.

(c) Any failure by Tenant to observe and perform any other provisions of this Lease to be observed or performed by Tenant within thirty (30) days after notice thereof has been provided to Tenant by Landlord, or if performance is not possible within said period, any failure of Tenant to commence performance within said period and to diligently prosecute such performance to completion.

(d) Intentionally creating or permitting to be created a nuisance which shall not be abated within five (5) days after written notice thereof from Landlord.

(e) If Tenant admits in writing that it cannot meet its obligations as they become due; or is declared insolvent according to any law; or assignment of Tenant's property is made for the benefit of creditors; or a receiver or trustee is appointed for Tenant or its property; or the interest of Tenant is levied on under execution or other legal process; or any petition is filed by or against Tenant to declare Tenant bankrupt or to delay, reduce or modify Tenant's debts or obligations; or any petition is filed or other action taken to reorganize or modify Tenant's capital structure, if Tenant is a corporation or other entity; any such levy, execution, legal process or petition filed against Tenant shall not constitute a breach of this Lease provided Tenant shall vigorously contest the same by appropriate proceedings and shall remove or vacate the same within sixty (60) days from the date of its creation, service or filing.

(f) The taking of this Lease or Tenant's interest therein under writ of execution.

16.2 Interest on Unpaid Sums. If any Rent, or any other monetary sum required to be paid hereunder by Tenant to Landlord, is not paid when due, such sum shall accrue interest from the date due until received at the per annum rate of five percent (5%) (the "**Interest Rate**").

16.3 Remedies. In the event of any such default or breach by Tenant, Landlord may at any time thereafter, without limiting Landlord in the exercise of any other right or remedy which Landlord may have:

(a) Without terminating this Lease, reenter and attempt to relet or take possession pursuant to legal proceedings and remove all persons and property from the Premises. In such event, Landlord may, from time to time, make such alterations and repairs as may be necessary in order to relet the Premises or any part thereof for such term or terms (which may be for a term extending beyond the Lease Term) and at such rental or rentals and upon such other terms and conditions as Landlord, in its sole discretion, may deem advisable. Upon each such reletting, all rentals received by Landlord from such reletting shall be applied: first, to the payment of any costs and expenses of such reletting, including brokerage fees and attorneys' fees; second, to the payment of any indebtedness other than Rent due thereunder from Tenant to Landlord; third, to the payment of Rent due and unpaid thereunder; and the residue, if any, shall be held by Landlord and applied to payment of future rent as the same may become due and payable thereunder. If such rentals received from such reletting during any month are less than that to be paid during that month by Tenant thereunder, Tenant shall pay any such deficiency to Landlord. Such deficiency shall be calculated and paid monthly. In no event shall Tenant be entitled to any excess of any rental obtained by reletting over and above the Rent herein reserved. Actions to collect amounts due by Tenant to Landlord as provided in this Section 16.3(a) may be brought from time to time, on one or more

occasions, without the necessity of Landlord's waiting until expiration of the Lease Term. No such reentry or taking possession of the Premises by Landlord shall be construed as an election on its part to terminate this Lease unless a notice of such intention is given to Tenant or unless the termination thereof is decreed by a court of competent jurisdiction. Notwithstanding any such reletting without termination, Landlord may at any time thereafter elect in writing to terminate this Lease for such previous breach. Any reentry by Landlord shall be pursuant to judgment obtained in forcible detainer proceedings or other legal proceedings as Landlord may elect.

(b) SUBJECT TO THE PROVISIONS BELOW, WITHOUT TERMINATING THIS LEASE, DEMAND THAT ALL RENT PAYABLE BY TENANT UNDER THIS LEASE FOR THE REMAINDER OF THE LEASE TERM BE ACCELERATED AND IMMEDIATELY DUE AND OWING WITHOUT DISCOUNT. TENANT FULLY UNDERSTANDS THIS PROVISION AND AGREES TO RENDER PAYMENT OF THE AMOUNTS DESCRIBED IN THIS SECTION 16.3(b) IN FULL IF SO REQUESTED BY LANDLORD. LANDLORD AGREES TO USE COMMERCIALLY REASONABLE EFFORTS TO MITIGATE DAMAGES.

(c) Terminate this Lease and Tenant's right to possession, in which case Tenant shall immediately surrender possession. In addition to any other remedies which Landlord may have, it shall have the right to recover from Tenant: (i) the amount equal to any unpaid rent which has been earned at the time of such termination; (ii) as liquidated damages for loss of bargain, and not as a penalty, an amount equal to the excess, if any, of the aggregate amount of Rent and other charges which are Tenant's obligation to pay under this Lease for the remainder of the stated term over the aggregate of the then reasonable rental value of the Premises under a lease substantially similar to this Lease for the remainder of the stated term (as judicially determined), all of which amounts shall be discounted to present value at the passbook savings rate of U.S. Bank, a national banking association, or its successor, then in effect and shall be immediately due and payable; and (iii) all other damages and expenses which Landlord has sustained because of Tenant's default, including reasonable attorneys' fees, the cost of recovering the Premises, brokerage commissions and advertising expenses incurred, and expenses of remodeling the Premises or any portion thereof for a new tenant, whether for the same or a different use and any special concessions made to obtain a new tenant.

(d) If Tenant should fail to make any payment or cure any default hereunder within the time herein permitted, Landlord, without being under any obligation to do so and without thereby waiving such default, may make such payment and/or remedy such other default for the account of Tenant (and enter the Premises for such purpose), and thereupon Tenant shall be obligated, and hereby agrees, to pay Landlord, upon demand, all Costs, expenses and disbursements (including reasonable attorneys' fees) incurred by Landlord in taking such remedial action as additional rent.

(e) No receipt of money by Landlord from Tenant after the termination of this Lease as herein provided shall reinstate, continue or extend the Lease Term or operate as a waiver of the right of Landlord to enforce the payment of Rent or other money when due by Tenant, or operate as a waiver of the right of Landlord to recover possession of the Premises by proper remedy.

(f) In addition to any other remedies Landlord may have at law or equity and/or under this Lease, Tenant shall pay upon demand all Landlord's costs, charges and expenses, including fees of counsel, agents and others retained by Landlord, whether or not suit is filed, incurred in connection with the recovery under this Lease or for any other relief against Tenant.

(g) All covenants and agreements to be kept or performed by Tenant under this Lease shall be performed by Tenant at Tenant's sole cost and expense and without any reduction of Rent. If Tenant shall fail to perform any of its obligations under this Lease, within a reasonable time after such performance is required by the terms of this Lease, Landlord may, but shall not be obligated to, after reasonable prior notice to Tenant, make any such payment or perform any such act on Tenants part without waiving its right based upon any default of Tenant and without releasing Tenant from any obligations hereunder.

(h) Except as may be specifically provided to the contrary in this Lease, Tenant shall pay to Landlord, within fifteen (15) days after delivery by Landlord to Tenant of statements therefor: (i) sums equal to expenditures reasonably made and obligations incurred by Landlord in connection with the remedying by Landlord of Tenant's defaults pursuant to the provisions of this Article 16; (ii) sums equal to all losses, costs, liabilities, damages and expenses referred to in Article 10 of this Lease; and (iii) sums equal to all expenditures made and obligations incurred by Landlord in collecting or attempting to collect the Rent or in enforcing or attempting to enforce any rights of Landlord under this Lease or pursuant to law, including, without limitation, all legal fees and other amounts so expended. Tenant's obligations under this Section 16.3(h) shall survive the expiration or sooner termination of the Lease Term. In no event will Tenant be responsible for any consequential damages incurred by Landlord as a result of any default, including, but not limited to, lost profits or interruption of business as a result of any alleged default by Tenant hereunder; provided, however, that this waiver of consequential damages shall not apply to Tenant's obligations or liability under Sections 22.11 (Holding Over) or 5.5 (Compliance with Environmental Laws).

16.4 Late Charges. Tenant hereby acknowledges late payment by Tenant to Landlord of Rent and other sums due thereunder will cause Landlord to incur costs not contemplated by this Lease, the exact amount of which will be extremely difficult to ascertain. Such costs include, but are not limited to, processing and accounting charges and late charges which may be imposed on Landlord by the terms of any mortgage or trust deed covering the Premises. Accordingly, if any Rent or any other sum due from Tenant shall not be received by Landlord or Landlord's designee when due, Tenant shall pay to Landlord a monthly late charge equal to five percent (5%) of the overdue amount for such month; provided, however that such late charge shall not apply to the first (1st) late payment in each calendar year. The parties hereby agree such late charge represents a fair and reasonable estimate of the cost Landlord will incur by reason of late payment by Tenant. Acceptance of such late charge by Landlord shall in no event constitute a waiver of Tenant's default with respect to such overdue amount nor prevent Landlord from exercising any of the other rights and remedies granted hereunder.

17. LANDLORD'S DEFAULT.

17.1 Notice to Landlord. Landlord shall in no event be charged with default in the performance of any of its obligations hereunder unless and until Landlord shall have failed to perform such obligations within thirty (30) days (or within such additional time as is reasonably required to correct any such default) after notice to Landlord by Tenant properly specifying wherein Landlord has failed to perform any such obligations.

17.2 Landlord's Exculpation. It is expressly understood and agreed that notwithstanding anything in this Lease to the contrary, and notwithstanding any applicable law to the contrary, the liability of Landlord (including any successor Landlord) and any recourse by Tenant against Landlord shall be limited solely and exclusively to an amount which is equal to the interest of Landlord in the Building, and neither Landlord, nor any of the Landlord's partners nor their respective officers, agents directors or employees shall have any personal liability therefor, and Tenant hereby expressly waives and releases such personal liability on behalf of itself and all persons claiming by, through or under Tenant. In no event will Landlord or any Lienholder be responsible for any consequential damages incurred by Tenant as a result of any default, including, but not limited to, lost profits or interruption of business as a result of any alleged default by Landlord hereunder.

18. CONDEMNATION.

18.1 Effect of Taking. If the Premises or any portion thereof are taken under the power of eminent domain, or sold by Landlord under the threat of the exercise of said power (all of which is herein referred to as "**condemnation**"), this Lease shall terminate as to the part so taken as of the date the condemning authority takes title or possession, whichever occurs first. If more than twenty-five percent (25%) of the floor area of the Premises is taken by condemnation, Tenant may, at its option, terminate this Lease as of the date the condemning authority takes possession, by providing Landlord notice in writing of

its intent to terminate not later than twenty (20) days after Landlord shall have notified Tenant of the taking. Failure of Tenant to so notify Landlord shall constitute Tenant's agreement to continue the Lease in full force and effect as to the balance of the Premises.

18.2 Rent Reduction. If the Lease is not fully terminated after any taking, then it shall remain in full force and effect as to the portion of the Premises remaining; provided, however, that the Rent payable thereunder shall be reduced on an equitable basis, taking into account the relative value of the portion taken as compared to the portion remaining. Landlord shall, at its expense, restore the remaining portion to a complete unit of like quality and character as existed prior to the condemnation.

18.3 Awards. All awards for the taking of any part of the Premises under the power of eminent domain shall be the property of Landlord, whether made as compensation for diminution of value of the leasehold or for the taking of the fee; provided, however, that Tenant shall have the right to file any separate claim available to Tenant for any taking of Tenant's personal property and fixtures belonging to Tenant and removable by Tenant upon expiration of the Lease Term pursuant to the terms of this Lease, and for moving expenses, so long as such claim is payable separately to Tenant.

19. SUBORDINATION; ESTOPPEL CERTIFICATES.

19.1 Subordination. Tenant covenants and agrees that this Lease is subject and subordinate to any mortgage, deed of trust, ground lease and/or security agreement which may now or hereafter encumber the Building, the Project, the Real Property, the Premises or any interest of Landlord therein and/or the contents of the Building and to any advances made on the security thereof and to any and all increases, renewals, modifications, consolidations, replacements and extensions thereof. This Article 19 shall be self operative and no further instrument of subordination need be required by any owner or holder of any such ground lease, mortgage, deed of trust or security agreement. In confirmation of such subordination, at Landlord's request, Tenant shall, within ten (10) business days after Landlord's written request, execute and deliver any appropriate certificate or instrument that Landlord may request and in the event Tenant fails to deliver any such documentation within said ten (10) business day period, Tenant hereby constitutes and appoints Landlord as Tenant's attorney-in-fact to execute any such certificate or instrument for and on behalf of Tenant. In the event of the enforcement by any ground lessor, mortgagee, or holder of any security agreement (each, a "**Successor Landlord**") of the remedies provided for by law or by such ground lease, mortgage, or security agreement, Tenant will automatically become the tenant of such Successor Landlord without any change in the terms or other provisions of the Lease; provided, however, that such Successor Landlord or successor in interest shall not be bound by (a) any payment of Rent for more than one (1) month in advance except prepayments in the nature of security for the performance by Tenant of its obligations under this Lease, unless the Successor Landlord actually receives such advanced payment of Rent; (b) any material amendment or modification of a term of this Lease, or any waiver of such term, made without the written consent of such Successor Landlord, (c) except for the continuing obligation of a former Landlord for repairs and/or basic services, any offset right that Tenant may have against any former Landlord relating to any event or occurrence before the date of attornment, including any claim for damages of any kind whatsoever as the result of any breach by a former Landlord that occurred before the date of attornment; (d) any obligation (i) to pay Tenant any sum(s) that any former Landlord owed to Tenant unless such sums, if any, shall have actually been delivered to Successor Landlord by way of an assumption of escrow accounts or otherwise; (ii) with respect to any security deposited with a former Landlord, unless such security was actually delivered to such Successor Landlord; or (iii) arising from representations and warranties related to a former Landlord; or (e) any consensual or negotiated surrender, cancellation, or termination of this Lease, in whole or in part, agreed upon between former Landlord and Tenant, unless effected unilaterally by Tenant pursuant to the express terms of this Lease or consented to in writing by Successor Landlord. Upon request by such Successor Landlord, whether before or after the enforcement of its remedies, Tenant shall execute and deliver an instrument or instruments confirming and evidencing the attornment herein set forth, and Tenant hereby irrevocably appoints Landlord as Tenant's agent and attorney-in-fact for the purpose of executing, acknowledging and delivering any such instruments and certificates. This Lease is further subject to and subordinate to all matters of record.

19.2 **Estoppel Certificate**. Tenant agrees periodically to furnish within ten (10) days after so requested by Landlord, any ground lessor or the holder of any mortgage or security agreement covering the Building, the Project, the Real Property, the Premises or any interest of Landlord therein, a certificate signed by Tenant certifying such matters with respect to this Lease and Tenant's occupancy of the Premises as may be reasonably required by such Landlord, ground lessor or holder. Any such certificate may be relied upon by any ground lessor, prospective purchaser, secured party, or mortgagee of the Building, the Project, the Real Property, the Premises or any part thereof or interest of Landlord therein. In addition to any other remedy available to Landlord, in the event that Tenant fails to deliver such statement within said ten (10) business days, Tenant shall be deemed to have irrevocably appointed Landlord as Tenant's attorney-in-fact to execute and deliver such statement.

20. **QUIET ENJOYMENT**. Landlord agrees Tenant, upon paying Rent and other monetary sums due under this Lease and performing the covenants and conditions of this Lease, may quietly have, hold and enjoy the Premises during the Lease Term, subject, however, to the provisions herein referring to subordination and condemnation.

21. **FORCE MAJEURE**. Whenever Landlord or Tenant shall be delayed or restricted in the performance of any obligation of Landlord or Tenant herein (excluding any obligation to pay any monetary sum due to the other party under this Lease, but including any obligation with respect to the provision of any service or utility or the performance of work or repairs) by reason of Landlord's or Tenant's inability to obtain materials, services or labor required for such performance or by reason of any statute, law or regulation of a governmental entity, or by reason of any other cause beyond Landlord's or Tenant's control, Landlord or Tenant shall be entitled to extend the time for such performance by a time equal to the extent of the delay or restriction, and Tenant or Landlord shall not be entitled to compensation for any inconvenience, nuisance or discomfort occasioned thereby.

22. **GENERAL PROVISIONS**.

22.1 **Transfer of Landlord's Interest**. In the event of a sale or conveyance voluntarily or involuntarily by Landlord of Landlord's interest in the Premises, Landlord shall be relieved from and after the date of such transfer of all liability accruing thereafter on the part of Landlord; provided, any funds in the hands of Landlord at the time of transfer in which Tenant has an interest shall be delivered to the successor of Landlord and all obligations of Landlord shall be expressly assumed by the successor of Landlord. This Lease shall not be affected by any such sale and Tenant agrees to attorn to the transferee.

22.2 **Captions**. Article, section and paragraph captions are for convenience only and are not a part of this Lease and shall not be used for interpretation or construction of this Lease.

22.3 **Time of Essence**. Time is of the essence hereof.

22.4 **Severability**. The invalidity of any provision of this Lease, as determined by a court of competent jurisdiction, shall in no way affect the validity of any other provision hereof.

22.5 **Modifications for Mortgagee**. In the event any lending institution with whom Landlord has negotiated or shall hereafter negotiate for interim or permanent financing for the Project shall require a modification of this Lease as a condition to providing such financing, Landlord shall promptly provide written notice of the requirement to Tenant. If Tenant fails or refuses to make such modification within thirty (30) days after such notice, this Lease may be terminated by Landlord at any time prior to the Commencement Date; provided, however, Tenant shall not be required to make any modifications which materially alters its rights and responsibilities under this Lease.

22.6 **Entire Agreement**. This Lease, along with any exhibits or attachments hereto, constitutes the entire agreement between the parties relative to the Premises and there are no oral agreements or

representations between the parties with respect to the subject matter hereof. This Lease supersedes and cancels all prior agreements and understandings with respect to the subject matter hereof. This Lease may be modified only in writing, signed by the parties in interest at the time of the modification.

22.7 **Recording**. This Lease shall not be recorded and any recordation shall be a breach under this Lease.

22.8 **Waiver**. The waiver by Landlord or Tenant of the breach of any provision herein shall not be deemed a waiver of such provision. Acceptance by Landlord or Tenant of any performance by the other after the time the same shall have become due shall not constitute a waiver of the breach or default of any covenant, term or condition unless otherwise expressly agreed in writing.

22.9 **Binding Effect; Choice of Law**. Subject to any provisions hereof restricting assigning or subletting by Tenant and subject to the provisions for the transfer of Landlord's interest, this Lease shall bind the parties, their successors and assigns. This Lease shall be governed by the laws of the State of California.

22.10 **Holding Over**. If Tenant remains in possession of all or any part of the Premises after the expiration of the Lease Term, with or without the consent of Landlord, such tenancy shall be from month-to-month only, and not a renewal hereof or an extension for any further term, on the same terms and conditions as provided herein, except only as to the term of this Lease; provided, however, during such period as a tenant from month-to-month, Tenant shall pay Base Rent at 200% of the rate payable for the month immediately preceding the date of termination of this Lease and, in addition, Tenant shall reimburse Landlord for all damages (consequential as well as direct) sustained by it by reason of Tenant's occupying the Premises past the date that is thirty (30) days following the termination date.

22.11 **Entry by Landlord**. Landlord and its agents shall have the right to enter the Premises at all reasonable times for the purpose of examining or inspecting the same, to supply janitorial services and any other services to be provided by Landlord or Tenant thereunder, to show the same to prospective purchasers of the Project and make such alterations, repairs, improvements or additions to the Premises or to the Building of which they are a part as Landlord may deem necessary or desirable. Tenant shall permit Landlord to show the Premises to prospective tenants during the last six (6) months of the Lease Term or any renewal thereof. If Tenant shall not be personally present to open and permit an entry into the Premises at any time when such entry by Landlord is necessary or permitted thereunder, Landlord may enter by means of master key without liability to Tenant except for any failure to exercise due care for Tenant's property, and without affecting this Lease.

22.12 **Corporate Authority**. If Tenant is a corporation, each individual executing this Lease on behalf of said corporation represents and warrants he is duly authorized to execute and deliver this Lease on behalf of said corporation in accordance with a duly adopted resolution of the Board of Directors of said corporation or in accordance with the by-laws of said corporation, and this Lease is binding upon said corporation in accordance with its terms. Tenant hereby confirms that it is not in violation of any executive order or similar governmental regulation or law which prohibits terrorism or transactions with suspected or confirmed terrorists or terrorist entities or with persons or organizations that are associated with, or that provide any form of support to, terrorists. Tenant further hereby confirms that Tenant shall comply throughout the Lease Term with all governmental laws, rules or regulations governing transactions or business dealings with any suspected or confirmed terrorists or terrorist entities, as identified from time to time by the U.S. Treasury Department's Office of Foreign Assets Control or any other applicable governmental entity.

22.13 **Authorities for Actions and Notices**. Except as herein otherwise provided, Landlord may act in any matter provided for herein by and through its building manager, or through any other person who may from time to time be designated by Landlord in writing. All notices or demands required or permitted to be given hereunder shall be in writing, and shall be deemed duly served upon (a) two days after being

deposited in the United States Mail, with proper postage prepaid, certified or registered, return receipt requested, (b) hand delivery, (c) one day after being deposited with Federal Express, DHL Worldwide Express or another reliable overnight courier service, and addressed to Landlord at the address set forth in Section 3 of the Summary or Tenant, at the address set forth in Section 5 of the Summary, or at such other place as such party may designate from time to time.

22.14 Real Estate Broker. Tenant represents that Tenant has not dealt with any real estate brokers or agents specified in connection with this Lease, and insofar as Tenant knows, no broker has negotiated or participated in the negotiations of this Lease, or submitted or showed the Premises, or is entitled to any commission in connection herewith. Tenant agrees to indemnify and defend Landlord against and hold Landlord harmless from any and all claims, demands, losses, liabilities, lawsuits, judgments, and costs and expenses (including without limitation reasonable attorneys' fees) with respect to any leasing commission or equivalent compensation alleged to be owing on account of Tenant's dealings with any real estate broker or agent.

22.15 Patriot Act Compliance.

(a) Pursuant to United States Presidential Executive Order 13224 (the "**Executive Order**"), U.S. companies are required to ensure that they do not transact business with persons or entities determined to have committed, or to pose a risk of committing or supporting, terrorists acts and those identified on the list of Specifically Designated Nationals and Blocked Persons (the "**List**"), generated by the Office of Foreign Assets Control of the U.S. Department of Treasury. The names or aliases of these persons or entities (each, a "**Blocked Person**") are updated from time to time. Tenant hereby acknowledges and agrees that Tenant's inclusion on the List at any time during the Lease Term shall result in the delay of services contemplated by this Lease. If it is determined that Tenant, or any Tenant Principal, is a Blocked Person, this Lease shall be terminated.

(b) Tenant, to its actual knowledge without any duty to investigate or inquire, represents and warrants to Landlord that (a) neither Tenant nor any person or entity that directly owns ten percent (10%) or greater equity interest in Tenant or any of Tenant's officers, directors or managing members (each, a "**Tenant Principal**") is a person or entity (a "**Prohibited Person**") with whom U.S. persons or entities are restricted from doing business under regulations of the office of Foreign Assets Control ("**OFAC**") of the Department of the U.S. Treasury (including those named on the List) or under the Executive Order, or other governmental action and (ii) that throughout the Lease Term, Tenant shall comply with the Executive Order.

(c) The provisions of this Section 22.15 shall survive termination of this Lease.

22.16 Jury Trial; Attorneys' Fees. IF EITHER PARTY COMMENCES LITIGATION AGAINST THE OTHER FOR THE SPECIFIC PERFORMANCE OF THIS LEASE, FOR DAMAGES FOR THE BREACH HEREOF OR OTHERWISE FOR ENFORCEMENT OF ANY REMEDY HEREUNDER, THE PARTIES HERETO AGREE TO AND HEREBY DO WAIVE ANY RIGHT TO A TRIAL BY JURY. In the event of any such commencement of litigation, the prevailing party shall be entitled to recover from the other party such costs and reasonable attorneys' fees as may have been incurred, including any and all Costs incurred in enforcing, perfecting and executing such judgment.

22.17 Counterparts. This Lease may be executed in two or more duplicate originals. Each duplicate original shall be deemed to be an original hereof.

22.18 Facsimile/.pdf signatures. This Lease may be executed by facsimile and/or .pdf signatures which shall be binding as originals on the parties hereto.

22.19 Submission; No Option. Submission of this Lease for examination or signature by Tenant does not constitute a commitment or option for Lease, and it is not effective as a Lease or otherwise until execution and delivery by both Landlord and Tenant.

IN WITNESS WHEREOF, Landlord and Tenant have caused this Lease to be executed as of the Effective Date.

LANDLORD:
SIMMCO LLC,
a California limited liability company

By: /s/ Howard Simmons
Name: Howard Simmons
Title: Owner

TENANT:
ALPHA TEKNOVA INC.,
a Delaware corporation

By: /s/ Stephen Gunstream
Name: Stephen Gunstream
Title: CEO

EXHIBIT "A"

FLOOR PLAN OF PREMISES

RIDER 1

ADDITIONAL PROVISIONS

THIS RIDER 1 TO LEASE (this "**Rider 1**") is attached to and made a part of that certain Lease Agreement dated as of December 29, 2020 (the "**Lease**"), by and between SIMMCO LLC, a California limited liability company ("**Landlord**") and ALPHA TEKNOVA INC., a Delaware corporation ("**Tenant**"), for the Premises described in the Lease.

23. RIDER 1. Capitalized terms used in this Rider 1 shall have the meanings set forth in the Lease, except as otherwise specified herein and except for terms capitalized in the ordinary course of punctuation. This Rider 1 forms a part of the Lease. Should any inconsistency arise between this Rider 1 and any other provision of the Lease as to the specific matters which are the subject of this Rider 1, the terms and conditions of this Rider 1 shall control.

24. LANDLORD'S WORK.

On or before June 30, 2021, Landlord shall, at its sole cost and expense make the following repairs and alterations:

1. Replace the entirety of the roof of the Building.

25. OPTION TO EXPAND. Tenant shall have the right and option (the "**Expansion Option**") to lease all or any portion of the space in the Building depicted on Exhibit A to this Lease and identified there as "Unit A" and "Unit C", which is comprised of approximately 20,912.98 rentable square feet and is on the Effective Date occupied by Landlord or an affiliate of Landlord and the County of San Benito, respectively (the "**Expansion Space**"). Tenant may exercise the Expansion Option at any time during the Term after Landlord sells the Building or Landlord or another tenant vacates the Expansion Space by delivering written notice thereof to Landlord or to Landlord's transferee, which notice shall include the date Tenant elects to commence the lease of the Expansion Space. Tenant's lease of the Expansion Space shall be on all of the terms, provisions and conditions of the Lease including the annual rate of Base Rent set forth in Paragraph 8 of the Lease Summary and shall continue through the end of Term.

26. PERMITTED TRANSFER.

26.1 Permitted Transfer. Notwithstanding anything in Article 15 of the Lease to the contrary, Tenant may assign this Lease or sublease the Premises, without Landlord's consent, to (x) any entity which controls, is controlled by or is under common control with Tenant, (y) any entity resulting from the merger of or consolidation with Tenant or (z) to any entity that acquires substantially all of Tenant's assets as a going concern (each, a "**Permitted Transfer**"). Pursuant to Section 15 of this Lease, no Permitted Transfer shall relieve Tenant of its obligations to pay the Rent and to perform all of the other obligations to be performed by Tenant under this Lease, unless the subtenant or assignee is Landlord pursuant to Section 15.3 of this Lease. As used above the terms "control", "controlled by" or similar terms shall mean the ownership of more than fifty percent (50%) of the outstanding voting stock or voting equity interests together with the sole power to vote such equity interests. No change in management or voting control of Tenant shall require Landlord's consent. As soon as practicable after giving effect to such assignment, Tenant shall give notice to Landlord which notice shall include the full name and address of the assignee or subtenant, and a copy of all agreements executed between Tenant and the assignee or subtenant with respect to the Premises or part thereof, as may be the case. Within ten (10) days after Landlord's written request, Tenant shall provide such reasonable documents or information which Landlord reasonably requests for the purpose of substantiating whether or not the Permitted Transfer is in accordance with the terms and conditions of this **Rider 1**. Tenant shall not have the right to perform a Permitted Transfer, if, as of the date of the effective date of the Permitted Transfer, an event of default is then continuing.

26.2 **Definitions**. In addition to the terms elsewhere defined in the Lease, the following terms shall have the following meanings with respect to the provisions of the Lease:

(a) "**Affiliate**" shall mean any Person (as defined below) which is currently owned or controlled by, owns or controls, or is under common ownership or control with Tenant.

(b) "**control**" means, with respect to a Person that is a corporation, the right to exercise, directly or indirectly, more than fifty percent (50%) of the voting rights attributable to the shares of the controlled corporation and, with respect to a Person that is not a corporation, the possession, directly or indirectly, of the power at all times to direct or cause the direction of the management and policies of the controlled Person.

26.3 "**Person**" means an individual, partnership, trust, corporation, firm or other entity.

27. **RIGHT OF FIRST REFUSAL**. Provided that (i) the Lease is in full force and effect; (ii) Tenant has not refused or otherwise failed to exercise the Expansion Option in Section 25 above; and (iii) no Event of Default shall have occurred and is continuing hereunder, if at any time during the Term of this Lease, Landlord shall receive, and intends to accept, a *bona fide* written offer from a prospective third-party ("**Prospective Tenant**") with respect to all or any portion of the Expansion Space, Landlord, before accepting any such written offer, shall first send written notice to Tenant advising Tenant of such offer (the "**ROFR Offer Notice**"). Tenant shall have the one-time right, exercisable within seven (7) Business Days after Tenant's receipt of the ROFR Offer Notice, to notify Landlord in writing of Tenant's desire to lease the entire Expansion Space ("**Tenant's ROFR Acceptance Notice**"). If Tenant timely delivers Tenant's ROFR Acceptance Notice, the Expansion Space shall be added to and included within the Premises upon all of the terms, provisions and conditions of the Lease including the annual rate of Base Rent set forth in Paragraph 8 of the Lease Summary and shall continue through the end of Term. In the event Tenant fails to timely deliver Tenant's ROFR Acceptance Notice within the aforesaid seven (7) Business Day period, then Landlord shall thereafter be free for the remainder of the Term to lease the Expansion Space (or any portion thereof) to any third party at such rent and upon such conditions as Landlord may determine in its sole and absolute discretion without regard to this Section 27 and this Section 27 shall be of no force or effect with respect to Expansion Space (or any portion thereof).

[signature page follows]

IN WITNESS WHEREOF, Landlord and Tenant have executed this **Rider 1** as of the Effective Date of the Lease.

LANDLORD:
SIMMCO LLC,
a California limited liability company

By: /s/ Howard Simmons
Name: Howard Simmons
Title: Owner

TENANT:
ALPHA TEKNOVA INC.,
a Delaware corporation

By: /s/ Stephen Gunstream
Name: Stephen Gunstream
Title: CEO

Exhibit 10.22

WAREHOUSE LEASE AGREEMENT

This Warehouse Lease Agreement ("Lease Agreement") shall be effective on January 1, 2021 (the "Effective Date"), and have the following terms and conditions.

1. LANDLORD:

Is the Mooney Family LP, referred to in this Lease Agreement as "Landlord."

2. TENANT:

Is Alpha-Teknova, Inc. (dba Teknova), referred to in this Lease Agreement as "Tenant."

3. LEASED PREMISES:

Landlord agrees to rent to Tenant a total of 32,244 sf of the property located at 205-B Apollo Way Hollister, CA 95023, referred to in this Lease Agreement as the "Leased Premises." The Leased Premises will consist of the space defined in Exhibit A to this Lease Agreement, and will consist of all five warehouse bays, and all offices and restrooms within the east half of the property.

4. TERM OF LEASE AGREEMENT:

The term of this Lease Agreement shall begin on January 1, 2021, and end on December 31, 2024 (the "Term").

5. USE OF LEASED PREMISES:

A. Tenant agrees to use the Leased Premises for various business operations related to the manufacturing and sale of biological media and reagents, including as warehouse space.

B. Landlord and Tenant acknowledge that a portion of the Leased Premises were at a time prior to the Effective Date finished office space, and that certain improvements associated with the use of that office space (interior walls, flooring, electrical, telephone, and/or computer wiring, plumbing, water heaters, lighting, heating and air conditioning equipment, etc.) (collectively "Residual Improvements") may remain within the Leased Premises as of the Effective Date. Tenant agrees expressly that any such Residual Improvements are and shall not be subject to this Lease Agreement and that Landlord shall have no obligation whatsoever to restore, repair or replace any Residual Improvements at any time during the Term of this Lease Agreement.

6. TAXES:

A. Real Property Taxes – Landlord shall pay all real property taxes assessed and levied against the Leased Premises during the Term of this Lease Agreement.

B. Personal Property Taxes – Tenant shall pay prior to any delinquency all taxes assessed and levied upon trade fixtures, furnishings, equipment and other personal property of the tenant contained within the Leased Premises.

C. Tenant shall be responsible for the payment of electric, gas, telephone, water and sewer directly related to Tenant's use of the Leased Premises.

7. AMOUNT OF RENT:

A. The amount of the Rent is **$24,370.32** , to be paid monthly.

B. The total Rent over the Term of the Lease Agreement is **$1,169,775.36**.

Tenant Initials: /s/ ID Landlord Initials: /s/ MM

8. PAYMENT OF RENT:

A. The Rent is due on or before the **1st** day of each month, by which day Landlord must receive payment of the Rent from Tenant ("Rent Due Date").

B. Tenant shall make payments of Rent payable to: **The Mooney Family LP**

C. Tenant may deliver payments of Rent to Landlord at:

The Mooney Family LP
405 W 27th Street
Vancouver, WA 98660

9. LATE FEE:

A. If Rent or any other payments due to Landlord from Tenant are not received by Landlord on or before 10 days from their due date, then Tenant must pay to Landlord a Late Fee of **$500.00**, in addition to Rent or the other payments due to Landlord.

B. If Tenant pays Rent more than 10 days after the Rent Due Date more than **2** times within any 12-month period during the Term, Tenant shall be in default of this Lease Agreement.

C. Payments received by Landlord when there are arrearages shall be credited first to any outstanding balance, and then applied to any current amounts due.

10. RETURNED PAYMENTS:

A. Tenant shall pay to Landlord a returned payment fee of **$50.00** for all returned payments. Landlord will not accept a personal check as payment for a returned payment fee.

B. If Tenant's financial institution returns Tenant's payment of Rent and causes the payment to be late, Tenant shall pay to Landlord the Late Fee set forth above.

11. SECURITY DEPOSIT & RETURN OF THE LEASED PREMISES:

A. Landlord acknowledges that Tenant(s) has paid to Landlord a Security Deposit of **$10,000.00**.

B. The Security Deposit is intended to pay the cost of damages, cleaning, excessive wear and tear, and unreturned keys after this Lease Agreement has terminated and/or for any unpaid charges or attorney's fees incurred by Landlord by reason of Tenant's default on this Lease.

C. Under no circumstances shall Tenant use the Security Deposit as payment for Rent and/or other charges due during the Term of this Lease Agreement.

D. Neither the fact nor amount of the Security Deposit shall limit Landlord's right to recover damages from Tenant arising out of Tenant's use of the Leased Premises or otherwise relating to this Lease Agreement.

E. Landlord shall return the Security Deposit to Tenant within 30 days after the end of the Term if Tenant surrenders the Leased Premises to Landlord in good, clean condition with all trash, debris, and Tenant's personal property removed and with all appliances and equipment in working order, except for reasonable wear and tear and damage caused by fire or act of God.

12. CONDITION OF PROPERTY:

A. Tenant acknowledges and agrees that neither Landlord nor his agent have made promises to Tenant regarding the condition of the Leased Premises.

13. ALTERATIONS AND ADDITIONS:

Tenant shall not, without Landlord's prior written consent, make any alterations, improvements or additions in or about the Leased Premises. Landlord will not unreasonably withhold consent.

14. HOLD HARMLESS:

Tenant shall indemnify and hold Landlord harmless from and against any and all claims arising from Tenant's use or occupancy of the Leased Premises or from the conduct of its business or from any activity, work, or things that may be permitted or incurred by Tenant in or about the Leased Premises, including all damages, costs, attorney's fees, expenses and liabilities incurred in the defense of any claim action or proceeding arising therefrom, except for those arising out of Landlord's willful or grossly negligent conduct.

15. RULES AND REGULATIONS:

A. The terms of this Lease Agreement relating to the Late Fee shall be strictly enforced and any unpaid fees will not be waived.

B. Tenant shall be liable for any fine and/or violation that is imposed on Landlord due to Tenant's negligence.

C. Tenant shall abide by all Federal, State, and Local laws applicable to Tenant's occupancy and use of the Leased Premises.

D. The Tenant shall not use the Leased Premises for any unlawful purpose, including but not limited to the sale, use, or possession of illegal drugs on or around the Leased Premises.

E. Tenant shall store of its business property, merchandise, supplies, or other material indoors at all times (no long term outdoor storage).

16. INSURANCE:

Tenant shall be solely responsible for any damage(s) to or loss of Tenant's property caused by Tenant's use of the Leased Premises. Landlord shall not liable to Tenant for any loss or damage to Tenant's property due to fire, theft, water, wind, hurricane or any cause whatsoever, nor shall Landlord be required to carry any insurance to cover same. Tenant, at Tenant's own expense, shall obtain Tenant's own insurance, if any, to cover Tenant's property located or stored on or in the Leased Premises.

17. SECURITY NOT PROMISED:

Tenant has inspected the Leased Premises and acknowledges that all door locks are in sound working order. Tenant, at Tenant's own expense, may provide a suitable means of locking the Leased Premises, giving a key or combination to any locking device to Landlord so that Landlord or Landlord's agent may enter to inspect same, to make repairs or to enforce the terms of this Lease Agreement. Tenant acknowledges and agrees that, although Landlord makes every effort to make the Leased Premises safe and secure, this in no way creates a promise of security.

18. CHANGE OF TERMS:

Landlord may change the terms and conditions of this Lease Agreement by giving 60 days written notice to Tenant; provided, however, that Landlord may not change the amount of the

Rent without Tenant's written consent. Tenant shall have the right to terminate this Lease Agreement, without any obligation to pay any Rent otherwise due before the end of the Term, if Tenant considers changes to its terms proposed by Landlord to be unrealistic or unacceptable.

19. ENDING AND EXTENDING THE LEASE AGREEMENT:

At the option of Tenant, this Lease Agreement will automatically renew for up to four four-year terms, in each case creating a new Term of the Lease Agreement. All terms and conditions of this Lease Agreement will remain in effect after its renewal as were in effect immediately prior to its renewal, except as otherwise agreed in writing by Landlord and Tenant; provided, however, that the monthly Rent shall increase at the beginning of any such four-year term of this Lease Agreement to take account of inflation as measured by changes in the Consumer Price Index. In no event shall such an increase in Rent be less than zero percent (0%) nor greater than five percent (5%). If Tenant does not wish to exercise Tenant's right automatically to renew this Lease Agreement in accordance with this section, then Tenant shall provide to Landlord written notice at least ninety (90) days prior to the end of the then-applicable Term.

20. NOTICES:

Any notice required by the terms of this Lease Agreement shall be submitted in writing to the Landlord at 405 W 27th Street, Vancouver WA 98660 or to Tenant at 2290 Bert Drive, Hollister, CA 95023.

21. LANDLORD'S REMEDIES:

A. If Tenant violates any material part of this Lease Agreement, including expressly with respect to the payment of Rent, the Tenant shall be in default. In the event Tenant fails to pay Rent due in accordance with the terms and conditions this Lease Agreement, then Landlord may deny access by Tenant to the Leased Premises until Tenant pays Rent and any other outstanding in full. Payment in full of Rent by Tenant shall constitute full and complete cure of such default.

B. Whenever Rent is more than 30 days in arrears, Landlord may remove any of Tenant's property located on or in the Leased Premises and release the premises.

C. If Tenant is in default of this Lease Agreement, then Landlord shall have a lien on any of Tenant's property located on or in the Leased Premises and shall have the right to sell same at public or private sale, or as provided by law, in order to satisfy any amounts due from Tenant to Landlord hereunder.

22. **SUBORDINATION:**

This Lease Agreement is subject and subordinate to any lease, financing, loans, other arrangements, or rights to possession applicable to the building or land of which the Leased Premises are a part and in accordance with which Landlord is or may be obligated now or in the future, including existing and future financing, and/or loans or leases on that building and land.

23. CONDEMNATION:

If any authority having power of condemnation takes the whole or any part of the Leased Premises, this Lease Agreement will terminate. In that event, Tenant shall vacate the Leased Premises and remove all of Tenant's personal property and shall be responsible only to pay Rent otherwise due to Landlord up to and ending on the date of any such condemnation.

24. BINDING OF HEIRS AND ASSIGNS:

This Lease Agreement shall be binding upon Tenant, Landlord, and their heirs, assignees and legal successors.

25. SEVERABILTY:

If any part of this Lease Agreement is not valid, enforceable, binding or legal, the remainder of this Lease Agreement will remain valid and enforceable by the Landlord and Tenant and those invalid or unenforceable provisions shall be revised to the least degree possible so that they become valid and enforceable.

26. PARGARAPH HEADINGS:

Paragraph headings in this Lease Agreement are for convenient reference only and do not create rights or obligations in either Landlord or Tenant.

27. OPTION TO PURCHASE:

Should the Landlord choose to sell the property of which the Leased Premises are a part during the Term of this Lease Agreement, then the Landlord will give all tenants of the property (including Tenant) first option to buy before offering the property for sale to the general public. The purchase price for the property shall be determined through mutual agreement.

NOTICE: This is an important LEGAL document.

- Tenant may have an attorney review this Lease Agreement prior to signing it.
- Tenant is giving up certain important rights.
- If the Landlord fails to enforce any provision of this Lease Agreement, it is not a waiver of any future default or default of the remaining provisions. Landlord's acceptance of rental payments is not a waiver of any default by the Tenant.
- Time is of the essence in this Lease Agreement.
- Tenant waives Tenant's right to have a Notice sent to Tenant before Landlord starts court action to recover possession for nonpayment of rent or any other reason.

By signing this Lease Agreement, Tenant certifies that he/she has read, understood and agrees to comply with all the terms and conditions of this Lease Agreement and that he/she has received the following:

1. All necessary Key(s) and /or Security Card(s) to the Leased Premises

Tennant's Signature: /s/ Irene Davis Date: 11/25/20
Irene Davis, COO
Alpha Teknova, Inc.

Landlord's Signature: /s/ Mark Mooney Date: Nov 19th 2020
Mark Mooney, General Partner
Mooney Family LP

Tenant Initials: /s/ ID Landlord Initials: /s/ MM

COMMERCIAL LEASE AGREEMENT

THIS LEASE is entered into on October 7th, 2020 (the "Effective Date"), by and between Ken & Jill Gimelli, LLC, a California limited liability company ("Lessor") and Alpha Teknova, Inc., a Delaware corporation ("Lessee").

ARTICLE 1
PREMISES

Section 1.01. Property to be Leased. Lessor hereby leases to Lessee on the terms and conditions set forth herein the real property located in the County of San Benito, California, described as follows, collectively referred to herein as "the Premises.":

(a) 2451 Bert Drive, Hollister: A commercial building containing approximately 19,000 square feet; and

(b) 2320 Technology Parkway: From October 7th, 2020 – June 30, 2021 a commercial building containing approximately 19,890 square feet currently. From July 1, 2021 through September 30, 2025, Lessee agrees to lease an additional 7,500 square feet in the commercial building, for a total of 27,390 square feet. In this Lease, each or both of the buildings that are a part of the Premises may be referred to in the plural or the singular ("buildings" or "building").

ARTICLE 2
TERM OF LEASE

Section 2.01. Original Term. The term of this Lease ("Term") shall be for a period of five (5) years commencing at 12:01 A.M. on October 7th, 2020, and ending at 12:01 A.M. on September 30, 2025, unless terminated sooner in accordance with this Lease; provided, however, that Lessee shall have the right, but not the obligation, to extend the Term for an additional 2 (two) years, ending at 12:01 am on September 30, 2027.

Section 2.02. Holding Over. If Lessee holds over and continues in possession of the Premises after termination of the Term, Lessee's continued occupancy of the Premises shall be deemed merely a tenancy from month-to-month at a minimum rental of one hundred fifty percent (150%) of the last monthly rent paid to Lessor by Lessee, subject to all the terms and conditions, including the provisions for additional rent, but excluding the right of first refusal, contained in this Lease.

ARTICLE 3
RENT AND TAXES

Section 3.01. Fixed Rent and Additional Rent.

(a) Other than as set forth in Section 3.01(b) of this Lease, Lessee agrees to pay to Lessor during the Term specified in Section 2.01, monthly rent ("Rent"), due on the first day of every month, which shall increase three percent (3%) annually on October 1 of each year of the Term, and any extension thereof. Lessee also agrees to pay to Lessor modified NNN ("NNN"), which shall include real property tax, building insurance and building maintenance. Rent and NNN shall be paid pursuant to the following schedule:

	2451 Bert	Bert NNN	2320 Technology	Technology NNN
Year 1: 1/1/2021 - 6/30/2021	18,050.00	1,829.36	18,895.50	1,907.68
7/01/2021 - 9/30/2021			26,020.50	2,626.93
Year 2: 10/01/2021 - 9/30/2022	18,591.50	1,829.36	26,801.12	2,626.93
Year 3: 10/01/2022 - 9/30/2023	19,148.20	1,829.36	27,603.64	2,626.93
Year 4: 10/01/2023 - 9/30/2024	19,722.00	1,829.36	28,430.82	2,626.93
Year 5: 10/01/2024 - 9/30/2025	20,311.00	1,829.36	29,279.91	2,626.93

Lessee shall pay all Rent without deduction to Lessor at the address set forth herein for mailing notices to Lessor, or at any other place or places that Lessor may from time to time designate by written notice given to Lessee.

(b) Notwithstanding Section 3.01(a) of this Lease, (i) Lessee shall make to Lessor a one-time payment in an amount equivalent to the monthly amount specified for Rent in Year 1 therein by no later than three (3) business days after the Effective Date; (ii) Lessee shall pay to

Lessor NNN commencing on December 1, 2020; and (iii) also commencing on December 1, 2020 and throughout the Term, Lessee shall cause all utilities, including but not limited to water, sewer, electricity, gas, telephone and other communications services to be placed in its name and shall pay the same as required by each provider.

(c) Lessee agrees and hereby stipulates that the Premises are in good condition as of the date of this Lease; provided, however, that Lessor shall upgrade the bathrooms and linoleum floors in the Bert Drive building identified in Section 1.01(a) of this Lease, in accordance with Lessee's reasonable requirements, and restore the HVAC system(s) in that same building to good working condition, by no later than December 1, 2020. Lessee shall, at Lessee's sole cost, keep and maintain the Premises and appurtenances and every part thereof, including, but not limited to windows, doors and skylights, sidewalks adjacent to the Premises, the interior of the Premises, HVAC system, mechanical, electrical and plumbing systems in good working order and in sanitary order, condition, and repair (excepting only exterior walls, roofs, foundations, structural elements, and the parking lot(s)). All repairs made by Lessee shall be at least equal in quality and class to the original work.

Lessor shall not be required to furnish any services or facilities or to make any repair or alteration in or to the Premises other than those stated above and in Section 4.01 of this Lease. Lessee hereby otherwise assumes the full and sole responsibility for the condition, operation, repair, replacement, maintenance, and management of the Premises.

Lessee hereby covenants to indemnify and hold harmless Lessor against all claims for injury or damage either on the Premises by Lessee or any third party. Lessee further hereby covenants to indemnify and hold harmless Lessor against all claims for injury or damage either on or off the Premises by Lessee or any third party arising out of any repairs or replacements required to be made by Lessee as provided in this paragraph.

ARTICLE 4
REPAIRS AND MAINTENANCE

Section 4.01. Repairs by Lessor. During the Term and any renewal or extension, Lessor shall, at Lessor's own cost and expense, keep the exterior sidewalls, structural supports, foundation and roofs of the buildings on the Premises, and the parking lot(s), in good repair and make all necessary repairs to same, provided, however, Lessor shall not:

(a) Be required to make any repairs to the exterior sidewalls, structural supports, roofs, foundations or the parking lot(s) of the building(s) on the Premises that are or would be (i) rendered necessary by the negligence of, or abuse of that property by, Lessee or any employees, agents, sublessees, or permittees of Lessee or (ii) repairs of or to any alterations or improvements to the same made by Lessee; or

(b) Be liable for any damages resulting from Lessor's failure to make any repairs required by this section to be made by Lessor, unless Lessee gives written notice to Lessor specifying the need for the repairs and Lessor fails to make the repairs or to commence making the repairs within 15 (fifteen) days after Lessee gives notice.

Section 4.02. Repairs by Lessee. Except as provided in Section 4.01 of this Lease, Lessee shall, at Lessee's own cost and expense, during the term of this Lease or any extension of the term of this Lease:

(a) Keep and maintain the Premises in good order and repair, including maintaining yards, grounds, paving (other than the paving of or that is a part of the parking lot(s)), building doors, and glazing in good order and repair;

(b) Regularly employ a heating and air conditioning maintenance firm to service and maintain, except for major repairs and replacements, the heating and air conditioning system on the Premises in good working order;

(c) Repair any defects in the exterior sidewalls, structural supports, roofs, foundations and the parking lot(s) of the building(s) on the Premises caused by the negligence of, or abuse of the building by, Lessee or any employees, agents, sublessees, or permittees of Lessee.

Section 4.03. Lessee Alterations. Lessor acknowledges and agrees that, during the first year of the Term, Lessee intends to invest substantially in the buildings so that they are suitable for the conduct by Lessee of Lessee's business, including by making the alternations and improvements described in Schedule 1 to this Lease (the "Initial Renovation Project"). Within thirty (30) days of the Effective Date, Lessor and Lessee shall review Schedule 1 and negotiate in good faith to finalize it. Lessor and Lessee shall each initial Schedule 1, Lessor's initials constituting approval of the Initial Renovation Project and the making by Lessee of the alterations and improvements contemplated by it. Other than as a part of the Initial Renovation Project:
(a) Lessee may make nonstructural alterations or improvements to the interior of the buildings on the Premises that are estimated not to exceed One Hundred Thousand Dollars ($100,000.00) in costs and that are deemed necessary by Lessee for Lessee's business without Lessor's approval, provided that Lessee notifies Lessor in writing at least three days before the date construction for alterations or improvements is to commence so that Lessor may post and record a notice of nonresponsibility, and further provided that all construction complies with the requirements of all appropriate government agencies. (b) Before making any nonstructural alterations or improvements to the interior of the building that are estimated to exceed One Hundred Thousand Dollars ($100,000.00) in costs, or any structural alterations or improvements to the interior of the building, or any alterations or improvements to the exterior of the building, or before constructing any new improvements on the Premises, Lessee shall obtain Lessor's prior written approval, which Lessor may withhold in its sole and absolute discretion. All improvements or alterations made by Lessee on the Premises shall comply with the requirements of all federal, state, and municipal authorities having jurisdiction.

Section 4.04. Lessee Improvements and Trade Fixtures.

(a) Any alterations, improvements, or installations made by Lessee to the Premises shall at once become a part of the realty and belong to Lessor. On expiration of the Term or earlier termination of this Lease, Lessee shall surrender the Premises and all improvements thereon to Lessor in good, sanitary, and neat order, condition, and repair, excluding ordinary wear and tear.

(b) Lessee shall have the right to remove its trade fixtures (for the avoidance of doubt, including any and all non-structural elements of the clean room that Tenant intends to install in the Technology Parkway building) from the Premises at the expiration of the Term or earlier termination of this Lease provided Lessee is not then in default and provided that Lessee shall repair any damage to the Premises caused by that removal.

Section 4.05. Liens. Lessee agrees to keep all of the Premises and every part thereof and the building and other improvements at any time located on the Premises free and clear of any and all mechanics', materialmen's, and other liens for or arising out of or in connection with work or labor done, services performed, or materials or appliances used or furnished for or in connection with any operations of Lessee, any alteration, improvement, or repairs or additions that Lessee may make or permit or cause to be made, or any work or construction by, for, or permitted by Lessee on or about the premises, or any obligations of any kind incurred by Lessee. Lessee further agrees to pay promptly and fully and discharge any and all claims on which any such lien may or could be based, and to save and hold Lessor and all of the Premises and the building and any other improvements on the Premises free and harmless from any and all such liens and claims of liens and suits or other proceedings pertaining thereto.

Section 4.06. Lessor's Right of Inspection. Lessor or Lessor's duly authorized agents may enter the Premises, in accordance with Lessee security protocols, during the Term, upon reasonable notice to Lessee, which is deemed to be no less than twenty-four (24) hours prior notice.

Section 4.07. Surrender of Premises. On expiration of the Term or earlier termination, Lessee shall promptly surrender possession of the Premises to Lessor in as good condition as the Premises are on the date of this Lease, reasonable wear and tear excepted.

ARTICLE 5
USE OF PREMISES

Section 5.01. Permitted and Prohibited Use of Premises. Lessee shall use the Premises for the manufacture of chemical agents and the operation of laboratories, and for activities in support of those uses (e.g., storage and office space) and for no other purpose without the written consent of Lessor, which Lessor may withhold in its sole and absolute discretion. To the extent that Lessee stores and/or utilizes materials and/or chemicals that may be "hazardous substances," Lessee shall properly store and handle such chemicals pursuant to all applicable government regulations, and shall not dispose of any such chemicals on the Premises. Lessee hereby agrees

to and does indemnify and hold Lessor harmless against all damage, loss or liability arising from Lessee's possession, storage, and distribution of chemicals, whether or not caused by Lessee, except for damage, loss or liability arising from the willful or negligent acts of Lessor.

As used in this Lease, "Hazardous substances" means any hazardous, etiological, toxic or radioactive substance, material, matter or waste that is or becomes during the Term regulated by any applicable federal, state or local law, ordinance, order, rule, regulation, code or any governmental restriction or requirement, and shall include but not be limited to asbestos, petroleum products, polychlorinated biphenyls, and the terms "Hazardous Substance" and "Hazardous Waste" as defined in the Comprehensive Environmental Response, Compensation and Liability Act, as amended from time to time, 42 U.S.C. §9601, et seq. and the Resource Conservation and Recovery Act, as amended, 42 U.S.C. §6901, et seq. Lessee shall apply for and remain in compliance with any and all applicable federal, state or local permits required regarding Hazardous Substances. Lessee shall, within ten (10) days of receipt, provide to Lessor a copy of any notice, order, inspection report or other document issued by any governmental or regulatory entity finding or alleging that Lessee is not in compliance with any federal, state or local law regulating a Hazardous Substance or Hazardous Waste. Upon termination of the Lease, Lessee shall remove all Hazardous Substances, and all other chemicals, from the Premises.

Should Lessee breach any of its duties and obligations as set forth in this Section, or if the presence of Hazardous Substances and/or chemicals should cause contamination of the Premises, any other property, atmosphere, water or waterway (including groundwater), Lessee shall indemnity, and hold Lessor harmless, from any and all claims, demands, damages, expenses, fees, costs, fines, penalties, suits, and losses of any and every kind and nature, including without limitation, diminution in value of the Premises, damages for loss of use or restriction of use of the Premises, and costs of investigation, remediation and cleanup.

Section 5.02. Compliance with Laws. The Premises shall not be used or permitted by Lessee to be used in violation of any law or ordinance. Lessee shall maintain the Premises in a clean and sanitary manner and shall comply with all laws, ordinances, rules, and regulations related to Lessee's specific use of the Premises, now in effect or subsequently enacted or promulgated by any public or governmental authority or agency having jurisdiction over the Premises.

ARTICLE 6
INSURANCE

Section 6.01. Insurance.

(a) Liability. At all times during the Term of the Lease Lessee shall maintain a comprehensive general liability and/or umbrella insurance policy in an amount of not less than Five Million Dollars ($5,000,000) through a company authorized to transact business in the State of California, which shall name Lessor as additional insured thereunder.

(b) Property Insurance. Lessor shall obtain and keep in force during the Term of this Lease a policy or policies of Insurance covering loss or damage to the Premises in the amount of the full replacement value thereof, providing protection against all perils included within the classification fire, extended coverage, vandalism, malicious mischief, loss of rents and special extended perils.

Lessee shall insure its personal property, fixtures, equipment and inventory, and shall hold Lessor harmless for any loss or damage to any of Lessee's property, except for loss or damage caused by the negligent or willful misconduct of the Lessor.

Upon request from Lessor, Lessee shall provide a certificate of insurance to Lessor evidencing the insurance required herein. Each policy of insurance procured by Lessee pursuant to this Article shall expressly provide that it cannot be canceled for any reason or altered in any manner unless at least ten (10) days' prior written notice has been given by the insurance company issuing the policy to Lessor in the manner specified in this Lease for service of notices on Lessor by Lessee.

ARTICLE 7
DESTRUCTION OF PREMISES

Section 7.01. Duty to Repair or Restore. If any improvements, buildings or other structures located on the Premises are damaged or destroyed during the Term of this Lease or any renewal thereof, the damage shall be repaired as follows:

(a) If the damage or destruction is caused by a peril against which insurance is required to be carried by Section 6.01(a) of this Lease, Lessee shall repair that damage as soon as reasonably possible and restore the Premises and improvements to substantially the same condition as existed before the damage or destruction, regardless of whether the insurance proceeds are sufficient to cover the actual cost of repair and restoration. If insurance required to be carried by Section 6.01(a) of this Lease has lapsed or not been carried, Lessee shall be solely responsible for the full cost and expense of necessary repairs.

(b) If the damage or destruction is caused by a peril against which Lessee is not required to carry insurance by this Lease, Lessor, subject to its right to terminate this Lease described in Section 7.02, shall repair that damage as soon as reasonably possible and restore the Premises to substantially the same condition as existed before the damage or destruction.

Section 7.02. Termination of Lease for Certain Losses.

(a) Notwithstanding any other provision of this Lease, if any Building located on the Premises are damaged or destroyed to such an extent it will cost more than Five Hundred Thousand Dollars ($500,000) to repair or replace them, and the damage or destruction is caused by a peril against which insurance is not required to be carried by this Lease, Lessor may terminate this Lease by giving Lessee written notice of the termination. The notice must be given within thirty (30) days after occurrence of the damage or destruction.

(b) Lessee or Lessor shall have the right to terminate this Lease if the Buildings are damaged or destroyed from any cause whatsoever, insured or uninsured, and the laws then in existence do not permit the repair or restoration of the Premises provided for in this Article.

(c) If this Lease is terminated pursuant to subsection (a) or (b), rent, taxes, assessments, and other sums payable by Lessee to Lessor under this Lease shall be prorated as of the termination date. If any taxes, assessments, or rent has been paid in advance by Lessee, Lessor shall refund it to Lessee for the unexpired period for which the payment has been made.

ARTICLE 8
INDEMNIFICATION

Section 8.01. Lessee's Hold-Harmless Clause. Except as otherwise provided in Section 6.01(b), Lessee shall indemnify and hold Lessor and the property of Lessor, including the Premises, free and harmless from any and all liability, claims, loss, damages, or expenses, including counsel fees and costs, arising by reason of the death or injury of any person, including Lessee or any person who is an employee or agent of Lessee, or by reason of damage to or destruction of any property, including property owned by Lessee or any person who is an employee or agent of Lessee, caused or allegedly caused by (1) any cause whatsoever while that person or property is in or on the Premises or in any way connected with the Premises or with any improvements or personal property on the Premises; (2) some condition of the Premises or some building or improvement on the Premises; (3) some act or omission on the Premises of Lessee or any person in, on, or about the Premises with the permission and consent of Lessee; or (4) any matter connected with Lessee's occupation and use of the Premises.

Section 8.02. Lessor's Hold-Harmless Clause. Notwithstanding the provisions of Section 6.01(a) of this Lease, Lessor agrees to indemnify, defend, protect, and hold Lessee free and harmless from and against any liability, claims, or damages arising from or in connection with any negligence or willful acts of misconduct by Lessor or by any person who is an agent or employee of Lessor acting in the course and scope of its agency or employment.

ARTICLE 9
DEFAULT AND REMEDIES

Section 9.01. Remedies on Lessee's Default. In the event of a material default and breach by Lessee as set forth in Section 9.03 of this Lease, Lessor, in addition to any other remedy given Lessor by law or equity, may

(a) Continue this Lease in effect by not terminating Lessee's right to possession of the Premises, in which case Lessor shall be entitled to enforce all Lessor's rights and remedies hereunder, including the right to recover Rent and NNN as it becomes due;

(b) Terminate this Lease and pursue its rights and remedies provided by Section 1951.2 of the California Civil Code.

(c) Terminate the Lease and, in addition to any recoveries Lessor may seek under subsection (b) of this section, bring an action to reenter and regain possession of the Premises in the manner provided by the laws of unlawful detainer then in effect in California.

Section 9.02. Termination by Lessor. No act of Lessor, including but not limited to Lessor's entry on the Premises or efforts to re-let the Premises, or the giving by Lessor to Lessee of a notice of default, shall be construed as an election to terminate this Lease unless a written notice of the Lessor's election to terminate is given to Lessee or unless termination of this Lease is decreed by a court of competent jurisdiction.

Section 9.03. Default by Lessee. All covenants and agreements contained herein are declared to be conditions to this Lease. The following constitute a material default and breach of this Lease by Lessee:

(a) Any failure to pay Rent or NNN when due when the failure continues for fifteen (15) days; in such instance, Lessee shall be obligated to pay a penalty of ten percent (10%) of the current amount due, as well as the outstanding amount in order to cure the default and breach.

(b) Any failure to perform any other covenant, condition, or agreement contained herein when the failure is not cured within fifteen (15) days after written notice of the specific failure is given by Lessor to Lessee.

(c) The bankruptcy or insolvency of Lessee; the making by Lessee of any general assignment for the benefit of creditors, other than with the advance written consent of Lessor; the filing by or against Lessee of a petition to have Lessee adjudged as bankrupt or of a petition for reorganization or arrangement under the Bankruptcy Act.

(d) The abandonment or vacating of the Premises by Lessee (which, for purposes of this Lease, shall mean Lessee's failure to occupy and operate the Premises for business for a period of at least thirty (30) days.

Section 9.04. Cumulative Remedies. The remedies granted to Lessor in this Article shall not be exclusive but shall be cumulative and in addition to all other remedies now or hereafter allowed by law.

Section 9.05. Waiver of Breach. The waiver by Lessor of any breach by Lessee of any of the provisions of this Lease shall not constitute a continuing waiver or a waiver of any subsequent default or breach by Lessee either of the same or a different provision of this Lease.

ARTICLE 10
MISCELLANEOUS

Section 10.01. Assignment and Subletting. Lessee shall not encumber, assign, sublet, or otherwise transfer this Lease, any right or interest herein, or any right or interest in the Premises or any of the improvements that may now or hereafter be constructed or installed on the Premises without first obtaining the written consent of Lessor, which Lessor may withhold in its sole and absolute discretion.

Section 10.02. Notices. Except as otherwise expressly provided by law, any and all notices or other communications required or permitted by this Lease or by law to be served on or given to either party to this Lease by the other party shall be in writing and shall be deemed duly served and given when personally delivered to the party to whom it is directed or to any managing employee or officer of that party or, in lieu of personal service, when deposited in the United States mail, first-class postage prepaid, addressed as follows:

LESSOR
Ken Gimelli
3825 Union Road
Hollister, CA 95023

LESSEE
Teknova, Inc. Attn. Legal Department
2290 Bert Drive
Hollister, CA 95023

Section 10.03. Dispute Resolution & Attorneys' Fees. Lessor and Lessee shall attempt by good faith negotiation to resolve any dispute, controversy, or claim arising out of or relating to this Lease. If it is not possible to resolve any such dispute(s) through negotiation, including negotiation assisted by a mediator selected by mutual agreement of the parties, then either of Lessor or Lessee may, by written notice to the other, institute binding arbitration proceedings administered by the American Arbitration Association in accordance with its Commercial Arbitration rules. All decisions will be in accordance with the substantive law of the State of California (excluding choice of law) and the arbitration shall take place in California. Lessor and Lessee shall each pay one-half of the cost of any mediation or arbitration, provided that each shall pay the fees of its own legal counsel or other third-party consultants engaged by them in support of their participation, respectively, in any such mediation or arbitration. Nothing in this Section or in this Lease shall prevent either party from seeking from a court of competent jurisdiction any interim, provisional, or injunctive relief necessary to protect its property or its rights under this Lease, pending the establishment of an arbitral panel in accordance with this Section.

Section 10.04. Binding on Heirs and Successors. This Lease shall be binding on and shall inure to the benefit of the heirs, executors, administrators, successors, and assigns of each of Lessor and Lessee, but nothing contained in this section shall be construed as a consent by Lessor to any assignment of this Lease or any interest herein by Lessee.

Section 10.05. Time of Essence. Time is expressly declared to be of the essence in this Lease.

Section 10.06. Sole and Only Agreement. This instrument constitutes the sole and only full, final, and complete agreement between Lessor and Lessee respecting the Premises, the leasing of the Premises to Lessee, and the lease terms contained herein, and correctly sets forth the obligations of Lessor and Lessee to each other as of its date. Any agreements or representations respecting the Premises or their leasing by Lessor to Lessee not expressly set forth in this instrument are null and void. This Lease may not be extended, amended, modified, altered, or changed, except in a writing signed by Lessor and Lessee.

EXECUTED this 7th day of October, 2020 at Hollister, California.

LESSOR

/s/ Ken Gimelli
Ken Gimelli
Ken & Jill Gimelli, LLC

LESSEE

/s/ Stephen Gunstream
Stephen Gunstream - CEO
Alpha Teknova, Inc.

Exhibit 10.24

Pursuant to Regulation S-K, Item 601(a)(5), the schedules and exhibits to the Credit and Security Agreement (Revolving Loan) as referred to herein have not been filed. The Registrant agrees to furnish supplementally a copy of any omitted schedules or exhibits to the Securities and Exchange Commission upon request.

CREDIT AND SECURITY AGREEMENT (REVOLVING LOAN)

dated as of March 26, 2021

by and among

ALPHA TEKNOVA, INC.,

and any additional borrower that hereafter becomes party hereto, each as Borrower, and collectively as Borrowers,

and

MIDCAP FINANCIAL TRUST,

as Agent and as a Lender,

and

THE ADDITIONAL LENDERS

FROM TIME TO TIME PARTY HERETO

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CREDIT AND SECURITY AGREEMENT (REVOLVING LOAN)

This **CREDIT AND SECURITY AGREEMENT (REVOLVING LOAN)** (as the same may be amended, supplemented, restated or otherwise modified from time to time, the "**Agreement**") is dated as of March 26, 2021 by and among **APLHA TEKNOVA, INC.**, a Delaware corporation, and each additional borrower that may hereafter be added to this Agreement (each individually as a "**Borrower**", and collectively with any entities that become party hereto as Borrower and each of their successors and permitted assigns, the "**Borrowers**"), **MIDCAP FINANCIAL TRUST,** a Delaware statutory trust, individually as a Lender, and as Agent, and the financial institutions or other entities from time to time parties hereto, each as a Lender.

RECITALS

Borrowers have requested that Lenders make available to Borrowers the financing facilities as described herein. Lenders are willing to extend such credit to Borrowers under the terms and conditions herein set forth.

AGREEMENT

NOW, THEREFORE, in consideration of the premises and the agreements, provisions and covenants herein contained, Borrowers, Lenders and Agent agree as follows:

ARTICLE 1 - DEFINITIONS

Section 1.1 Certain Defined Terms. The following terms have the following meanings:

"**Acceleration Event**" means the occurrence of an Event of Default (a) in respect of which Agent has declared all or any portion of the Obligations to be immediately due and payable pursuant to Section 10.2, (b) pursuant to Section 10.1(a), and in respect of which Agent has suspended or terminated the Revolving Loan Commitment pursuant to Section 10.2, and/or (c) pursuant to either Section 10.1(e) and/or Section 10.1(f).

"**Account Debtor**" means "account debtor", as defined in Article 9 of the UCC, and any other obligor in respect of an Account.

"**Accounts**" means, collectively, (a) any right to payment of a monetary obligation, whether or not earned by performance, (b) without duplication, any "account" (as defined in the UCC), any accounts receivable (whether in the form of payments for services rendered or goods sold, rents, license fees or otherwise), any "payment intangibles" (as defined in the UCC) and all other rights to payment and/or reimbursement of every kind and description, whether or not earned by performance, (c) all accounts, "general intangibles" (as defined in the UCC), Intellectual Property, rights, remedies, Guarantees, "supporting obligations" (as defined in the UCC), "letter-of-credit rights" (as defined in the UCC) and security interests in respect of the foregoing, all rights of enforcement and collection, all books and records evidencing or related to the foregoing, and all rights under the Financing Documents in respect of the foregoing, and (d) all proceeds of any of the foregoing.

"**Acquisition**" means any transaction or series of related transactions for the purpose of or resulting, directly or indirectly, in (a) the acquisition (including through licensing) of all or substantially all of the assets of a Person, or of any business, line of business or division or other unit of operation of a Person, (b) the acquisition of fifty percent (50%) or more of the Equity Interests of any Person, whether or not involving a merger or consolidation with such other Person, or otherwise causing any Person to become a

Subsidiary of a Borrower, (c) any merger or consolidation or any other combination with another Person or (d) the acquisition (including through licensing) of any product, product line or Intellectual Property of or from any other Person (but in each case excluding in-bound licenses and purchases of over-the-counter and other software that is commercially available to the public, open source licenses and enabling licenses in the Ordinary Course of Business).

"**Additional Titled Agents**" has the meaning set forth in Section 11.15.

"**Additional Tranche**" means an additional amount of Revolving Loan Commitments equal to $10,000,000 (it being acknowledged that multiple Additional Tranches are permitted pursuant to Section 2.1(c) in minimum amounts of $1,000,000 each, up to, in the aggregate, the amount of the Additional Tranche).

"**Affected Financial Institution"** means (a) any EEA Financial Institution or (b) any UK Financial Institution.

"**Affiliate**" means, with respect to any Person, (a) any Person that directly or indirectly controls such Person, (b) any Person which is controlled by or is under common control with such controlling Person, and (c) each of such Person's (other than, with respect to any Lender, any Lender's) officers or directors (or Persons functioning in substantially similar roles). As used in this definition, the term "control" of a Person means the possession, directly or indirectly, of the power to vote twenty percent (20%) or more of any class of voting securities of such Person or to direct or cause the direction of the management or policies of a Person, whether through the ownership of voting securities, by contract or otherwise.

"**Affiliated Credit Agreement**" that certain Credit and Security Agreement (Term Loan) (as the same may be amended, restated, supplemented or otherwise modified from time to time), among the Affiliated Financing Agent, the lenders party thereto and Borrowers pursuant to which such Affiliated Financing Agent and lenders have extended a term credit facility to Borrowers.

"**Affiliated Financing Agent**" means the "Agent" under and as defined in the Affiliated Credit Agreement.

"**Affiliated Financing Documents**" means the "**Financing Documents**" as defined in the Affiliated Credit Agreement.

"**Affiliated Intercreditor Agreement**" means that certain Intercreditor Agreement dated as of the date hereof between Agent and the Affiliated Financing Agent, as the same may be amended, restated, supplemented or otherwise modified from time to time.

"**Affiliated Obligations**" means all "Obligations", as such term is defined in the Affiliated Financing Documents.

"**Agent**" means MCF, in its capacity as administrative agent for itself and for Lenders hereunder, as such capacity is established in, and subject to the provisions of, Article 11, and the successors and assigns of MCF in such capacity.

"**Anti-Terrorism Laws**" means any Laws relating to terrorism or money laundering, including, without limitation, Executive Order No. 13224 (effective September 24, 2001), the USA PATRIOT Act, the Laws comprising or implementing the Bank Secrecy Act and the Laws administered by OFAC.

"**Applicable Margin**" three and three-fourths percent (3.75%).

"**Approved Fund**" means any (a) investment company, fund, trust, securitization vehicle or conduit that is (or will be) engaged in making, purchasing, holding or otherwise investing in commercial loans and similar extensions of credit in the ordinary course of business, or (b) any Person (other than a natural person) which temporarily warehouses loans for any Lender or any entity described in the preceding clause (a) and that, with respect to each of the preceding clauses (a) and (b), is administered or managed by (i) a Lender, (ii) an Affiliate of a Lender, or (iii) a Person (other than a natural person) or an Affiliate of a Person (other than a natural person) that administers or manages a Lender.

"**Asset Disposition**" means any sale, lease, license, transfer, assignment or other consensual disposition (including by merger, allocation of assets (including allocation of assets to any series of a limited liability company), division, consolidation or amalgamation) by any Credit Party or any Subsidiary thereof of any asset of such Credit Party or such Subsidiary.

"**Assignment Agreement**" means an assignment agreement in form and substance acceptable to Agent.

"**Bail-In Action**" means the exercise of any Write-Down and Conversion Powers by the applicable Resolution Authority in respect of any liability of an Affected Financial Institution.

"**Bail-In Legislation**" means (a) with respect to any EEA Member Country implementing Article 55 of Directive 2014/59/EU of the European Parliament and of the Council of the European Union, the implementing law, regulation rule or requirement for such EEA Member Country from time to time which is described in the EU Bail-In Legislation Schedule and (b) with respect to the United Kingdom, Part I of the United Kingdom Banking Act 2009 (as amended from time to time) and any other law, regulation or rule applicable in the United Kingdom relating to the resolution of unsound or failing banks, investment firms or other financial institutions or their affiliates (other than through liquidation, administration or other insolvency proceedings).

"**Bankruptcy Code**" means Title 11 of the United States Code entitled "Bankruptcy", as the same may be amended, modified or supplemented from time to time, and any successor statute thereto.

"**Base LIBOR Rate**" means, for each Interest Period, the rate per annum, determined by Agent in accordance with its customary procedures, and utilizing such electronic or other quotation sources as it considers appropriate (rounded upwards, if necessary, to the next 1/100%), to be the rate at which Dollar deposits (for delivery on the first day of such Interest Period) in the amount of $1,000,000 are offered to major banks in the London interbank market on or about 11:00 a.m. (London time) two (2) Business Days prior to the commencement of such Interest Period, for a term comparable to such Interest Period, which determination shall be conclusive in the absence of manifest error; provided, however, if (a) the administrator responsible for determining and publishing such rate per annum, determined by Agent in accordance with its customary procedures, has made a public announcement identifying a date certain on or after which such rate shall no longer be provided or published, as the case may be; or (b) timely, adequate and reasonable means do not exist for ascertaining such rate and the circumstances giving rise to the Agent's inability to ascertain LIBOR are unlikely to be temporary as determined in Agent's reasonable discretion, then Agent may, upon prior written notice to Borrower Representative, choose, in consultation with Borrower, a reasonably comparable index or source together with corresponding adjustments to "Applicable Margin" or scale factor, spread adjustment or floor to such index that Agent, in its reasonable discretion, has determined is necessary to preserve (but, for the avoidance of doubt, not increase) the current all-in rate of interest (including, interest rate margins, any interest rate floors, but without regard to future fluctuations of such alternative index, it being acknowledged and agreed that neither Agent nor any Lender shall have any liability whatsoever from such future fluctuations) to use as the basis for Base LIBOR Rate.

"**Base Rate**" means a per annum rate of interest equal to the greater of (a) one and one half percent (1.50%) per annum and (b) (i) a per annum rate of interest equal to the rate of interest announced, from time to time, within Wells Fargo Bank, National Association ("**Wells Fargo**") at its principal office in San Francisco as its "prime rate," with the understanding that the "prime rate" is one of Wells Fargo's base rates (not necessarily the lowest of such rates) and serves as the basis upon which effective rates of interest are calculated for those loans making reference thereto and is evidenced by the recording thereof after its announcement in such internal publications as Wells Fargo may designate; *provided, however,* that Agent may, upon prior written notice to Borrower, choose a reasonably comparable index or source to use as the basis for the Base Rate; *minus* (ii) the amount by which the average daily prime rate during the twelve-month period immediately preceding the first occurrence of an Eurodollar Disruption Event exceeded the average daily LIBOR Rate during such period.

"**BERT Lease**" means that certain Commercial Lease Agreement, dated as of June 21, 2017 (as amended by that certain Addendum to Commercial Lease Agreement, dated July 1, 2019), relating to the premises located at 2200 Bert Drive, Hollister, CA as more fully described therein, by and between Alpha Teknova, Inc. and Thomas E. Davis, LLC, as in effect on the Closing Date.

"**Blocked Person**" means any Person: (a) listed in the annex to, or is otherwise subject to the provisions of, Executive Order No. 13224, (b) owned or controlled by, or acting for or on behalf of, any Person that is listed in the annex to, or is otherwise subject to the provisions of, Executive Order No. 13224, (c) with which any Lender is prohibited from dealing or otherwise engaging in any transaction by any Anti-Terrorism Law, (d) that commits, threatens or conspires to commit or supports "terrorism" as defined in Executive Order No. 13224, or (e) that is named a "specially designated national" or "blocked person" on the most current list published by OFAC or other similar list or is named as a "listed person" or "listed entity" on other lists made under any Anti-Terrorism Law.

"**Borrower**" and "**Borrowers**" has the meaning set forth in the introductory paragraph hereto.

"**Borrower Representative**" means Alpha Teknova, Inc., in its capacity as Borrower Representative pursuant to the provisions of Section 2.9, or any successor Borrower Representative selected by Borrowers and approved by Agent.

"**Borrower Unrestricted Cash**" means, as of any date of determination, unrestricted cash and Cash Equivalents of the Borrowers that (a) are held in the name of a Borrower in a Deposit Account or Securities Account located in the United States that is subject to a Deposit Account Control Agreement or Securities Account Control Agreement, as applicable, in favor of Agent, (b) are not subject to any Lien (other than Permitted Liens), and (c) are not funds for the payment of a drawn or committed but unpaid draft, ACH or EFT transaction as of the applicable date of determination.

"**Borrowing Base**" means:

(a) the product of (i) eighty-five percent (85%) *multiplied by* (ii) the aggregate net amount at such time of the Eligible Accounts; *plus*

(b) the lesser of (i) fifty percent (50%) *multiplied by* the Orderly Liquidation Value of the Eligible Inventory, or (ii) fifty percent (50%) *multiplied by* the value of the Eligible Inventory, valued at the lower of first-in-first-out cost or market cost, and after factoring in all rebates, discounts and other incentives or rewards associated with the purchase of the applicable Inventory; *minus*

(c) the amount of any reserves and/or adjustments provided for in this Agreement.

provided, that the Borrowing Base shall automatically be adjusted down, if necessary, such that the aggregate availability from Eligible Inventory shall never exceed an amount equal to the lesser of (x) $1,000,000 and (y) twenty-five percent (25%) of the total Borrowing Base.

"**Borrowing Base Certificate**" means a certificate, duly executed by a Responsible Officer of Borrower Representative, appropriately completed and in a form to be agreed to between Agent and Borrower, each acting reasonably. Upon such agreement, the form of Borrowing Base Certificate will be attached to this Agreement as Exhibit C hereto.

"**Business Day**" means any day except a Saturday, Sunday or other day on which either the New York Stock Exchange is closed, or on which commercial banks in New York, New York are authorized by Law to close and, in the case of a Business Day which relates to a determination of the LIBOR Rate, a day on which dealings are carried on in the London interbank eurodollar market.

"**Capital Lease**" of any Person means any lease of any property by such Person as lessee which would, in accordance with GAAP, be required to be accounted for as a capital lease on the balance sheet of such Person.

"**Cash Equivalents**" means, as of any date of determination, any of the following: (a) marketable securities (i) issued or directly and unconditionally guaranteed as to interest and principal by the United States government, or (ii) issued by any agency of the United States the obligations of which are backed by the full faith and credit of the United States, in each case maturing within one (1) year after such date; (b) marketable direct obligations issued by any state of the United States or any political subdivision of any such state or any public instrumentality thereof, in each case maturing within one (1) year after such date and having, at the time of the acquisition thereof, a rating of at least A-1 from S&P or at least P-1 from Moody's; (c) commercial paper maturing no more than one (1) year from the date of creation thereof and having, at the time of the acquisition thereof, a rating of at least A-1 from S&P or at least P-1 from Moody's, or carrying an equivalent rating by a nationally recognized rating agency, if both of the two named rating agencies cease publishing ratings of commercial paper issuers generally; (d) certificates of deposit or bankers' acceptances maturing within one (1) year after such date and issued or accepted by any Lender or by any commercial bank organized under the laws of the United States or any state thereof or the District of Columbia that (i) is at least "adequately capitalized" (as defined in the regulations of its primary federal banking regulator), and (ii) has Tier 1 capital (as defined in such regulations) of not less than $100,000,000; and (e) shares of any money market mutual fund that (i) has substantially all of its assets invested continuously in the types of investments referred to in clauses (a) and (b) above, (ii) has net assets of not less than $500,000,000, and (iii) has the highest rating obtainable from either S&P or Moody's.

"**CERCLA**" means the Comprehensive Environmental Response, Compensation and Liability Act of 1980, 42 U.S.C.A. § 9601 *et seq*., as the same may be amended from time to time.

"**Change in Control**" means an event or series of events by which: (a) prior to the consummation of a Qualifying IPO, THP and its controlled Affiliates cease to, directly or indirectly, own and control at least (i) fifty-one percent (51.0%) of the voting and economic interests of the Equity Interests of Alpha Teknova, Inc. and/or (ii) that percentage of the outstanding voting Equity Interests of Alpha Teknova, Inc. necessary at all times to elect a majority of the board of directors (or similar governing body) of Alpha Teknova, Inc. and to direct the management policies and decisions of Alpha Teknova, Inc.; (b) following the consummation of a Qualifying IPO, any "person" or "group" (as such terms are used in Sections 13(d) and 14(d) of the Securities Exchange Act of 1934) other than THP and its controlled Affiliates becomes the "beneficial owner" (as defined in Rules 13d-3 and 13d-5 under the Securities Exchange Act of 1934, except that a person or group shall be deemed to have "beneficial ownership" of all securities that such person or group has the right to acquire, whether such right is exercisable immediately or only after the passage of

time (such right, an "option right")), directly or indirectly, of (i) forty percent (40%) or more of the combined voting power of all voting stock of Alpha Teknova, Inc., or any other Borrower (as applicable) on a fully-diluted basis (and taking into account all such securities that such person or group has the right to acquire pursuant to any option right) and/or (ii) that percentage of the outstanding voting Equity Interests of Alpha Teknova, Inc. necessary at all times to elect a majority of the board of directors (or similar governing body) of Alpha Teknova, Inc. and to direct the management policies and decisions of Alpha Teknova, Inc.; (c) during any period of twelve (12) consecutive months, a majority of the members of the board of directors or other equivalent governing body of Borrower cease to be composed of individuals (i) who were members of that board or equivalent governing body on the first day of such period, (ii) whose election or nomination to that board or equivalent governing body was approved by individuals referred to in clause (i) above constituting at the time of such election or nomination at least a majority of that board or equivalent governing body or (iii) whose election or nomination to that board or other equivalent governing body was approved by individuals referred to in clauses (i) and (ii) above constituting at the time of such election or nomination at least a majority of that board or equivalent governing body, in each case unless any such change of a majority of the members of the board of directors or other equivalent governing body of Borrower is caused by the same equity holder(s) who appointed the members of that board or equivalent governing body that existed on the first day of any such period; (d) Borrower ceases to own and control, directly or indirectly, all of the economic and voting rights associated with the outstanding securities of each of its Subsidiaries (except as otherwise permitted by this Agreement), or (e) the occurrence of a "Change of Control", "Fundamental Change", "Change in Control", "Deemed Liquidation Event" or terms of similar import under any document or instrument governing or relating to Debt of or Equity Interests of such Person, as such documents may be amended or otherwise modified from time to time in accordance with the terms of this Agreement.

Notwithstanding the foregoing, the consummation of a Qualifying IPO shall not constitute a "Change in Control".

"**Closing Date**" means the date of this Agreement.

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

"**Collateral**" means all property, other than Excluded Property, now existing or hereafter acquired, mortgaged or pledged to, or purported to be subjected to a Lien in favor of, Agent, for the benefit of Agent and Lenders, pursuant to this Agreement and the Security Documents, including, without limitation, all of the property described in Schedule 9.1 hereto.

"**Commitment Annex**" means Annex A to this Agreement.

"**Competitor**" means, at any time of determination, (a) any Person that is directly engaged in the same or substantially the same line of business as the Borrower or any of its material Subsidiaries and (b) each Person identified as a competitor on the list delivered to Agent by the Borrowers prior to the Closing Date. For the purposes of clarification, only a Person that is described in clause (a) above or a Person that either directly owns more than 50% of the voting securities of a Person described in clause (a) above or is wholly owned direct or indirect subsidiary of such a Person will be considered to be a Competitor for the purposes of this Agreement. Furthermore, notwithstanding anything herein to the contrary, under no circumstances will a Person that is primarily in the business of lending money or extending credit be considered a Competitor regardless of whether or not any of its Affiliates may be deemed to be a Competitor.

"**Compliance Certificate**" means a certificate, duly executed by a Responsible Officer of Borrower Representative, appropriately completed and substantially in the form of Exhibit B hereto.

"**Connection Income Taxes**" means Other Connection Taxes that are imposed on or measured by net income (however denominated) or that are franchise Taxes or branch profits Taxes.

"**Consolidated Subsidiary**" means, at any date, any Subsidiary the accounts of which would be consolidated with those of "parent" Borrower (or any other Person, as the context may require hereunder) in its consolidated financial statements if such statements were prepared as of such date.

"**Contingent Obligation**" means, with respect to any Person, any direct or indirect liability of such Person: (a) with respect to any Debt of another Person (a "**Third Party Obligation**") if the purpose or intent of such Person incurring such liability, or the effect thereof, is to provide assurance to the obligee of such Third Party Obligation that such Third Party Obligation will be paid or discharged, or that any agreement relating thereto will be complied with, or that any holder of such Third Party Obligation will be protected, in whole or in part, against loss with respect thereto; (b) with respect to any undrawn portion of any letter of credit issued for the account of such Person or as to which such Person is otherwise liable for the reimbursement of any drawing; (c) under any Swap Contract, to the extent not yet due and payable; (d) to make take-or-pay or similar payments if required regardless of nonperformance by any other party or parties to an agreement; or (e) for any obligations of another Person pursuant to any Guarantee or pursuant to any agreement to purchase, repurchase or otherwise acquire any obligation or any property constituting security therefor, to provide funds for the payment or discharge of such obligation or to preserve the solvency, financial condition or level of income of another Person. The amount of any Contingent Obligation shall be equal to the amount of the obligation so Guaranteed or otherwise supported or, if not a fixed and determinable amount, the maximum amount so Guaranteed or otherwise supported.

"**Controlled Group**" means all members of a group of corporations and all members of a group of trades or businesses (whether or not incorporated) under common control which, together with the Credit Parties, are treated as a single employer under Section 414(b), (c), (m) or (o) of the Code or Section 4001(b) of ERISA and, solely for purposes of Section 412 and 436 of the Code, Section 414(m) or (o) of the Code.

"**Credit Card Cash Collateral Account**" means, collectively, each segregated Deposit Account from time to time identified to Agent in writing established by Borrower for the sole purpose of securing Borrower's obligations under clause (h) of the definition Permitted Debt and containing only such cash or Cash Equivalents that have been required to be pledged to secure such obligations of Borrower; *provided*, that the aggregate amount of cash or Cash Equivalents deposited in all such Credit Card Cash Collateral Account(s) does not, at any time, exceed $250,000 in the aggregate.

"**Credit Party**" means each Borrower and each Guarantor and "**Credit Parties**" means all such Persons, collectively.

"**Debt**" of a Person means at any date, without duplication, (a) all obligations of such Person for borrowed money, (b) all obligations of such Person evidenced by bonds, debentures, notes or other similar instruments, (c) all obligations of such Person to pay the deferred purchase price of property or services, except trade accounts payable arising and paid on a timely basis and in the Ordinary Course of Business, (d) all Capital Leases of such Person, (e) all non-contingent obligations of such Person to reimburse any bank or other Person in respect of amounts paid under a letter of credit, banker's acceptance or similar instrument, (f) all Disqualified Equity Interests, (g) all obligations secured by a Lien on any asset of such Person, whether or not such obligation is otherwise an obligation of such Person, (h) "earnouts", purchase price adjustments, profit sharing arrangements, deferred purchase money amounts and similar payment obligations or continuing obligations of any nature of such Person arising out of purchase and sale contracts entered into in connection with an Acquisition or any other material commercial or licensing transaction (*provided* that the amount of such indebtedness shall be deemed to be the amount that is required to be reflected on the balance sheet of such Person in accordance with GAAP), (i) all Debt of others Guaranteed by such Person, and (j) obligations in respect of litigation settlement agreements or similar arrangements. Without duplication of any of the foregoing, Debt of Borrowers shall include any and all Loans.

"**Default**" means any condition or event which with the giving of notice or lapse of time or both would, unless cured or waived, become an Event of Default.

"**Defaulted Lender**" means, so long as such failure shall remain in existence and uncured, any Lender which shall have failed to make any Loan or other credit accommodation, disbursement, settlement or reimbursement required pursuant to the terms of any Financing Document.

"**Defined Period**" means for purposes of calculating Net Revenue for any given calendar month, the immediately preceding twelve (12) month period ending on the last day of such calendar month.

"**Deposit Account**" means a "deposit account" (as defined in Article 9 of the UCC), an investment account, or other account in which funds are held or invested for credit to or for the benefit of any Credit Party.

"**Deposit Account Control Agreement**" means an agreement, in form and substance reasonably satisfactory to Agent, among Agent, any Borrower and a financial institution in which such Borrower maintains a Deposit Account, pursuant to which Agent obtains control (within the meaning of the UCC, as applicable) for the benefit of the Lenders over such Deposit Account and which agreement provides that (a) such financial institution shall comply with instructions originated by Agent directing disposition of the funds in such Deposit Account without further consent by the applicable Borrower, and (b) such financial institution shall agree that it shall have no Lien on, or right of setoff or recoupment against, such Deposit Account or the contents thereof, other than in respect of usual and customary service fees and returned items for which Agent has been given value, in each case expressly consented to by Agent, and containing such other terms and conditions as Agent may reasonably require, including as to any such agreement pertaining to any Lockbox Account, providing that such financial institution shall wire, or otherwise transfer, in immediately available funds, on a daily basis to the Payment Account all funds received or deposited into such Lockbox or Lockbox Account (each such Deposit Account Control Agreement with respect to a Lockbox Account, a "**Lockbox Deposit Account Control Agreement**").

"**Disqualified Equity Interests**" means, with respect to any Person, any Equity Interest in such Person that within less than 91 days after the Termination Date, either by its terms (or by the terms of any security or any other Equity Interest into which it is convertible or for which it is exchangeable) or upon the happening of any event or condition, (a) matures or is mandatorily redeemable (other than solely for Permitted Debt or other Equity Interests in such Person or of Alpha Teknova, Inc. that do not constitute Disqualified Equity Interests and cash in lieu of fractional shares of such Equity Interests), pursuant to a sinking fund obligation or otherwise, (b) is redeemable at the option of the holder thereof, in whole or in part (other than solely for Permitted Debt or other Equity Interests in such Person or of Alpha Teknova, Inc. that do not constitute Disqualified Equity Interests and cash in lieu of fractional shares of such Equity Interests), (c) provides for the scheduled payments of dividends or distributions in cash, or (d) is or becomes convertible into or exchangeable for Debt (other than Permitted Debt) or any other Equity Interest that would constitute Disqualified Equity Interests.

"**Distribution**" means as to any Person (a) any dividend or other distribution or payment (whether in cash, securities or other property) on, or in respect of, any Equity Interest in such Person (except those payable solely in its Equity Interests other than Disqualified Equity Interests), (b) any payment by such Person on account of (i) the purchase, redemption, retirement, defeasance, surrender, cancellation, termination or acquisition of any Equity Interests in such Person or any claim respecting the purchase or sale of any Equity Interest in such Person, or (ii) any option, warrant or other right to acquire any Equity

Interests in such Person, (c) any management fees, salaries or other fees or compensation to any Person holding an Equity Interest in a Borrower or a Subsidiary of a Borrower (other than reasonable and customary (i) payments of salaries to individuals, (ii) directors fees, and (iii) advances and reimbursements to employees or directors, all in the Ordinary Course of Business), an Affiliate of a Borrower or an Affiliate of any Subsidiary of a Borrower, (d) any lease or rental payments to Affiliate or Subsidiary of a Borrower (except with respect to the BERT Lease, as the same is in effect on the Closing Date) or (e) repayments of or debt service on loans or other indebtedness (other than conversion to Equity Interests other than Disqualified Equity Interests) held by an Affiliate of a Borrower (other than any Credit Party) unless permitted under and made pursuant to a Subordination Agreement applicable to such loans or other indebtedness.

"**Dollars**" or "**$**" means the lawful currency of the United States of America.

"**EEA Financial Institution**" means (a) any credit institution or investment firm established in any EEA Member Country which is subject to the supervision of an EEA Resolution Authority, (b) any entity established in an EEA Member Country which is a parent of an institution described in clause (a) of this definition, or (c) any financial institution established in an EEA Member Country which is a subsidiary of an institution described in clauses (a) or (b) of this definition and is subject to consolidated supervision with its parent.

"**EEA Member Country**" means any of the member states of the European Union, Iceland, Liechtenstein, and Norway.

"**EEA Resolution Authority**" means any public administrative authority or any person entrusted with public administrative authority of any EEA Member Country (including any delegee) having responsibility for the resolution of any EEA Financial Institution.

"**Eligible Account**" means, subject to the criteria below, an account receivable of a Borrower, which was generated in the Ordinary Course of Business, which was generated originally in the name of a Borrower and not acquired via assignment or otherwise, and which Agent, in its good faith credit judgment and discretion, deems to be an Eligible Account. The net amount of an Eligible Account at any time shall be (a) the face amount of such Eligible Account as originally billed *minus* all cash collections and other proceeds of such Account received from or on behalf of the Account Debtor thereunder as of such date and any and all returns, rebates, discounts (which may, at Agent's option, be calculated on shortest terms), credits, allowances or excise taxes of any nature at any time issued, owing, claimed by Account Debtors, granted, outstanding or payable in connection with such Accounts at such time, and (b) adjusted by applying percentages (known as "**liquidity factors**") by payor and/or payor class based upon the applicable Borrower's actual recent collection history for each such payor and/or payor class in a manner consistent with Agent's underwriting practices and procedures. Such liquidity factors may be adjusted by Agent from time to time as warranted by Agent's underwriting practices and procedures and using Agent's good faith credit judgment. Without limiting the generality of the foregoing, no Account shall be an Eligible Account if:

(a) the Account remains unpaid more than ninety (90) days past the claim or invoice date (but in no event more than one hundred and twenty (120) days after the applicable goods or services have been rendered or delivered);

(b) the Account is subject to any defense, set-off, recoupment, counterclaim, deduction, discount, credit, chargeback, freight claim, allowance, or adjustment of any kind (but only to the extent of such defense, set-off, recoupment, counterclaim, deduction, discount, credit, chargeback, freight claim, allowance, or adjustment), or the applicable Borrower is not able to bring suit or otherwise enforce its remedies against the Account Debtor through judicial process;

(c) if the Account arises from the sale of goods, any part of any goods the sale of which has given rise to the Account has been returned, rejected, lost, or damaged (but only to the extent that such goods have been so returned, rejected, lost or damaged);

(d) if the Account arises from the sale of goods, the sale was not an absolute, bona fide sale, or the sale was made on consignment or on approval or on a sale-or-return or bill-and-hold or progress billing basis, or the sale was made subject to any other repurchase or return agreement, or the goods have not been shipped to the Account Debtor or its designee or the sale was not made in compliance with applicable Laws;

(e) if the Account arises from the performance of services, the services have not actually been performed or the services were undertaken in violation of any Law or the Account represents a progress billing for which services have not been fully and completely rendered;

(f) the Account is subject to a Lien (other than Liens in favor of Agent, Liens in favor of the Affiliated Financing Agent or other Permitted Liens that have been expressly subordinated to the Liens of Agent), or Agent does not have a first priority, perfected Lien on such Account;

(g) the Account is evidenced by Chattel Paper or an Instrument of any kind, or has been reduced to judgment, unless such Chattel Paper or Instrument has been delivered to Agent;

(h) the Account Debtor is an Affiliate or Subsidiary of a Credit Party, or if the Account Debtor holds any Debt of a Credit Party;

(i) more than fifty percent (50%) of the aggregate balance of all Accounts owing from the Account Debtor obligated on the Account are ineligible under subclause (a) above (in which case all Accounts from such Account Debtor shall be ineligible);

(j) without limiting the provisions of clause (i) above, fifty percent (50%) or more of the aggregate unpaid Accounts from the Account Debtor obligated on the Account are not deemed Eligible Accounts under this Agreement for any reason;

(k) the total unpaid Accounts of the Account Debtor obligated on the Account exceed thirty percent (30%) of the net amount of all Eligible Accounts owing from all Account Debtors (but only the amount of the Accounts of such Account Debtor exceeding such thirty percent (30%) limitation shall be considered ineligible);

(l) any covenant, representation or warranty contained in the Financing Documents with respect to such Account has been breached in any respect;

(m) the Account is unbilled or has not been invoiced to the Account Debtor in accordance with the procedures and requirements of the applicable Account Debtor;

(n) the Account is an obligation of an Account Debtor that is the federal, state or local government or any political subdivision thereof, unless Agent has agreed to the contrary in writing and Agent has received from the Account Debtor the acknowledgement of Agent’s notice of assignment of such obligation pursuant to this Agreement;

(o) the Account is an obligation of an Account Debtor that has suspended business, made a general assignment for the benefit of creditors, is unable to pay its debts as they become due or as to which a petition has been filed (voluntary or involuntary) under any law relating to bankruptcy, insolvency, reorganization or relief of debtors, or the Account is an Account as to which any facts, events or occurrences exist which could reasonably be expected to impair the validity, enforceability or collectability of such Account or reduce the amount payable or delay payment thereunder;

(p) (i) the Account Debtor has its principal place of business or executive office outside the United States, or (ii) the Account is payable in a currency other than United States dollars except, in the case of clauses (i) and (ii), to the extent the applicable Accounts are assured by a credit insurance policy that has been assigned and delivered to Agent and is satisfactory to Agent as to form, amount and issuer in its good faith reasonable discretion (it being understood that, without duplication of any reserves or the application of any other eligibility criteria, any deductible thereunder shall reduce the amount of such Account that is otherwise eligible by virtue of this parenthetical up to the amount of such deductible);

(q) the Account Debtor is an individual;

(r) the Borrower owning such Account has not signed and delivered to Agent notices, in the form requested by Agent, directing the Account Debtors to make payment to the applicable Lockbox Account;

(s) the Account includes late charges or finance charges (but only such portion of the Account shall be ineligible);

(t) the Account arises out of the sale of any Inventory upon which any other Person holds, claims or asserts a Lien (other than Liens in favor of Agent, Liens in favor of the Affiliated Financing Agent or other Permitted Liens that have been expressly subordinated to the Liens of Agent); or

(u) the Account or Account Debtor fails to meet such other specifications and requirements which may from time to time be established by Agent in its good faith credit judgment and discretion.

"**Eligible Assignee**" means (a) a Lender, (b) an Affiliate of a Lender, (c) an Approved Fund, and (d) any other Person (other than a natural person) approved by Agent; *provided*, *however*, that notwithstanding the foregoing, (x) "**Eligible Assignee**" shall not include (i) any Credit Party or any of a Credit Party's Subsidiaries or (ii) any Competitor; *provided* that the restrictions on assignment set forth in this clause (ii) shall not apply if an Event of Default has occurred and is continuing under Section 10.1(a)(i) (Payment), 10.1(a)(ii) (solely with respect to a breach of Section 6 (financial covenants)), 10.1(e) & (f) (bankruptcy) or Section 10.1(o) (Material Adverse Effect), and (y) no proposed assignee intending to assume all or any portion of the Revolving Loan Commitment shall be an Eligible Assignee unless such proposed assignee either already holds a portion of such Revolving Loan Commitment, or has been approved as an Eligible Assignee by Agent.

"**Eligible Inventory**" means Inventory owned by a Borrower and acquired and dispensed by such Borrower in the Ordinary Course of Business that Agent, in its good faith credit judgment and discretion, deems to be Eligible Inventory. Without limiting the generality of the foregoing, no Inventory shall be Eligible Inventory if:

(a) such Inventory is not owned by a Borrower free and clear of all Liens and rights of any other Person (including the rights of a purchaser that has made progress payments and the rights of a surety that has issued a bond to assure such Borrower's performance with respect to that Inventory) except for Liens in favor of Agent, Liens in favor of the Affiliated Financing Agent or other Permitted Liens arising by operation of law or that have been expressly subordinated to the Liens of Agent;

(b) such Inventory is placed on consignment or is in transit;

(c) such Inventory is covered by a negotiable document of title, unless such document has been delivered to Agent with all necessary endorsements, free and clear of all Liens except those in favor of Agent or the Affiliated Financing Agent;

(d) such Inventory is excess, obsolete, unsalable, shopworn, seconds, damaged, unfit for sale, unfit for further processing, is of substandard quality or is not of good and merchantable quality, free from any defects;

(e) such Inventory consists of marketing materials, display items or packing or shipping materials, manufacturing supplies or Work-In-Process;

(f) such Inventory is not subject to a first priority Lien in favor of Agent;

(g) such Inventory consists of goods that can be transported or sold only with licenses that are not readily available or of any substances defined or designated as hazardous or toxic waste, hazardous or toxic material, hazardous or toxic substance, or similar term, by any Environmental Law or any Governmental Authority applicable to Borrowers or their business, operations or assets;

(h) such Inventory is not covered by casualty insurance acceptable to Agent;

(i) any covenant, representation or warranty contained in the Financing Documents with respect to such Inventory has been breached in any material respect;

(j) such Inventory is located (i) outside of the continental United States or (ii) on premises where the aggregate amount of all Inventory (valued at cost) of Borrowers located thereon is less than $10,000;

(k) such Inventory is located on premises with respect to which Agent has not received a landlord, warehouseman, bailee or mortgagee letter acceptable in form and substance to Agent;

(l) such Inventory consists of (A) discontinued items, (B) slow-moving or excess items held in inventory, or (C) used items held for resale;

(m) such Inventory does not consist of finished goods;

(n) such Inventory does not meet all standards imposed by any Governmental Authority, including with respect to its production, acquisition or importation (as the case may be);

(o) such Inventory has an expiration date within the next six (6) months;

(p) such Inventory consists of products for which Borrowers have a greater than three (3) month supply on hand;

(q) such Inventory is held for rental or lease by or on behalf of Borrowers;

(r) such Inventory is subject to any licensing, patent, royalty, trademark, trade name or copyright agreement with any third parties, which agreement restricts the ability of Agent or any Lender to sell or otherwise dispose of such Inventory; or

(s) such Inventory fails to meet such other specifications and requirements which may from time to time be established by Agent in its good faith credit judgment. Agent and Borrowers agree that Inventory shall be subject to periodic appraisal by Agent and that valuation of Inventory shall be subject to adjustment pursuant to the results of such appraisal. Notwithstanding the foregoing, the valuation of Inventory shall be subject to any legal limitations on sale and transfer of such Inventory.

"**Environmental Laws**" means any present and future federal, state and local laws, statutes, ordinances, rules, regulations, standards, policies and other governmental directives or requirements, as well as common law, pertaining to the environment, natural resources, pollution, health (including any environmental clean-up statutes and all regulations adopted by any local, state, federal or other Governmental Authority, and any statute, ordinance, code, order, decree, law rule or regulation all of which pertain to or impose liability or standards of conduct concerning medical waste or medical products, equipment or supplies), safety or clean-up that apply to any Borrower and relate to Hazardous Materials, including, without limitation, the Comprehensive Environmental Response, Compensation and Liability Act of 1980 (42 U.S.C. § 9601 *et seq.*), the Resource Conservation and Recovery Act of 1976 (42 U.S.C. § 6901 *et seq.*), the Federal Water Pollution Control Act (33 U.S.C. § 1251 *et seq.*), the Hazardous Materials Transportation Act (49 U.S.C. § 5101 *et seq.*), the Clean Air Act (42 U.S.C. § 7401 *et seq.*), the Federal Insecticide, Fungicide and Rodenticide Act (7 U.S.C. § 136 *et seq.*), the Emergency Planning and Community Right-to-Know Act (42 U.S.C. § 11001 *et seq.*), the Occupational Safety and Health Act (29 U.S.C. § 651 *et seq.*), the Residential Lead-Based Paint Hazard Reduction Act (42 U.S.C. § 4851 *et seq.*), any analogous state or local laws, any amendments thereto, and the regulations promulgated pursuant to said laws, together with all amendments from time to time to any of the foregoing and judicial interpretations thereof.

"**Equity Interests**" means, with respect to any Person, all shares of capital stock, partnership interests, membership interests in a limited liability company or other ownership in participation or equivalent interests (however designated, whether voting or non-voting) of such Person's equity capital (including any warrants, options or other purchase rights with respect to the foregoing), whether now outstanding or issued after the Closing Date

"**ERISA**" means the Employee Retirement Income Security Act of 1974, as the same may be amended, modified or supplemented from time to time, and any successor statute thereto, and any and all rules or regulations promulgated from time to time thereunder.

"**ERISA Plan**" means any "employee benefit plan", as such term is defined in Section 3(3) of ERISA (other than a Multiemployer Plan), which any Credit Party or any Subsidiary maintains, sponsors or contributes to, or, in the case of an employee benefit plan which is subject to Section 412 of the Code or Title IV of ERISA, to which any Credit Party or any Subsidiary has any liability, including on account of any member of the Controlled Group, including any liability by reason of having been a substantial employer within the meaning of Section 4063 of ERISA, or by reason of being deemed to be a contributing sponsor under Section 4069 of ERISA.

"**EU Bail-In Legislation Schedule**" means the EU Bail-In Legislation Schedule published by the Loan Market Association (or any successor person), as in effect from time to time.

"**Eurodollar Disruption Event**" means the occurrence of any of the following: (a) any Lender shall have notified Agent of a determination by such Lender that it would be contrary to law or to the

directive of any central bank or other Governmental Authority (whether or not having the force of law) to obtain dollars in the London interbank market to fund any Loan, (b) the inability of any Lender to obtain timely information for purposes of determining the LIBOR Rate, (c) any Lender shall have notified Agent of a determination by such Lender that the rate at which deposits of dollars are being offered to such Lender in the London interbank market does not accurately reflect the cost to such Lender of making, funding or maintaining any Loan or (d) any Lender shall have notified Agent of the inability of such Lender to obtain dollars in the London interbank market to make, fund or maintain any Loan.

"**Event of Default**" has the meaning set forth in Section 10.1.

"**Excluded Accounts**" has the meaning set forth in Section 5.14(b).

"**Excluded Property"** means, collectively:

(a) any lease, license, contract, permit, letter of credit, purchase money arrangement, instrument or agreement to which any Credit Party is a party or any of its rights or interests thereunder if and to the extent that the grant of such security interest shall constitute a result in (i) the abandonment, invalidation or unenforceability of any right, title or interest of any Credit Party therein or (ii) result in a breach or termination pursuant to the terms of, or default under, any such lease, license, contract, permit, letter of credit, purchase money arrangement, instrument or agreement;

(b) any governmental licenses or state or local franchises, charters and authorizations, to the extent that Agent may not validly possess a security interest in any such license, franchise, charter or authorization under applicable Law;

(c) any asset which is subject to a purchase money Lien or Capital Lease permitted hereunder to the extent the granting of a security interest in such asset is prohibited pursuant to the terms of the contract governing such purchase money Lien or Capital Lease; and

(d) any "intent-to-use" trademarks or service mark applications for which an amendment to allege use or statement of use has not been filed under 15 U.S.C. § 1051 Section 1(c) or Section 1(d), respectively or if filed, has not been deemed in conformance with 15 U.S.C. § 1051(a) or examined and accepted, respectively by the United States Patent and Trademark Office;

provided that (x) any such limitation described in the foregoing clauses (a) and (b) on the security interests granted hereunder shall apply only to the extent that any such prohibition could not be rendered ineffective pursuant to the UCC or any other applicable Law (including Sections 9-406, 9-407 and 9-408 of the UCC) or principles of equity, (y) in the event of the termination or elimination of any such prohibition or the requirement for any consent contained in such contract, agreement, permit, lease or license or in any applicable Law, to the extent sufficient to permit any such item to become Collateral hereunder, or upon the granting of any such consent, or waiving or terminating any requirement for such consent, a security interest in such contract, agreement, permit, lease, license, franchise, authorization or asset shall be automatically and simultaneously granted hereunder and shall be included as Collateral hereunder, and (z) all rights to payment of money due or to become due pursuant to, and all products and proceeds (and rights to the proceeds) from the sale of, any Excluded Property shall be and at all times remain subject to the security interests created by this Agreement (unless such proceeds would independently constitute Excluded Property).

"**Excluded Taxes**" means any of the following Taxes imposed on or with respect to Agent, any Lender or any other recipient of any payment to be made by or on behalf of any obligation of the Credit Parties hereunder or the Obligations or required to be withheld or deducted from a payment to Agent, such

Lender or such recipient (including any interest and penalties thereon): (a) Taxes to the extent imposed on or measured by Agent's, any Lender's or such recipient's net income (however denominated), branch profits Taxes, and franchise Taxes and similar Taxes, in each case, (i) imposed by the jurisdiction (or any political subdivision thereof) under which Agent, such Lender or such recipient is organized, has its principal office or conducts business with respect to entering into any of the Financing Documents or taking any action thereunder or (ii) that are Other Connection Taxes; (b) in the case of a Lender, United States withholding Taxes imposed on amounts payable to or for the account of such Lender with respect to an applicable interest in the Loans pursuant to a Law in effect on the date on which (i) such Lender becomes a party to this Agreement other than as a result of an assignment requested by a Credit Party under Section 2.8(i) or Section 11.17(c) or (ii) such Lender changes its lending office, except in each case to the extent that, pursuant to Section 2.8, amounts with respect to such Taxes were payable either to such Lender's assignor immediately before such Lender acquired the applicable interest in a Loan or Revolving Loan Commitment or to such Lender immediately before it changed its lending office; (c) Taxes attributable to Agent's, such Lender's or such recipient's failure to comply with Section 2.8(c); and (d) any U.S. federal withholding taxes imposed under FATCA.

"**FATCA**" means Sections 1471 through 1474 of the Code as of the date of this Agreement (or any amended or successor version that is substantively comparable and not materially more onerous to comply with), any current or future U.S. Treasury regulations or official interpretations thereof and any agreement entered into pursuant to the implementation of Section 1471(b)(1) of the Code, and any intergovernmental agreement, treaty or convention between the United States Internal Revenue Service, the U.S. Government and any governmental or taxation authority under any other jurisdiction implementing such sections of the Code.

"**FDA**" means the Food and Drug Administration of the United States of America, any comparable state or local Governmental Authority, any comparable Governmental Authority in any non-United States jurisdiction, and any successor agency of any of the foregoing.

"**Federal Funds Rate**" means, for any day, the rate of interest per annum (rounded upwards, if necessary, to the nearest whole multiple of 1/100 of 1%) equal to the weighted average of the rates on overnight Federal funds transactions with members of the Federal Reserve System, as published by the Federal Reserve Bank of New York on the Business Day next succeeding such day, *provided, however*, that (a) if such day is not a Business Day, the Federal Funds Rate for such day shall be such rate on such transactions on the next preceding Business Day, and (b) if no such rate is so published on such next preceding Business Day, the Federal Funds Rate for such day shall be the average rate quoted to Agent on such day on such transactions as determined by Agent in a commercially reasonable manner.

"**Fee Letter**" means each agreement between Agent and Borrower relating to fees payable to Agent and/or Lenders in connection with this Agreement.

"**Financing Documents**" means this Agreement, any Notes, the Security Documents, each Fee Letter, the Affiliated Intercreditor Agreement, each subordination or intercreditor agreement pursuant to which any Debt and/or any Liens securing such Debt is subordinated to all or any portion of the Obligations and all other documents, instruments and agreements related to the Obligations and heretofore executed, executed concurrently herewith or executed at any time and from time to time hereafter, as any or all of the same may be amended, supplemented, restated or otherwise modified from time to time.

"**Foreign Lender**" has the meaning set forth in Section 2.8(c)(i).

"**GAAP**" means generally accepted accounting principles set forth from time to time in the opinions and pronouncements of the Accounting Principles Board and the American Institute of Certified Public

Accountants and statements and pronouncements of the Financial Accounting Standards Board (or agencies with similar functions of comparable stature and authority within the United States accounting profession), which are applicable to the circumstances as of the date of determination.

"**General Intangible**" means any "general intangible" as defined in Article 9 of the UCC, and any personal property, including things in action, other than accounts, chattel paper, commercial tort claims, deposit accounts, documents, goods, instruments, investment property, letter-of-credit rights, letters of credit, money, and oil, gas or other minerals before extraction, but including payment intangibles and software.

"**Governmental Authority**" means any nation or government, any state, local or other political subdivision thereof, and any agency, department or Person exercising executive, legislative, judicial, regulatory or administrative functions of or pertaining to government and any corporation or other Person owned or controlled (through stock or capital ownership or otherwise) by any of the foregoing, whether domestic or foreign.

"**Guarantee**" by any Person means any obligation, contingent or otherwise, of such Person directly or indirectly guaranteeing any Debt or other obligation of any other Person and, without limiting the generality of the foregoing, any obligation, direct or indirect, contingent or otherwise, of such Person (a) to purchase or pay (or advance or supply funds for the purchase or payment of) such Debt or other obligation (whether arising by virtue of partnership arrangements, by agreement to keep-well, to purchase assets, goods, securities or services, to take-or-pay, or to maintain financial statement conditions or otherwise), or (b) entered into for the purpose of assuring in any other manner the obligee of such Debt or other obligation of the payment thereof or to protect such obligee against loss in respect thereof (in whole or in part), *provided*, *however*, that the term Guarantee shall not include endorsements for collection or deposit in the Ordinary Course of Business. The term "**Guarantee**" used as a verb has a corresponding meaning.

"**Guarantor**" means any Credit Party that has executed or delivered, or shall in the future execute or deliver, any Guarantee of any portion of the Obligations.

"**Hazardous Materials**" means petroleum and petroleum products and compounds containing them, including gasoline, diesel fuel and oil; explosives, flammable materials; radioactive materials; polychlorinated biphenyls and compounds containing them; lead and lead-based paint; asbestos or asbestos-containing materials; underground or above-ground storage tanks, whether empty or containing any substance; any substance the presence of which is prohibited by any Environmental Laws; toxic mold, any substance that requires special handling under Environmental Laws; and any other material or substance now or in the future defined as a "hazardous substance," "hazardous material," "hazardous waste," "toxic substance," "toxic pollutant," "contaminant," "pollutant" or other words of similar import within the meaning of any Environmental Law, including: (a) any "hazardous substance" defined as such in (or for purposes of) CERCLA, or any so-called "superfund" or "superlien" Law, including the judicial interpretation thereof; (b) any "pollutant or contaminant" as defined in 42 U.S.C.A. § 9601(33); (c) any material now defined as "hazardous waste" pursuant to 40 C.F.R. Part 260; (d) any petroleum or petroleum by-products, including crude oil or any fraction thereof; (e) natural gas, natural gas liquids, liquefied natural gas, or synthetic gas usable for fuel; (f) any "hazardous chemical" as defined pursuant to 29 C.F.R. Part 1910; (g) any toxic or harmful substances, wastes, materials, pollutants or contaminants (including, without limitation, asbestos, polychlorinated biphenyls, flammable explosives, radioactive materials, infectious substances, materials containing lead-based paint or raw materials which include hazardous constituents); and (h) any other toxic substance or contaminant that is subject to any Environmental Laws or other past or present requirement of any Governmental Authority.

"**Hazardous Materials Contamination**" means contamination (whether now existing or hereafter occurring) of the improvements, buildings, facilities, personalty, soil, groundwater, air or other elements on or of the relevant property by Hazardous Materials, or any derivatives thereof, or on or of any other property as a result of Hazardous Materials, or any derivatives thereof, generated on, emanating from or disposed of in connection with the relevant property.

"**Healthcare Laws**" means all applicable Laws relating to the procurement, development, provision, clinical and non-clinical evaluation or investigation, product approval or clearance, manufacture, production, analysis, distribution, dispensing, importation, exportation, use, handling, quality, reimbursement, sale, labeling, advertising, promotion, or postmarket requirements of any drug, medical device, clinical laboratory service, food, dietary supplement, or other product (including, without limitation, any ingredient or component of, or accessory to, the foregoing products) subject to regulation under the Federal Food, Drug and Cosmetic Act, as amended, 21 U.S.C. Section 301, Clinical Laboratory Improvement Amendments of 1988 (42 U.S.C. §263a et seq) and its implementing regulations (42 C.F.R. Part 493), as enforced by CMS, and similar state or foreign laws, controlled substances laws, pharmacy laws, consumer product safety laws, Medicare, Medicaid, TRICARE, HIPAA, the Patient Protection and Affordable Care Act (P.L. 111-1468), all federal and state fraud and abuse laws, including, without limitation, the federal Anti-Kickback Statute (42 U.S.C. §1320a-7b(6)), the Stark Law (42 U.S.C. §1395nn), the civil False Claims Act (31 U.S.C. §3729 et seq.) and all laws, policies, procedures, requirements and regulations pursuant to which Permits are issued, in each case, as the same may be amended from time to time.

"**Indemnified Taxes**" means (a) Taxes, other than Excluded Taxes, imposed on or with respect to any payment made by or on account of any obligation of Borrowers or any other Credit Party under any Financing Documents and (b) to the extent not otherwise described in (a), Other Taxes.

"**Instrument**" means "instrument", as defined in Article 9 of the UCC.

"**Intellectual Property**" means all copyright rights, copyright applications, copyright registrations and like protections in each work of authorship and derivative work, whether published or unpublished, any patents, patent applications and like protections, including improvements, divisions, continuations, renewals, reissues, extensions, and continuations-in-part of the same, trademarks, trade names, service marks, mask works, rights of use of any name, domain names, or any other similar rights, any applications therefor, whether registered or not, know-how, operating manuals, trade secret rights, clinical and non-clinical data, rights to unpatented inventions, and any claims for damage by way of any past, present, or future infringement of any of the foregoing.

"**Interest Period**" means any period commencing on the first day of a calendar month and ending on the last day of such calendar month.

"**Inventory**" means "inventory" as defined in Article 9 of the UCC.

"**Investment**" means, with respect to any Person, directly or indirectly, (a) to purchase or acquire any stock or stock equivalents, or any obligations or other securities of, or any interest in, any Person, including the establishment or creation of a Subsidiary, (b) to make or otherwise consummate any Acquisition, or (c) make, purchase or hold any advance, loan, extension of credit or capital contribution to or in, or any other investment in, any Person. The amount of any Investment shall be the original cost of such Investment plus the cost of all additions thereto, without any adjustments for increases or decreases in value, or write-ups, write-downs or write-offs with respect thereto.

"**IRS**" has the meaning set forth in Section 2.8(c)(i).

"**Joinder Requirements**" has the meaning set forth in Section 4.11(c).

"**Laws**" means any and all federal, state, provincial, territorial, local and foreign statutes, laws, judicial decisions, regulations, ordinances, rules, judgments, orders, decrees, codes, injunctions, permits, governmental agreements and governmental restrictions, whether now or hereafter in effect, which are applicable to any Credit Party in any particular circumstance. "**Laws**" includes, without limitation, Healthcare Laws and Environmental Laws.

"**L/C Cash Collateral Accounts**" means, collectively, each segregated Deposit Account from time to time identified to Agent in writing established by Borrower for the sole purpose of securing Borrower's obligations under clause (h) of the definition Permitted Contingent Obligations and containing only such cash or Cash Equivalents that have been required to be pledged to secure such obligations of Borrower; *provided*, that the aggregate amount of cash or Cash Equivalents deposited in all such L/C Cash Collateral Account(s) does not, at any time, exceed $250,000 in the aggregate.

"**Lender**" means each of (a) MCF, in its capacity as a lender hereunder, (b) each other Person party hereto in its capacity as a lender hereunder, (c) each other Person that becomes a party hereto as Lender pursuant to Section 11.17, and (d) the respective successors of all of the foregoing, and "**Lenders**" means all of the foregoing.

"**LIBOR Rate**" means, for each Loan, a per annum rate of interest equal to the greater of (a) one and one half percent (1.50%) and (b) the rate determined by Agent (rounded upwards, if necessary, to the next 1/100th%) by *dividing* (i) the Base LIBOR Rate for the Interest Period, *by* (ii) the sum of one *minus* the daily average during such Interest Period of the aggregate maximum reserve requirement (expressed as a decimal) then imposed under Regulation D of the Board of Governors of the Federal Reserve System (or any successor thereto) for "Eurocurrency Liabilities" (as defined therein).

"**Lien**" means, with respect to any asset, any mortgage, lien, pledge, charge, security interest or encumbrance of any kind, in respect of such asset. For the purposes of this Agreement and the other Financing Documents, any Borrower or any Subsidiary shall be deemed to own subject to a Lien any asset which it has acquired or holds subject to the interest of a vendor or lessor under any conditional sale agreement, Capital Lease or other title retention agreement relating to such asset.

"**Litigation**" means any action, suit or proceeding before any court, mediator, arbitrator or Governmental Authority.

"**Loan Account**" has the meaning set forth in Section 2.6(b).

"**Loan(s)**" means the Revolving Loans**.**

"**Lockbox**" has the meaning set forth in Section 2.11.

"**Lockbox Account**" means an account or accounts maintained at the Lockbox Bank into which collections of Accounts are paid, which account or accounts shall be, if requested by Agent, opened in the name of Agent (or a nominee of Agent).

"**Lockbox Activation Date**" has the meaning set forth in Schedule 7.4 attached hereto.

"**Lockbox Bank**" has the meaning set forth in Section 2.11.

"**Margin Stock**" means "margin stock" as such term is defined in Regulation T, U, or X of the Board of Governors of the Federal Reserve System.

"**Material Adverse Effect**" means with respect to any event, act, condition or occurrence of whatever nature (including any adverse determination in any litigation, arbitration, or governmental investigation or proceeding), whether singly or in conjunction with any other event or events, act or acts, condition or conditions, occurrence or occurrences, whether or not related, a material adverse change in, or a material adverse effect upon, any of (a) the condition (financial or otherwise), operations, business or properties of the Credit Parties taken as a whole, (b) the rights and remedies of Agent or Lenders under any Financing Document, or the ability of any Credit Party to perform any of its obligations under any Financing Document to which it is a party, (c) the legality, validity or enforceability of any Financing Document, (d) the existence, perfection or priority of any security interest granted to Agent or the Lenders in any Financing Document, except solely as a result of any action or inaction of Agent or any Lender (provided that such action or inaction is not caused by a Credit Party's failure to comply with the terms of the Financing Documents), (e) the value of any material Collateral, or (f) a material impairment of the prospect of repayment of any portion of the Obligations.

"**Material Contracts**" means (a) the agreements listed on Schedule 3.17 and (b) any other agreement or contract to which such Credit Party or its Subsidiaries is a party the termination of which could reasonably be expected to result in a Material Adverse Effect.

"**Material Intangible Assets**" means all of (a) Intellectual Property owned by the Credit Parties or their Subsidiaries and (b) license or sublicense agreements or other agreements with respect to rights in Intellectual Property not owned by a Credit Party or a Subsidiary thereof, in each case, that are material to the condition (financial or other), business or operations of Credit Parties and their Subsidiaries (taken as a whole) as determined by Agent in its reasonable discretion.

"**Maturity Date**" means March 1, 2026.

"**Maximum Lawful Rate**" has the meaning set forth in Section 2.7.

"**MCF**" means MidCap Financial Trust, a Delaware statutory trust, and its successors and assigns.

"**Minimum Balance**" means, at any time, an amount that equals the product of: (a) the average Borrowing Base (or, if less on any given day, the Revolving Loan Commitment) during the immediately preceding month *multiplied by* (b) the Minimum Balance Percentage for such month.

"**Minimum Balance Fee**" means a fee equal to (a) the positive difference, if any, remaining after subtracting (i) the average end-of-day principal balance of Revolving Loans outstanding during the immediately preceding month (without giving effect to the clearance day calculations referenced above or in Section 2.2(a) from (ii) the Minimum Balance *multiplied by* (b) the average interest rate applicable to the Revolving Loans during such month (or, during the existence of an Event of Default, the default rate of interest set forth in Section 10.5(a)).

"**Minimum Balance Percentage**" means twenty-five percent (25.0%).

"**Minimum Net Revenue Threshold**" means, for each Defined Period, the minimum amount set forth on Schedule 6.1 for such Defined Period.

"**Monthly Cash Burn Amount**" means, with respect to Borrowers and their Consolidated Subsidiaries, an amount equal to (a) the Borrowers' and their Consolidated Subsidiaries change in cash and

Cash Equivalents, without giving effect to any increase resulting from the proceeds of financings, the sale or issuance of Equity Interests or any other extraordinary receipts, for either (i) the immediately preceding six (6) month period as determined as of the last day of the month immediately preceding the proposed consummation of the applicable Permitted Acquisition and based upon the financial statements delivered to Agent in accordance with this Agreement for such period, or (ii) the immediately succeeding six (6) month period based upon the Transaction Projections delivered with respect to such proposed Permitted Acquisition, using whichever calculation as between clause (i) and clause (ii) demonstrates a higher burn rate (or, in other words, more cash used), in both cases, *divided* by (b) six (6).

"**Multiemployer Plan**" means a multiemployer plan within the meaning of Section 4001(a)(3) of ERISA to which any Borrower or any other member of the Controlled Group (or any Person who in the last five years was a member of the Controlled Group) is making or accruing an obligation to make contributions or has within the preceding five plan years (as determined on the applicable date of determination) made contributions.

"**Net Revenue**" means, for any applicable Defined Period, the consolidated revenue of Borrowers and its Subsidiaries, as determined in accordance with GAAP, generated during such Defined Period through the commercial sale of Products and services by Borrowers or their Subsidiaries to third parties, in all cases, in the Ordinary Course of Business.

"**Notes**" has the meaning set forth in Section 2.3.

"**Notice of Borrowing**" means a notice of a Responsible Officer of Borrower Representative, appropriately completed and substantially in the form of Exhibit D hereto.

"**Obligations**" means all obligations, liabilities and indebtedness (monetary (including, without limitation, the payment of interest and other amounts arising after the commencement of any case with respect to any Credit Party under the Bankruptcy Code or any similar statute which would accrue and become due but for the commencement of such case, whether or not such amounts are allowed or allowable in whole or in part in such case) or otherwise) of each Credit Party under this Agreement or any other Financing Document, in each case howsoever created, arising or evidenced, whether direct or indirect, absolute or contingent, now or hereafter existing, or due or to become due.

"**OFAC**" means the U.S. Department of Treasury Office of Foreign Assets Control.

"**OFAC Lists**" means, collectively, the Specially Designated Nationals and Blocked Persons List maintained by OFAC pursuant to Executive Order No. 13224, 66 Fed. Reg. 49079 (Sept. 25, 2001) and/or any other list of terrorists or other restricted Persons maintained pursuant to any of the rules and regulations of OFAC or pursuant to any other applicable Executive Orders.

"**Orderly Liquidation Value**" means the net amount (after all costs of sale), expressed in terms of money, which Agent, in its good faith discretion, estimates can be realized from a sale, as of a specific date, given a reasonable period to find a purchaser(s), with the seller being compelled to sell on an as-is/where-is basis.

"**Ordinary Course of Business**" means, in respect of any transaction involving any Credit Party or any Subsidiary, the ordinary course of business of such Credit Party or Subsidiary, as conducted by such Credit Party or Subsidiary in accordance with past practices.

"**Organizational Documents**" means, with respect to any Person other than a natural person, the documents by which such Person was organized (such as a certificate of incorporation, articles of

incorporation, certificate of limited partnership or articles of organization, and including, without limitation, any certificates of designation for preferred stock or other forms of preferred equity) and which relate to the internal governance of such Person (such as by-laws, a partnership agreement or an operating agreement, joint venture agreement, limited liability company agreement or members agreement), including any and all shareholder agreements or voting agreements relating to the capital stock or other Equity Interests of such Person.

"**Other Connection Taxes**" means taxes imposed as a result of a present or former connection between Agent or any Lender and the jurisdiction imposing such tax (other than connections arising from Agent or such Lender having executed, delivered, become a party to, performed its obligations under, received payments under, engaged in any other transaction pursuant to or enforced any Financing Document, or sold or assigned an interest in any Loans or any Financing Document).

"**Other Taxes**" means all present or future stamp, court or documentary, intangible, recording, filing or similar taxes that arise from any payment made under, from the execution, delivery, performance, enforcement or registration of, from the receipt or perfection of a security interest under, or otherwise with respect to, any Financing Document, except any such taxes that are Other Connection Taxes imposed with respect to an assignment (other than an assignment made pursuant to Section 2.8(i)).

"**Participant Register**" has the meaning set forth in Section 11.17(a)(iii).

"**Payment Account**" means the account specified on the signature pages hereof into which all payments by or on behalf of each Borrower to Agent under the Financing Documents shall be made, or such other account as Agent shall from time to time specify by notice to Borrower Representative.

"**PBGC**" means the Pension Benefit Guaranty Corporation and any Person succeeding to any or all of its functions under ERISA.

"**Pension Plan**" means any ERISA Plan that is subject to Section 412 of the Code or Title IV of ERISA.

"**Perfection Certificate**" means the Perfection Certificate delivered to Agent as of the Closing Date, together with any amendments thereto required under this Agreement.

"**Permit**" means all licenses, certificates, accreditations, product clearances or approvals, provider numbers or provider authorizations, supplier numbers, marketing authorizations, drug or device authorizations and approvals, other authorizations, franchises, qualifications, accreditations, registrations, permits, consents and approvals of a Credit Party issued or required under Laws applicable to the business of Borrowers or any of their Subsidiaries or necessary in the manufacturing, importing, exporting, possession, ownership, warehousing, marketing, promoting, sale, labeling, furnishing, distribution or delivery of goods or services under Laws applicable to the business of Borrower or any of its Subsidiaries.

"Permitted Acquisition" means any Acquisition by a Borrower, in each case, to the extent that each of the following conditions shall have been satisfied:

(a) the Borrower Representative shall have delivered to Agent at least ten (10) Business Days (or such shorter period as may be agreed by Agent) prior to the closing of the proposed Acquisition: (i) a description of the proposed Acquisition; (ii) to the extent available in the case of an Acquisition for cash consideration in excess of $1,000,000, a due diligence package (including, to the extent available, a quality of earnings report); and (iii) copies of the respective agreements, documents or instruments pursuant to which such Acquisition is to be

consummated (or substantially final drafts thereof), any schedules to such agreements, documents or instruments and all other material ancillary agreements, instruments and documents to be executed or delivered in connection therewith, and, to the extent required to be completed prior to the closing of such Acquisition under the related acquisition agreement and reasonably requested by Agent, all material regulatory and third party approvals and copies of any environmental assessments, if applicable;

(b) the Credit Parties (including any new Subsidiary to the extent required by Section 4.11) shall execute and deliver the agreements, instruments and other documents to the extent required the terms of this Agreement, including, without limitation, by Section 4.11 hereof, including such agreements, instruments and other documents (including those governed by foreign law) necessary to ensure that Agent receives a first priority perfected Lien in all entities and assets acquired in connection with the Acquisition to the extent required by this Agreement;

(c) at the time of such Acquisition and after giving effect thereto, no Event of Default has occurred and is continuing;

(d) the Acquisition would not result in a Change in Control and each Borrower remains a surviving legal entity after such Acquisition;

(e) with respect to any Acquisition involving an in-license to a Credit Party, all such in-licenses or agreements related thereto shall constitute "Collateral" and Agent to have the ability in the event of a liquidation of any Collateral to dispose of such Collateral in accordance with Agent's rights and remedies under this Agreement and the other Financing Documents;

(f) all transactions in connection with such Acquisition shall be consummated in all material respects in accordance with applicable Laws;

(g) the assets acquired in such Acquisition are for use in the same, similar, related or complementary lines of business as the Credit Parties are currently engaged or a similar, related or complementary line of business reasonably related, ancillary or supplemental thereto or incidental thereto or reasonably expansive thereof;

(h) if required, such Acquisition shall have been approved by the board of directors (or other similar body) and/or the stockholders or other equity holders of any Person being acquired in such Acquisition;

(i) no Debt or Liens are assumed or created (other than Permitted Liens and Permitted Debt) in connection with such Acquisition;

(j) Agent shall have received a certificate of a Responsible Officer of the Borrower Representative demonstrating, on a pro forma basis after giving effect to the consummation of such Acquisition, that Credit Parties are in compliance with the financial covenants set forth in Article 6 hereof;

(k) unless Agent shall otherwise consent in writing (in its sole discretion), (x) if the Acquisition is an equity purchase or merger, the target and its Subsidiaries must have as their jurisdiction of formation a state within the United States or the District of Columbia, and (y) if the Acquisition is an asset purchase, not less than 90% of the fair market value of all of the assets so acquired shall be located within (or in the case of Registered Intellectual Property, registered in) the United States; *provided*, *however*, that this clause (k) shall not be deemed to prohibit

Acquisitions of a target having a jurisdiction of organization of Germany or the Netherlands or an asset purchase of assets located in Germany or the Netherlands unless Agent shall determine (in its reasonable discretion) that Agent is unable to obtain Guarantee from the target or to perfect its security interest in the material assets of the target or the material assets acquired by the Credit Parties in connection with such Acquisition under the laws of Germany or the Netherlands (as applicable);

(l) the consideration payable by the Credit Parties and their Subsidiaries in connection with such Acquisition shall consist solely of (x) noncash Equity Interests (other than Disqualified Equity Interest) in Alpha Teknova, Inc. and/or (y) cash and Cash Equivalents not to exceed in the aggregate the cap set forth in clause (m) below;

(m) the sum of all cash amounts (including Cash Equivalents) paid or payable in connection with all Permitted Acquisitions (including all Debt, liabilities and Contingent Obligations (in each case to the extent otherwise permitted hereunder) incurred or assumed and the maximum amount of any royalties, earn-outs or comparable payment obligation in connection therewith, regardless of when due or payable and whether or not reflected on a consolidated balance sheet of Borrowers) (all such consideration, the "**Acquisition Consideration**") shall not exceed $10,000,000 in the aggregate during the term of this Agreement;

(n) prior to the consummation of each such Acquisition, Borrowers have provided a certificate (and such other evidence as Agent may reasonably require) demonstrating to Agent's reasonable satisfaction that, following the consummation of such Acquisition and after giving pro forma effect to the payment of all Acquisition Consideration in connection therewith (including all deferred Acquisition Consideration as if such amounts were payable upon the closing of such Acquisition), Borrowers will have Borrower Unrestricted Cash in an amount equal to or greater than the greater of (x) $20,000,000 and (y) an amount equal to positive value of the product of (I) 12 *multiplied* by (II) the Monthly Cash Burn Amount; *provided*, *however*, that Borrower shall not be required to comply with the requirements of this clause (n) with respect to Acquisitions to the extent the aggregate amount of Acquisition Consideration paid or payable in connection with such Acquisitions (collectively) does not exceed $2,000,000; and

(o) Agent has received, prior to the consummation of such Acquisition, updated financial projections, in form and substance reasonably satisfactory to Agent, for the immediately succeeding four (4) quarters following the proposed consummation of the Acquisition beginning with the quarter during which the Acquisition is to be consummated (the "**Transaction Projections**.")

Notwithstanding the foregoing, no Accounts or Inventory acquired by a Credit Party in a Permitted Acquisition shall be included as Eligible Accounts or Eligible Inventory until a field examination (and, if required by Agent, an Inventory appraisal) with respect thereto has been completed to the reasonable satisfaction of Agent, including the establishment of reserves required in Agent's reasonable discretion; *provided* that field examinations and appraisals in connection with Permitted Acquisitions shall not count against the limited number of field examinations or appraisals for which expense reimbursement may be sought.

"**Permitted Asset Dispositions**" means the following Asset Dispositions, *provided*, *however*, that at the time of such Asset Disposition, no Default or Event of Default exists or would result from such Asset Disposition:

(a) dispositions of Inventory in the Ordinary Course of Business and not pursuant to any bulk sale;

(b) dispositions of furniture, fixtures and equipment in the Ordinary Course of Business that the applicable Credit Party or Subsidiary determines in good faith is no longer used or useful in the business of such Credit Party and its Subsidiaries;

(c) expiration, forfeiture, invalidation, cancellation, abandonment or lapse (including, without limitation, the narrowing of claims) of Intellectual Property (other than Material Intangible Assets) that is, in the reasonable good faith judgment of a Credit Party, no longer useful in the conduct of the business of the Credit Parties or any of their Subsidiaries;

(d) the granting of Permitted Licenses and the use of cash and Cash Equivalents to make Permitted Investments;

(e) (i) Asset Dispositions by any Borrower to another Borrower, and (ii) Asset Dispositions by any Guarantor or other Subsidiary to a Borrower or another Credit Party;

(f) sales, forgiveness or discounting, on a non-recourse basis and in the Ordinary Course of Business, of past due Accounts (other than Eligible Accounts included in the Borrowing Base) in connection with the settlement of delinquent Accounts or in connection with the bankruptcy or reorganization of suppliers or customers in accordance with the applicable terms of this Agreement;

(g) to the extent constituting an Asset Disposition, the use of cash and Cash Equivalents to make Permitted Investments, Permitted Investments made pursuant to clause (k) of the definition thereof, or the granting of Permitted Liens;

(h) dispositions consisting of the use or payment of cash or Cash Equivalents in the Ordinary Course of Business and in a manner that is not prohibited by the terms of this Agreement or the other Financing Documents;

(i) dispositions of tangible personal property (and not, for the avoidance of doubt, any Intellectual Property or other intangible assets) so long as (i) the assets subject to such Asset Dispositions are sold for fair value, as determined by the Borrowers in good faith, (ii) at least 50% of the consideration therefor is cash or Cash Equivalents and (ii) the aggregate amount of such Asset Dispositions in any twelve (12) month period does not exceed $500,000;

(j) Asset Dispositions (i) by any Borrower to any other Borrower and (ii) by any Guarantor to any Borrower; and

(k) other dispositions approved by Agent from time to time in its sole discretion.

"**Permitted Contest**" means, with respect to any tax obligation or other obligation allegedly or potentially owing from any Credit Party or its Subsidiary to any governmental tax authority or other third party, a contest maintained in good faith by appropriate proceedings promptly instituted and diligently conducted and with respect to which such reserve or other appropriate provision, if any, as shall be required in conformity with GAAP shall have been made on the books and records and financial statements of the applicable Credit Party(ies); *provided*, *however*, that (a) compliance with the obligation that is the subject of such contest is effectively stayed during such challenge; (b) Credit Parties' and their Subsidiaries' title

to, and its right to use, the Collateral is not adversely affected thereby and Agent's Lien and priority on the Collateral are not adversely affected, altered or impaired thereby; (c) the Collateral or any part thereof or any interest therein shall not be in any danger of being sold, forfeited or lost by reason of such contest by Credit Parties or their Subsidiaries; and (d) upon a final determination of such contest, Credit Parties and their Subsidiaries shall promptly comply with the requirements thereof.

"**Permitted Contingent Obligations**" means

(a) Contingent Obligations arising in respect of the Debt under the Financing Documents or the Affiliated Financing Documents;

(b) Contingent Obligations resulting from endorsements for collection or deposit in the Ordinary Course of Business;

(c) Contingent Obligations outstanding on the date of this Agreement and set forth on Schedule 5.1 (but not including any refinancings, extensions, increases or amendments to the indebtedness underlying such Contingent Obligations other than extensions of the maturity thereof without any other change in terms);

(d) Contingent Obligations incurred in the Ordinary Course of Business with respect to surety and appeal bonds, performance bonds and other similar obligations not to exceed $250,000 in the aggregate at any time outstanding;

(e) Contingent Obligations arising under indemnity agreements with title insurers to cause such title insurers to issue to Agent mortgagee title insurance policies;

(f) Contingent Obligations arising with respect to customary indemnification obligations in favor of purchasers in connection with dispositions of personal property assets permitted under Section 5.6, or in connection with any other commercial agreement entered into by a Borrower or a Subsidiary thereof in the Ordinary Course of Business;

(g) so long as there exists no Event of Default both immediately before and immediately after giving effect to any such transaction, Contingent Obligations existing or arising under any Swap Contract, *provided*, *however*, that such obligations are (or were) entered into by Borrower or a Subsidiary thereof in the Ordinary Course of Business for the purpose of directly mitigating risks associated with liabilities, commitments, investments, assets, or property held or reasonably anticipated by such Person and not for purposes of speculation;

(h) Contingent Obligations existing or arising in connection with any letter of credit for the primary purpose of securing a lease of real property in the Ordinary Course of Business, provided that the aggregate amount of all such letter of credit reimbursement obligations does not at any time exceed $500,000 outstanding;

(i) unsecured Contingent Obligations arising with respect to customary indemnification obligations, adjustment of purchase price or similar obligations of any Credit Party, to the extent such Contingent Obligations arise in connection with a Permitted Acquisition and such obligations do not exceed the lesser of (i) an amount equal to (x) $2,000,000 minus (y) the amount of any Debt outstanding pursuant to clause (l) of the definition of Permitted Debt and (ii) the cap on Acquisition Consideration set forth in clause (m) or clause (n) of the definition of Permitted Acquisition after taking into account all other Acquisition Consideration paid or payable by Borrowers during the term of this Agreement; *provided* that no payment with respect to such obligations shall be made unless no Event of Default has occurred and is continuing or would result from the making of such payments; and

(j) other Contingent Obligations not permitted by clauses (a) through (i) above, not to exceed $500,000 in the aggregate at any time outstanding.

"**Permitted Debt**" means:

(a) Borrowers' and its Subsidiaries' Debt to Agent and each Lender under this Agreement and the other Financing Documents;

(b) Debt incurred as a result of endorsing negotiable instruments received in the Ordinary Course of Business;

(c) purchase money Debt and Capital Leases not to exceed $1,000,000 in the aggregate at any time (whether in the form of a loan or a lease) used solely to acquire equipment and secured only by such equipment and any Permitted Refinancing thereof;

(d) Debt existing on the date of this Agreement and described on Schedule 5.1 (but not including any refinancings, extensions, increases or amendments to such Debt other than extensions of the maturity thereof without any other change in terms);

(e) so long as there exists no Event of Default both immediately before and immediately after giving effect to any such transaction, Debt existing or arising under any Swap Contract, provided, however, that such obligations are (or were) entered into by Borrower or an Affiliate in the Ordinary Course of Business for the purpose of directly mitigating risks associated with liabilities, commitments, investments, assets, or property held or reasonably anticipated by such Person and not for purposes of speculation;

(f) Debt not to exceed $250,000 in the aggregate at any time outstanding owed to any Person providing property, casualty, liability, or other insurance to the Credit Parties, including to finance insurance premiums , so long as the amount of such Debt is not in excess of the amount of the unpaid cost of, and shall be incurred only to defer the cost of, such insurance for the policy year in which such Debt is incurred and such Debt is outstanding only during such policy year;

(g) Debt consisting of unsecured intercompany loans and advances incurred by (1) any Borrower owing to any other Borrower or (2) any Borrower or any Guarantor owing to any Guarantor; *provided* that any such Debt owed by a Credit Party shall, at the request of Agent, be subordinated to the payment in full of the Obligations pursuant to documentation in form and substance reasonably satisfactory to Agent;

(h) Debt secured solely by cash collateral held in a Credit Card Cash Collateral Account, in an aggregate amount not to exceed $250,000 at any time outstanding, in respect of credit cards, credit card processing services, debit cards, stored value cards, purchase cards (including so-called "procurement cards" or "P-cards") or other similar cash management or merchant services, in each case, incurred in the Ordinary Course of Business;

(i) trade accounts payable arising in the Ordinary Course of Business;

(j) Debt of the Credit Parties incurred under the Affiliated Financing Documents;

(k) to the extent also constituting Permitted Debt (without duplication), Permitted Contingent Obligations;

(l) unsecured earn-out obligations and other similar contingent purchase price obligations constituting Acquisition Consideration and incurred in connection with a Permitted Acquisition (and not including any seller notes or other non-contingent Debt unless otherwise constituting Permitted Debt), in an amount not to exceed the lesser of (i) an amount equal to (x) $2,000,000 minus (y) the amount of any Contingent Obligations outstanding pursuant to clause (i) of the definition of Permitted Contingent Obligations and (ii) the cap on Acquisition Consideration set forth in clause (m) or clause (n) of the definition of Permitted Acquisition after taking into account all other Acquisition Consideration paid or payable by Borrowers during the term of this Agreement; *provided* that no payment with respect to such obligations shall be made unless no Event of Default has occurred and is continuing or would result from the making of such payments;

(m) Subordinated Debt;

(n) unsecured Debt assumed in connection with a Permitted Acquisition up to $500,000; *provided* that such Debt exists at the time such Person becomes a Credit Party or the assets subject to such Debt were acquired and is not created or incurred in connection with or in contemplation thereof;

(o) unsecured obligations in respect of litigation settlement agreements or similar arrangements in an aggregate amount not exceeding $250,000 outstanding at any time; and

(p) other unsecured Debt not to exceed $500,000 in the aggregate at any time at any time outstanding.

"**Permitted Distributions**" means the following Distributions: (a) Distributions by any Subsidiary of a Credit Party to its direct parent; (b) dividends payable solely in common stock (other than Disqualified Equity Interests); (c) repurchases of stock of current or former employees, directors or consultants pursuant to stock purchase agreements so long as an Event of Default does not exist at the time of such repurchase and would not exist after giving effect to such repurchase, provided, however, that such repurchase does not exceed Two Hundred Fifty Thousand Dollars ($250,000) in the aggregate per fiscal year, (d) distributions of Equity Interests (other than Disqualified Equity Interests) upon the conversion or exchange of Equity Interest (including options and warrants) or Subordinated Debt (and payments in respect of fractional shares), (e) payments in lieu of fractional shares of equity securities arising out of stock dividends, splits, combinations or conversions in an aggregate amount not to exceed One Hundred Thousand Dollars ($100,000) during the term of this Agreement; (f) the issuance of its Equity Interests (other than Disqualified Equity Interest) upon the exercise of warrants or options to purchase Equity Interests of Alpha Teknova, Inc.; *provided* that no cash payments are made in connection therewith except for de minimis cash payable in lieu of fractional shares; (g) the distribution of rights pursuant to a stockholder rights plan or redemption of such rights for no or nominal consideration (including, for the avoidance of doubt, cash consideration); *provided* that such redemption is in accordance with the terms of such plan; (h) Distributions in connection with the retention of Equity Interests in payment of withholding taxes in connection with equity-based compensation plans in an aggregate amount not to exceed $250,000 in any twelve (12) month period; and (i) payments or distributions to dissenting stockholders pursuant to applicable Law in connection with any Permitted Acquisition, provided that such amounts when taken together with the aggregate Acquisition Consideration paid or payable for all Permitted Acquisitions shall not exceed the amounts permitted by clause (m) of the definition of Permitted Acquisition.

"**Permitted Investments**" means:

(a) Investments shown on Schedule 5.7 and existing on the Closing Date;

(b) to the extent constituting an Investment, the holding by a Person of cash and Cash Equivalents owned by such Person;

(c) Investments consisting of the endorsement of negotiable instruments for deposit or collection or similar transactions in the Ordinary Course of Business;

(d) Investments consisting of (i) travel advances and employee relocation loans and other employee loans and advances in the Ordinary Course of Business, and (ii) loans to employees, officers or directors relating to the purchase of equity securities of Borrowers or their Subsidiaries pursuant to employee stock purchase plans or agreements approved by Borrowers' Board of Directors (or other governing body), but the aggregate of all such loans and advances outstanding pursuant to this clause (d) may not exceed $250,000 at any time;

(e) Investments (including debt obligations) received in connection with the bankruptcy or reorganization of customers or suppliers and in settlement of delinquent obligations of, and other disputes with, customers or suppliers arising in the Ordinary Course of Business;

(f) Investments consisting of notes receivable of, or prepaid royalties and other credit extensions, to customers and suppliers who are not Affiliates, in the Ordinary Course of Business, *provided, however*, that this clause (f) shall not apply to Investments of any Credit Party in any Subsidiary;

(g) Investments consisting of Deposit Accounts or Securities Accounts;

(h) Investments by any Borrower in (1) any other Borrower, or (2) any other Credit Party organized under the laws of the United States or any State thereof that has provided a Guarantee of the Obligations of the Borrowers which Guarantee is secured by a Lien granted by such Subsidiary to Agent in all or substantially all of its property of the type described in Schedule 9.1 hereto and otherwise made in compliance with Section 4.11(c);

(i) so long as no Event of Default exists or results therefrom, the granting of Permitted Licenses;

(j) Investments constituting Permitted Acquisitions;

(k) so long as no Event of Default exists at the time of such Investment or after giving effect to such Investment, Investments of cash and Cash Equivalents, in an aggregate amount not to exceed $750,000, by Borrower to purchase the undeveloped land located at 2200 Bert Drive, Hollister, CA 95023 on commercially reasonable terms; *provided* that Agent shall receive a mortgage and such other documents as are reasonably necessary or desirable in order for Agent to obtain a first priority perfected security interest (subject to Permitted Liens) in respect of the acquired real property by the date that is forty-five (45) days after the purchase by Borrower thereof;

(l) (i) Non-cash Investments by Borrowers and their Subsidiaries in joint ventures or strategic alliances in the Ordinary Course of Business consisting of the non-exclusive licensing of

technology, the development of technology or the providing of technical support; *provided* that no Asset Dispositions are made by Borrowers or their Subsidiaries in connection with such Investments other than Permitted Asset Dispositions and (ii) Investments of cash and Cash Equivalents in joint ventures and strategic alliance in an aggregate amount not to exceed $500,000 in any fiscal year; and

(m) so long as no Event of Default exists at the time of such Investment or after giving effect to such Investment, other Investments of cash and Cash Equivalents in an amount not exceeding Two Hundred Fifty Thousand Dollars ($250,000) in the aggregate at any time outstanding.

"**Permitted License**" means:

(a) any non-exclusive license or sublicense of rights to Intellectual Property (other than any source code licenses or sublicenses thereto) of Borrower or its Subsidiaries so long as all such licenses (i) are granted in the Ordinary Course of Business, (ii) do not result in a legal transfer of title to the licensed property, and (iii) have been granted in exchange for fair consideration;

(b) any exclusive license or sublicense of rights to Intellectual Property (other than any source code licenses or sublicenses thereto thereto) of Borrower or its Subsidiaries so long as such licenses or sublicenses (i) are granted to third parties in the Ordinary Course of Business, (ii) do not result in a legal transfer of title to the licensed property, (iii) have been granted in exchange for fair consideration, (iv) are exclusive solely as to discrete geographical areas outside of the United States (and are not exclusive in any other respect), (v) Borrowers or such Subsidiary has given Agent at least ten (10) days' written notice prior to entering in such license, and (vi) no Event of Default has occurred and is continuing at the time such license or sublicense is granted or would arise from the granting of such license or sublicense; and

(c) any exclusive license or sublicense of rights to Intellectual Property of Borrower or its Subsidiaries so long as such Permitted Licenses have been approved in advance in writing by Agent, in its sole discretion.

"**Permitted Liens**" means:

(a) deposits or pledges of cash arising in the Ordinary Course of Business to secure obligations under workmen's compensation, social security or similar laws, or under unemployment insurance (but excluding Liens arising under ERISA or, with respect to any Pension Plan or Multiemployer Plan, the Code) pertaining to a Borrower's or its Subsidiary's employees, if any;

(b) deposits or pledges of cash and Cash Equivalents in the Ordinary Course of Business to secure leases and other obligations of like nature arising in the Ordinary Course of Business;

(c) carrier's, warehousemen's, mechanic's, workmen's, landlord's, materialmen's or other like Liens on Collateral arising in the Ordinary Course of Business with respect to obligations which are not due, or which are being contested pursuant to a Permitted Contest;

(d) Liens, other than on Collateral that is part of the Borrowing Base, for taxes or other governmental charges not at the time delinquent or thereafter payable without penalty or the subject of a Permitted Contest;

(e) attachments, stay or appeal bonds, judgments and other similar Liens on Collateral for sums not exceeding $250,000 in the aggregate arising in connection with court proceedings; *provided*, *however*, that the execution or other enforcement of such Liens is effectively stayed and the claims secured thereby are the subject of a Permitted Contest;

(f) Liens with respect to real estate, easements, rights of way, restrictions, minor defects or irregularities of title, none of which, individually or in the aggregate, materially interfere with the benefits of the security intended to be provided by the Security Documents, materially affect the value or marketability of the Collateral, impair the use or operation of the Collateral for the use currently being made thereof or impair Borrowers' ability to pay the Obligations in a timely manner or impair the use of the Collateral or the ordinary conduct of the business of any Borrower or any Subsidiary and which, in the case of any real estate that is part of the Collateral, are set forth as exceptions to or subordinate matters in the title insurance policy accepted by Agent insuring the lien of the Security Documents;

(g) Liens and encumbrances in favor of Agent under the Financing Documents;

(h) Liens existing on the date hereof and set forth on Schedule 5.2 and Liens granted in a Permitted Refinancing of the obligations or liabilities secured by such Liens;

(i) any Lien on any equipment securing Debt permitted under clause (c) of the definition of Permitted Debt, *provided*, *however*, that such Lien attaches concurrently with or within one hundred twenty (120) days after the acquisition thereof and Liens incurred in a Permitted Refinancing of such Debt secured by such Liens;

(j) Liens that are rights of set-off, bankers' liens or similar non-consensual Liens relating to deposit or securities accounts in favor of banks, other depositary institutions and securities intermediaries solely to secure payment of fees and similar costs and expenses and arising in the Ordinary Course of Business;

(k) purported Liens evidenced by the filing of precautionary UCC financing statements relating solely to operating leases or consignments of personal property entered into the Ordinary Course of Business;

(l) Liens granted in the Ordinary Course of Business on the unearned portion of insurance premiums securing the financing of insurance premiums to the extent the financing is permitted clause (f) of the definition of Permitted Debt;

(m) Liens in favor of customs and revenue authorities arising as a matter of Law to secure payment of customs duties in connection with the importation of goods in the Ordinary Course of Business;

(n) Leases or subleases of real property granted in the Ordinary Course of Business;

(o) Liens solely in respect of the Credit Card Cash Collateral Accounts and amounts deposited therein to the extent securing obligations permitted pursuant to clause (h) of the definition of Permitted Debt;

(p) Liens solely in respect of the L/C Cash Collateral Accounts and amounts deposited therein to the extent securing obligations permitted pursuant to clause (h) of the definition of Permitted Contingent Obligations;

(q) Liens, deposits and pledges encumbering cash, Cash Equivalents with a value not to exceed Two Hundred Fifty Thousand Dollars ($250,000) in the aggregate at any time, to secure the performance of bids, tenders, contracts (other than contracts for the payment of money), public or statutory obligations, surety, indemnity, performance or other similar bonds or other similar obligations arising in the Ordinary Course of Business;

(r) Liens and encumbrances in favor of the holders of the Affiliated Financing Documents; and

(s) to the extent constituting a Lien, the granting of a Permitted License.

"**Permitted Modifications**" means (a) such amendments or other modifications to a Borrower's or Subsidiary's Organizational Documents as are required under this Agreement or by applicable Law, and (b) such amendments or modifications to a Borrower's or Subsidiary's Organizational Documents (other than those involving a change in the name of a Borrower or Subsidiary or involving a reorganization of a Borrower or Subsidiary under the laws of a different jurisdiction) that would not adversely affect the rights and interests of Agent or Lenders in any material respect.

"**Permitted Refinancing**" means Debt constituting a refinancing, extension or renewal of Debt; provided that the refinanced, extended, or renewed Debt (a) has an aggregate outstanding principal amount not greater than the aggregate principal amount of the Debt being refinanced or extended (plus any reasonable and customary interest, fees, premiums and costs and expenses) (b) has a weighted average maturity (measured as of the date of such refinancing or extension) and maturity no shorter than that of the Debt being refinanced or extended, (c) is not entered into as part of a sale leaseback transaction, (d) is not secured by a Lien on any assets other than the collateral securing the Debt being refinanced or extended, (e) the obligors of which are the same as the obligors of the Debt being refinanced or extended and (f) is otherwise on terms no less favorable to Credit Parties and their Subsidiaries, taken as a whole, than those of the Debt being refinanced or extended.

"**Person**" means any natural person, corporation, limited liability company, professional association, limited partnership, general partnership, joint stock company, joint venture, association, company, trust, bank, trust company, land trust, business trust or other organization, whether or not a legal entity, and any Governmental Authority.

"**Pro Rata Share**" means (a) with respect to a Lender's obligation to make Revolving Loans, the Revolving Loan Commitment Percentage of such Lender, (b) with respect to a Lender's right to receive payments of principal and interest with respect to Revolving Loans, such Lender's Revolving Loan Exposure with respect thereto; and (c) for all other purposes (including, without limitation, the indemnification obligations arising under Section 11.6) with respect to any Lender, the percentage obtained by *dividing* (i) the Revolving Loan Commitment Amount of such Lender (or, in the event the Revolving Loan Commitment shall have been terminated, such Lender's then existing Revolving Loan Outstandings), *by* (ii) the sum of the Revolving Loan Commitment (or, in the event the Revolving Loan Commitment shall have been terminated, the then existing Revolving Loan Outstandings) of all Lenders.

"**Products**" means, from time to time, any products currently manufactured, sold, developed, tested or marketed by any Borrower or any of its Subsidiaries.

"**Qualifying IPO**" means the issuance and sale by Alpha Teknova, Inc. of its common stock in an underwritten public offering (other than a public offering pursuant to a registration statement on Form S-8) pursuant to an effective registration statement (whether alone or in connection with a secondary public offering) filed with the SEC in accordance with the Securities Act of 1933, as amended, following which Alpha Teknova, Inc.'s common stock is listed on a nationally-recognized stock exchange in the United States.

"**Registered Intellectual Property**" means any patent, registered trademark or servicemark, registered copyright, registered mask work, or any pending application for any of the foregoing.

"**Required Lenders**" means at any time Lenders holding (a) fifty percent (50%) or more of the sum of the Revolving Loan Commitment (taken as a whole), or (b) if the Revolving Loan Commitments have been terminated or expired, fifty percent (50%) or more of the then aggregate outstanding principal balance of the Revolving Loans.

"**Resolution Authority**" means an EEA Resolution Authority or, with respect to any UK Financial Institution, a UK Resolution Authority.

"**Responsible Officer**" means any of the President, Chief Executive Officer, Chief Financial Officer, General Counsel or any other officer of the applicable Borrower requested by the Borrower and acceptable to Agent.

"**Revolving Lender**" means each Lender having a Revolving Loan Commitment Amount in excess of Zero Dollars ($0) (or, in the event the Revolving Loan Commitment shall have been terminated at any time, each Lender at such time having Revolving Loan Outstandings in excess of Zero Dollars ($0)).

"**Revolving Loan Commitment**" means, as of any date of determination, the aggregate Revolving Loan Commitment Amounts of all Lenders as of such date.

"**Revolving Loan Commitment Amount**" means, as to any Lender, the dollar amount set forth opposite such Lender's name on the Commitment Annex under the column "Revolving Loan Commitment Amount" (if such Lender's name is not so set forth thereon, then the dollar amount on the Commitment Annex for the Revolving Loan Commitment Amount for such Lender shall be deemed to be Zero Dollars ($0)), as such amount may be adjusted from time to time by (a) any amounts assigned (with respect to such Lender's portion of Revolving Loans outstanding and its commitment to make Revolving Loans) pursuant to the terms of any and all effective assignment agreements to which such Lender is a party, and (b) any Additional Tranche activated by Borrowers. For the avoidance of doubt, the aggregate Revolving Loan Commitment Amount of all Lenders on the Closing Date shall be $5,000,000 and if the Additional Tranche is fully activated by Borrowers pursuant to the terms of the Agreement, such amount shall increase to 15,000,000.

"**Revolving Loan Commitment Percentage**" means, as to any Lender, (a) on the Closing Date, the percentage set forth opposite such Lender's name on the Commitment Annex under the column "Revolving Loan Commitment Percentage" (if such Lender's name is not so set forth thereon, then, on the Closing Date, such percentage for such Lender shall be deemed to be zero), and (b) on any date following the Closing Date, the percentage equal to the Revolving Loan Commitment Amount of such Lender on such date *divided by* the Revolving Loan Commitment on such date.

"**Revolving Loan Exposure**" means, with respect to any Lender on any date of determination, the percentage equal to the amount of such Lender's Revolving Loan Outstandings on such date *divided by* the aggregate Revolving Loan Outstandings of all Lenders on such date.

"**Revolving Loan Limit**" means, at any time, the lesser of (a) the Revolving Loan Commitment and (b) the Borrowing Base.

"**Revolving Loan Outstandings**" means, at any time of calculation, without duplication, (a) the then existing aggregate outstanding principal amount of Revolving Loans, and (b) when used with reference to any single Lender, the then existing outstanding principal amount of Revolving Loans advanced by such Lender.

"**Revolving Loans**" has the meaning set forth in Section 2.1(b).

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

"**Securities Account**" means a "securities account" (as defined in Article 9 of the UCC), an investment account, or other account in which investment property or securities are held or invested for credit to or for the benefit of any Borrower.

"**Securities Account Control Agreement**" means an agreement, in form and substance satisfactory to Agent, among Agent, any applicable Borrower and each securities intermediary in which such Borrower maintains a Securities Account pursuant to which Agent shall obtain "control" (as defined in Article 9 of the UCC) over such Securities Account.

"**Security Document**" means this Agreement and each other agreement, document or instrument executed concurrently herewith or at any time hereafter pursuant to which one or more Credit Parties or any other Person either (a) Guarantees payment or performance of all or any portion of the Obligations, and/or (b) provides, as security for all or any portion of the Obligations, a Lien on any of its assets in favor of Agent for its own benefit and the benefit of the Lenders, as any or all of the same may be amended, supplemented, restated or otherwise modified from time to time.

"**Solvent**" means, with respect to any Person, that such Person (a) owns and will own assets the fair saleable value of which are (i) greater than the total amount of its debts and liabilities (including subordinated and Contingent Obligations), and (ii) greater than the amount that will be required to pay the probable liabilities of its then existing debts as they become absolute and matured considering all financing alternatives and potential asset sales reasonably available to it; (b) has capital that is not unreasonably small in relation to its business as presently conducted or after giving effect to any contemplated transaction; and (c) does not intend to incur and does not believe that it will incur debts beyond its ability to pay such debts as they become due.

"**Stated Rate**" has the meaning set forth in Section 2.7.

"**Subordinated Debt**" means any Debt of Borrowers incurred pursuant to the terms of the Subordinated Debt Documents and with the prior written consent of Agent, all of which documents must be in form and substance reasonably acceptable to Agent in its sole discretion. As of the Closing Date, there is no Subordinated Debt.

"**Subordinated Debt Documents**" means any documents evidencing and/or securing Debt governed by a Subordination Agreement, all of which documents must be in form and substance acceptable to Agent in its sole discretion. As of the Closing Date, there are no Subordinated Debt Documents.

"**Subordination Agreement**" means each agreement between Agent and another creditor of the Credit Parties, as the same may be amended, supplemented, restated or otherwise modified from time to time in accordance with the terms thereof, pursuant to which the Debt owing from any Credit Party and/or

the Liens securing such Debt granted by any Credit Party to such creditor are subordinated in any way to the Obligations and the Liens created under the Security Documents, the terms and provisions of such Subordination Agreements to have been agreed to by and be acceptable to Agent in the exercise of its sole discretion.

"**Subsidiary**" means, with respect to any Person, (a) any corporation (or any foreign equivalent thereof) of which an aggregate of more than fifty percent (50%) of the outstanding capital stock having ordinary voting power to elect a majority of the board of directors of such corporation (irrespective of whether, at the time, capital stock of any other class or classes of such corporation shall have or might have voting power by reason of the happening of any contingency) is at the time, directly or indirectly, owned legally or beneficially by such Person or one or more Subsidiaries of such Person, or with respect to which any such Person has the right to vote or designate the vote of more than fifty percent (50%) of such capital stock whether by proxy, agreement, operation of law or otherwise, and (b) any partnership or limited liability company (or any foreign equivalent thereof) in which such Person and/or one or more Subsidiaries of such Person shall have an interest (whether in the form of voting or participation in profits or capital contribution) of more than fifty percent (50%) or of which any such Person is a general partner or may exercise the powers of a general partner. Unless the context otherwise requires, each reference to a Subsidiary shall be a reference to a Subsidiary of a Borrower.

"**Swap Contract**" means any "swap agreement", as defined in Section 101 of the Bankruptcy Code, that is obtained by Borrower to provide protection against fluctuations in interest or currency exchange rates, but only if Agent provides its prior written consent to the entry into such "swap agreement".

"**Taxes**" means all present or future taxes, levies, imposts, duties, deductions, withholdings (including backup withholding), assessments, fees or other charges imposed by any Governmental Authority, including any interest, additions to tax or penalties applicable thereto.

"**Termination Date**" means the earliest to occur of (a) the Maturity Date, (b) any date on which the maturity of the Loans is accelerated pursuant to Section 10.2, or (c) the termination date stated in any notice of termination of this Agreement provided by Borrowers or Agent or Required Lenders in accordance with Section 2.12.

"**Term Loan**" has the meaning set forth in the Affiliated Credit Agreement.

"**UCC**" means the Uniform Commercial Code of the State of New York or of any other state the laws of which are required to be applied in connection with the perfection of security interests in any Collateral.

"**UK Financial Institution**" means any BRRD Undertaking (as such term is defined under the PRA Rulebook (as amended form time to time) promulgated by the United Kingdom Prudential Regulation Authority) or any person falling within IFPRU 11.6 of the FCA Handbook (as amended from time to time) promulgated by the United Kingdom Financial Conduct Authority, which includes certain credit institutions and investment firms, and certain affiliates of such credit institutions or investment firms.

"**UK Resolution Authority**" means the Bank of England or any other public administrative authority having responsibility for the resolution of any UK Financial Institution.

"**United States**" means the United States of America.

"**U.S. Tax Compliance Certificate**" has the meaning set forth in Section 2.8(c)(i).

"**Withholding Agent**" means any Borrower or Agent.

"**Work-In-Process**" means Inventory that is not a product that is finished and approved by a Borrower in accordance with applicable Laws and such Borrower's normal business practices for release and delivery to customers.

"**Write-Down and Conversion Powers**" (a) with respect to any EEA Resolution Authority, the write-down and conversion powers of such EEA Resolution Authority from time to time under the Bail-In Legislation for the applicable EEA Member Country, which write-down and conversion powers are described in the EU Bail-In Legislation Schedule, and (b) with respect to the United Kingdom, any powers of the applicable Resolution Authority under the Bail-In Legislation to cancel, reduce, modify or change the form of a liability of any UK Financial Institution or any contract or instrument under which that liability arises, to convert all or part of that liability into shares, securities or obligations of that person or any other person, to provide that any such contract or instrument is to have effect as if a right had been exercised under it or to suspend any obligation in respect of that liability or any of the powers under that Bail-In Legislation that are related to or ancillary to any of those powers.

Section 1.2 Accounting Terms and Determinations. Unless otherwise specified herein, all accounting terms used herein shall be interpreted, all accounting determinations hereunder (including, without limitation, determinations made pursuant to the exhibits hereto) shall be made, and all financial statements required to be delivered hereunder shall be prepared on a consolidated basis in accordance with GAAP applied on a basis consistent with the most recent audited consolidated financial statements of each Borrower and its Consolidated Subsidiaries delivered to Agent and each of the Lenders on or prior to the Closing Date, except with respect to unaudited financial statements (i) for non-compliance with FAS 123R, and (ii) for the absence of footnotes and subject to year-end audit adjustments; provided that (x) all obligations of any Person that are or would have been treated as operating leases for purposes of GAAP prior to the issuance by the Financial Accounting Standards Board on February 25, 2016 of an Accounting Standards Update (the "ASU") shall continue to be accounted for as operating leases for purposes of all financial definitions, calculations and covenants for purposes of this Agreement (whether or not such operating lease obligations were in effect on such date), notwithstanding the fact that such obligations are required in accordance with the ASU (on a prospective or retroactive basis or otherwise) to be treated as capitalized lease obligations in accordance with GAAP. If at any time any change in GAAP would affect the computation of any financial ratio or financial requirement set forth in any Financing Document, and either Borrowers or the Required Lenders shall so request, Agent, the Lenders and Borrowers shall negotiate in good faith to amend such ratio or requirement to preserve the original intent thereof in light of such change in GAAP (subject to the approval of the Required Lenders); *provided*, *however*, that until so amended, (a) such ratio or requirement shall continue to be computed in accordance with GAAP prior to such change therein and (b) Borrowers shall provide to Agent and the Lenders financial statements and other documents required under this Agreement which include a reconciliation between calculations of such ratio or requirement made before and after giving effect to such change in GAAP. Notwithstanding any other provision contained herein, all terms of an accounting or financial nature used herein shall be construed, and all computations of amounts and ratios referred to herein shall be made, without giving effect to any election under Statement of Financial Accounting Standards 159 (or any other Financial Accounting Standard having a similar result or effect) to value any Debt or other liabilities of any Credit Party or any Subsidiary of any Credit Party at "fair value", as defined therein.

Section 1.3 Other Definitional and Interpretive Provisions. References in this Agreement to "Articles", "Sections", "Annexes", "Exhibits", or "Schedules" shall be to Articles, Sections, Annexes, Exhibits or Schedules of or to this Agreement unless otherwise specifically provided. Any term defined herein may be used in the singular or plural. "Include", "includes" and "including" shall be deemed to be followed by "without limitation". Except as otherwise specified or limited herein, references to any Person

include the successors and assigns of such Person. References "from" or "through" any date mean, unless otherwise specified, "from and including" or "through and including", respectively. References to any statute or act shall include all related current regulations and all amendments and any successor statutes, acts and regulations. All amounts used for purposes of financial calculations required to be made herein shall be without duplication. References to any statute or act, without additional reference, shall be deemed to refer to federal statutes and acts of the United States. References to any agreement, instrument or document shall include all schedules, exhibits, annexes and other attachments thereto. References to capitalized terms that are not defined herein, but are defined in the UCC, shall have the meanings given them in the UCC. All references herein to times of day shall be references to daylight or standard time, as applicable. All references herein to a merger, transfer, consolidation, amalgamation, assignment, sale or transfer, or analogous term, will be construed to mean also a division of or by a limited liability company, as if it were a merger, transfer, consolidation, amalgamation, assignment, sale or transfer, or similar term, as applicable. Any series of limited liability company shall be considered a separate Person.

Section 1.4 Settlement and Funding Mechanics. Unless otherwise specified herein, the settlement of all payments and fundings hereunder between or among the parties hereto shall be made in lawful money of the United States and in immediately available funds.

Section 1.5 Time is of the Essence. Time is of the essence in Borrower's and each other Credit Party's performance under this Agreement and all other Financing Documents.

Section 1.6 Time of Day. Unless otherwise specified, all references herein to times of day shall be references to Eastern time (daylight savings or standard, as applicable).

ARTICLE 2 - LOANS

Section 2.1 Loans.

(a) [Reserved].

(b) Revolving Loans.

(i) Revolving Loans and Borrowings. On the terms and subject to the conditions set forth herein, each Lender severally agrees to make loans to Borrowers from time to time as set forth herein (each a "**Revolving Loan**", and collectively, "**Revolving Loans**") equal to such Lender's Revolving Loan Commitment Percentage of Revolving Loans requested by Borrowers hereunder, *provided*, *however*, that after giving effect thereto, the Revolving Loan Outstandings shall not exceed the Revolving Loan Limit. Borrowers shall deliver to Agent a Notice of Borrowing with respect to each proposed borrowing of a Revolving Loan, such Notice of Borrowing to be delivered before 1:00 p.m. (Eastern time) two (2) Business Days prior to the date of such proposed borrowing. Each Borrower and each Revolving Lender hereby authorizes Agent to make Revolving Loans on behalf of Revolving Lenders, at any time in its sole discretion, to pay principal owing in respect of the Loans and interest, fees, expenses and other charges payable by any Credit Party from time to time arising under this Agreement or any other Financing Document. The Borrowing Base shall be determined by Agent based on the most recent Borrowing Base Certificate delivered to Agent in accordance with this Agreement and such other information as may be available to Agent. Without limiting any other rights and remedies of Agent hereunder or under the other Financing Documents, the Revolving Loans shall be subject to Agent's continuing right to withhold from the Borrowing Base reserves, and to increase and decrease such reserves from time to time, if and to the extent that in Agent's reasonable good faith credit judgment and discretion, such reserves are necessary.

(ii) Mandatory Revolving Loan Repayments and Prepayments.

(A) The Revolving Loan Commitment shall terminate on the Termination Date. On such Termination Date, there shall become due, and Borrowers shall pay, the entire outstanding principal amount of each Revolving Loan, together with accrued and unpaid Obligations pertaining thereto incurred to, but excluding the Termination Date; *provided, however,* that such payment is made not later than 12:00 Noon (Eastern time) on the Termination Date.

(B) If at any time the Revolving Loan Outstandings exceed the Revolving Loan Limit, then, on the next succeeding Business Day, Borrowers shall repay the Revolving Loans, in an aggregate amount equal to such excess.

(C) Principal payable on account of Revolving Loans shall be payable by Borrowers to Agent (I) immediately upon the receipt by any Borrower or Agent of any payments on or proceeds from any of the Accounts, to the extent of such payments or proceeds, as further described in Section 2.11 below, and (II) in full on the Termination Date.

(iii) Optional Prepayments. Borrowers may from time to time prepay the Revolving Loans in whole or in part; *provided, however*, that any such partial prepayment shall be in an amount equal to $100,000 or a higher integral multiple of $25,000. For the avoidance of doubt, nothing in this clause shall permit termination of the Revolving Loan Commitment by Borrower other than in accordance with Section 2.12(b).

(iv) LIBOR Rate.

(A) Except as provided in subsection (C) below, Revolving Loans shall accrue interest at the LIBOR Rate *plus* the Applicable Margin.

(B) The LIBOR Rate may be adjusted by Agent with respect to any Lender on a prospective basis to take into account any additional or increased costs to such Lender of maintaining or obtaining any eurodollar deposits or increased costs, in each case, due to changes in applicable Law occurring subsequent to the commencement of the then applicable Interest Period, including changes in tax laws (except changes of general applicability in corporate income tax laws) and changes in the reserve requirements imposed by the Board of Governors of the Federal Reserve System (or any successor), which additional or increased costs would increase the cost of funding loans bearing interest based upon the LIBOR Rate; *provided, however,* that notwithstanding anything in this Agreement to the contrary, (i) the Dodd-Frank Wall Street Reform and Consumer Protection Act and all requests, rules, guidelines or directives thereunder or issued in connection therewith and (ii) all requests, rules, guidelines or directives promulgated by the Bank for International Settlements, the Basel Committee on Banking Supervision (or any successor or similar authority) or the United States or foreign regulatory authorities, in each case pursuant to Basel III, shall in each case be deemed to be a "change in applicable Law", regardless of the date enacted, adopted or issued. In any such event, the affected Lender shall give Borrowers and Agent notice of such a determination and adjustment and Agent promptly shall transmit the notice to each other Lender and, upon its receipt of the notice from the affected Lender, Borrowers may, by notice to such affected Lender (I) require such Lender to furnish to Borrowers a statement setting forth the basis for adjusting such LIBOR Rate and the method for determining the amount of such adjustment, or (II) repay the Loans bearing interest based upon the LIBOR Rate with respect to which such adjustment is made.

(C) In the event that any change in market conditions or any law, regulation, treaty, or directive, or any change therein or in the interpretation of application thereof, shall at any time after the date hereof, in the reasonable opinion of any Lender, make it unlawful or impractical for such Lender to fund or maintain Loans bearing interest based upon the LIBOR Rate or to continue such funding or maintaining, or to determine or charge interest rates at the LIBOR Rate, such Lender shall give notice of such changed circumstances to Agent and Borrowers and Agent promptly shall transmit the notice to each other Lender and (I) in the case of any outstanding Loans of such Lender bearing interest based upon the LIBOR Rate, the date specified in such Lender's notice shall be deemed to be the last day of the Interest Period of such Loans, and interest upon such Lender's Loans thereafter shall accrue interest at Base Rate *plus* the Applicable Margin, and (II) such Loans shall continue to accrue interest at Base Rate *plus* the Applicable Margin until such Lender determines that it would no longer be unlawful or impractical to maintain such Loans at the LIBOR Rate.

(D) Anything to the contrary contained herein notwithstanding, neither Agent nor any Lender is required actually to acquire eurodollar deposits to fund or otherwise match fund any Obligation as to which interest accrues based on the LIBOR Rate.

(v) Restriction on Termination. Notwithstanding any prepayment of the Revolving Loan Outstandings or any other termination of Lenders' Revolving Loan Exposure under this Agreement, Agent and Lenders shall have no obligation to release any of the Collateral securing the Obligations under this Agreement while any portion of the Affiliated Obligations shall remain outstanding.

(c) Additional Tranches. After the Closing Date, so long as no Default or Event of Default exists and subject to the terms of this Agreement, with the prior written consent of Agent and Lenders in their sole discretion, the Revolving Loan Commitment may be increased upon the written request of Borrower Representative (which such request shall state the aggregate amount of the Additional Tranche requested and shall be made at least thirty (30) days prior to the proposed effective date of such Additional Tranche) to Agent to activate an Additional Tranche; *provided, however,* that Agent and Lenders shall have no obligation whatsoever to consent to any requested activation of an Additional Tranche and the written consent of Agent and all Lenders shall be required in order to activate an Additional Tranche. Upon activating an Additional Tranche, each Lender's Revolving Loan Commitment Amount shall increase by a proportionate amount so as to maintain the same Pro Rata Share of the Revolving Loan Commitment as such Lender held immediately prior to such activation.

Section 2.2 Interest, Interest Calculations and Certain Fees.

(a) Interest. From and following the Closing Date, except as expressly set forth in this Agreement, Loans and the other Obligations shall bear interest at the sum of the LIBOR Rate *plus* the Applicable Margin. Interest on the Loans shall be paid monthly in arrears on the first (1st) day of each month and on the maturity of such Loans, whether by acceleration or otherwise. Interest on all other Obligations shall be payable upon demand. For purposes of calculating interest, all funds transferred to the Payment Account for application to any Revolving Loans shall be subject to a five (5) Business Day clearance period and all interest accruing on such funds during such clearance period shall accrue for the benefit of Agent, and not for the benefit of the Lenders.

(b) Unused Line Fee. On the first day of each month, commencing on the earlier of (i) July 1, 2021 and (ii) the first day of the first full calendar month following the initial borrowing of the Revolving Loans hereunder, Borrowers shall pay Agent, for the benefit of all Lenders committed to make Revolving Loans, in accordance with their respective Pro Rata Shares, a fee in an amount equal to (1) if the average daily balance of the sum of the Revolving Loan Outstandings during the preceding month is greater than or equal to the Minimum Balance: (i) (A) the Revolving Loan Commitment *minus* (B) the average daily balance of the sum of the Revolving Loan Outstandings during the preceding month, *multiplied by* (ii) one half of one percent (0.50%) per annum or (2) if the Minimum Balance is greater than the average daily balance of the sum of the Revolving Loan Outstandings during the preceding month: (i) (A) the Revolving Loan Commitment *minus* (B) the Minimum Balance, *multiplied by* (ii) one half of one percent (0.50%) per annum. The unused line fee shall be paid monthly in arrears on the first day of each month and shall be deemed fully earned when due and payable and, once paid, shall be non-refundable.

(c) Fee Letter. In addition to the other fees set forth herein, the Borrowers agree to pay Agent the fees set forth in the Fee Letter.

(d) Minimum Balance Fee. On the first day of each month, commencing on the earlier of (i) July 1, 2021 and (ii) the first day of the first full calendar month following the initial borrowing of the Revolving Loans hereunder, the Borrowers agree to pay to Agent, for the ratable benefit of all Lenders, the sum of the Minimum Balance Fees due for the prior month. The Minimum Balance Fee shall be deemed fully earned when due and payable and, once paid, shall be non-refundable.

(e) Collateral Management Fee. On the first day of each month, commencing on the earlier of (i) July 1, 2021 and (ii) the first day of the first full calendar month following the initial borrowing of the Revolving Loans, Borrowers shall pay Agent, for its own account and not for the benefit of any other Lenders, a fee in an amount equal to the product obtained by *multiplying* (i) the greater of (A) the average end-of-day principal balance of Revolving Loans outstanding during the immediately preceding month and (B) the Minimum Balance, *by* (ii) one half of one percent (0.50%) per annum. For purposes of calculating the average end-of-day principal balance of Revolving Loans, all funds paid into the Payment Account (or which were required to be paid into the Payment Account hereunder) or otherwise received by Agent for the account of Borrowers shall be subject to a five (5) Business Day clearance period. The collateral management fee shall be payable monthly in arrears on the first day of each calendar month and shall be deemed fully earned when due and payable and, once paid, shall be non-refundable.

(f) Origination Fee. On the earlier of (i) July 1, 2021 and (ii) the date of the initial borrowing of the Revolving Loans, Borrowers shall pay Agent, for the pro rata benefit of all Lenders committed to make Revolving Loans on the Closing Date, in accordance with their respective Pro Rata Shares, a fee in an amount equal to (i) the Revolving Loan Commitment, *multiplied by* (ii) one half of one percent (0.50%). Upon activation of any Additional Tranche in accordance with Section 2.1(c) hereof, Borrowers shall pay Agent, for the benefit of all Lenders committed to make Revolving Loans on the Closing Date, in accordance with their respective Pro Rata Share, a fee in an amount equal to (i) such Additional Tranche, multiplied by (ii) one half of one percent (0.50%). All fees payable pursuant to this paragraph shall be deemed fully earned when due and payable and, once paid, shall be non-refundable.

(g) Deferred Revolving Loan Origination Fee. If Lenders' funding obligations in respect of the Revolving Loan Commitment under this Agreement terminate or are permanently reduced for any reason ((whether by voluntary termination by Borrowers, by reason of the occurrence of an Event of Default or the automatic termination of the Revolving Loan Commitments (including any automatic termination due to the occurrence of an Event of Default described in Section 10.1(f)) or otherwise)) prior to the Maturity Date, Borrowers shall pay to Agent on the date of such reduction, for the benefit of all

Lenders committed to make Revolving Loans on the Closing Date, a fee (the "**Deferred Revolving Loan Origination Fee**") as compensation for the costs of such Lenders being prepared to make funds available to Borrowers under this Agreement, equal to an amount determined by *multiplying* the amount of the Revolving Loan Commitment so terminated or permanently reduced *by* the following applicable percentage amount: (x) three percent (3.0%) for the first year following the Closing Date, (y) two percent (2.0%) for the second year following the Closing Date, and (z) one percent (1.0%) thereafter. Notwithstanding the foregoing, the Deferred Revolving Loan Origination Fee shall not apply to or be assessed upon (A) any Revolving Loan Commitment termination that is the result of a refinancing of the Revolving Loans in full prior to the Maturity Date by Agent or an Affiliate of Agent or (B) any Revolving Loan Commitment termination that is the result of Agent's delivery of a Revolving Loan Termination Notice pursuant to Section 2.12(c). All fees payable pursuant to this paragraph shall be deemed fully-earned and non-refundable as of the Closing Date.

(h) [Reserved].

(i) Audit Fees. Subject to the limitations set forth in Section 4.6, Borrowers shall pay to Agent, for its own account and not for the benefit of any other Lenders, all reasonable out-of-pocket fees and expenses in connection with audits and inspections of Borrowers' books and records, audits, valuations or appraisals of the Collateral, audits of Borrowers' compliance with applicable Laws and such other matters as Agent shall deem appropriate, which shall be due and payable after the audit or inspection has occurred on the first Business Day of the month following the date of issuance by Agent of a written request for payment thereof to Borrowers; *provided*, that, in the absence of a Default or an Event of Default, Borrowers shall not be obligated to reimburse Agent for more than (i) two (2) Inventory appraisals per calendar year and (ii) two (2) collateral audits per calendar year conducted, in each case, by Agent or its designee in accordance with Section 4.6; *provided further* that, in the case where the average Revolving Loan Outstanding during any trailing three month period ending immediately prior to the date on which such appraisal is conducted are less than or equal to the Minimum Balance, such appraisals shall be conducted no more than once per calendar year (absent a Default or Event of Default).

(j) Wire Fees. Borrowers shall pay to Agent, for its own account and not for the account of any other Lenders, on written demand, fees for incoming and outgoing wires made for the account of Borrowers, such fees to be based on Agent's then current wire fee schedule (available upon written request of the Borrowers).

(k) Late Charges. If payments of principal (other than a final installment of principal upon the Termination Date), interest due on the Obligations, or any other amounts due hereunder or under the other Financing Documents are not timely made and remain overdue for a period of five (5) Business Days, Borrowers, without notice or demand by Agent, promptly shall pay to Agent, for its own account and not for the benefit of any other Lenders, as additional compensation to Agent in administering the Obligations, an amount equal to two percent (2.0%) of each delinquent payment.

(l) Computation of Interest and Related Fees. All interest and fees under each Financing Document shall be calculated on the basis of a three hundred sixty (360) day year for the actual number of days elapsed. The date of funding of a Loan shall be included in the calculation of interest. The date of payment of a Loan shall be excluded from the calculation of interest. If a Loan is repaid on the same day that it is made, one (1) day's interest shall be charged.

(m) Automated Clearing House Payments. If Agent (or its designated servicer or trustee on behalf of a securitization vehicle) so elects, monthly payments of principal, interest, fees, expenses or any other amounts due and owing from Borrower to Agent hereunder shall be paid to Agent by Automated Clearing House debit of immediately available funds from the financial institution account

designated by Borrower Representative in the Automated Clearing House debit authorization executed by Borrowers or Borrower Representative in connection with this Agreement, and shall be effective upon receipt. Borrowers shall execute any and all forms and documentation necessary from time to time to effectuate such automatic debiting. In no event shall any such payments be refunded to Borrowers.

Section 2.3 Notes. The portion of the Loans made by each Lender shall be evidenced, if so requested by such Lender, by one or more promissory notes executed by Borrowers on a joint and several basis (each, a "**Note**") in an original principal amount equal to such Lender's Revolving Loan Commitment Amount. Upon activation of the Additional Tranche in accordance with Section 2.1(c) hereof, Borrowers shall deliver to each Lender to whom Borrowers previously delivered a Note, a restated Note evidencing such Lender's Revolving Loan Commitment Amount.

Section 2.4 Reserved.

Section 2.5 Reserved.

Section 2.6 General Provisions Regarding Payment; Loan Account.

(a) All payments to be made by each Borrower under any Financing Document, including payments of principal and interest made hereunder and pursuant to any other Financing Document, and all fees, expenses, indemnities and reimbursements, shall be made without set-off, recoupment or counterclaim. If any payment hereunder becomes due and payable on a day other than a Business Day, such payment shall be extended to the next succeeding Business Day and, with respect to payments of principal, interest thereon shall be payable at the then applicable rate during such extension (it being understood and agreed that, solely for purposes of calculating financial covenants and computations contained herein and determining compliance therewith, if payment is made, in full, on any such extended due date, such payment shall be deemed to have been paid on the original due date without giving effect to any extension thereto). Any payments received in the Payment Account before 12:00 Noon (Eastern time) on any date shall be deemed received by Agent on such date, and any payments received in the Payment Account at or after 12:00 Noon (Eastern time) on any date shall be deemed received by Agent on the next succeeding Business Day.

(b) Agent shall maintain a loan account (the "**Loan Account**") on its books to record Loans and other extensions of credit made by the Lenders hereunder or under any other Financing Document, and all payments thereon made by each Borrower. All entries in the Loan Account shall be made in accordance with Agent's customary accounting practices as in effect from time to time. The balance in the Loan Account, as recorded in Agent's books and records at any time shall be conclusive and binding evidence of the amounts due and owing to Agent by each Borrower absent manifest error; *provided*, *however*, that any failure to so record or any error in so recording shall not limit or otherwise affect any Borrower's duty to pay all amounts owing hereunder or under any other Financing Document. Agent shall endeavor to provide Borrowers with a monthly statement regarding the Loan Account (but neither Agent nor any Lender shall have any liability if Agent shall fail to provide any such statement). Unless any Borrower notifies Agent of any objection to any such statement (specifically describing the basis for such objection) within ninety (90) days after the date of receipt thereof, it shall be deemed final, binding and conclusive upon Borrowers in all respects as to all matters reflected therein.

Section 2.7 Maximum Interest. In no event shall the interest charged with respect to the Loans or any other Obligations of any Borrower under any Financing Document exceed the maximum amount permitted under the laws of the State of New York or of any other applicable jurisdiction. Notwithstanding anything to the contrary herein or elsewhere, if at any time the rate of interest payable hereunder or under any Note or other Financing Document (the "**Stated Rate**") would exceed the highest rate of interest

permitted under any applicable law to be charged (the "**Maximum Lawful Rate**"), then for so long as the Maximum Lawful Rate would be so exceeded, the rate of interest payable shall be equal to the Maximum Lawful Rate; *provided*, *however*, that if at any time thereafter the Stated Rate is less than the Maximum Lawful Rate, each Borrower shall, to the extent permitted by law, continue to pay interest at the Maximum Lawful Rate until such time as the total interest received is equal to the total interest which would have been received had the Stated Rate been (but for the operation of this provision) the interest rate payable. Thereafter, the interest rate payable shall be the Stated Rate unless and until the Stated Rate again would exceed the Maximum Lawful Rate, in which event this provision shall again apply. In no event shall the total interest received by any Lender exceed the amount which it could lawfully have received had the interest been calculated for the full term hereof at the Maximum Lawful Rate. If, notwithstanding the prior sentence, any Lender has received interest hereunder in excess of the Maximum Lawful Rate, such excess amount shall be applied to the reduction of the principal balance of the Loans or to other amounts (other than interest) payable hereunder, and if no such principal or other amounts are then outstanding, such excess or part thereof remaining shall be paid to Borrowers. In computing interest payable with reference to the Maximum Lawful Rate applicable to any Lender, such interest shall be calculated at a daily rate equal to the Maximum Lawful Rate *divided by* the number of days in the year in which such calculation is made.

Section 2.8 Taxes; Capital Adequacy.

(a) All payments of principal and interest on the Loans and all other amounts payable hereunder shall be made free and clear of and without deduction for any present or future Taxes, except as required by applicable Law. If any applicable Law (as determined in the good faith discretion of an applicable Withholding Agent) requires the deduction or withholding of any Tax from any such payment by a Withholding Agent, then the applicable Withholding Agent shall be entitled to make such deduction or withholding and shall timely pay the full amount deducted or withheld to the relevant Governmental Authority in accordance with applicable Law and if any such withholding or deduction is in respect of an Indemnified Tax, then the Borrowers shall pay such additional amount or amounts as is necessary to ensure that the net amount actually received by the applicable recipient will equal the full amount such recipient would have received had no such withholding or deduction been required (including, without limitation, such withholdings and deductions applicable to additional sums payable under this Section 2.8). After payment of any Tax by a Borrower to a Governmental Authority pursuant to this Section 2.8, such Borrower shall promptly forward to Agent the original or a certified copy of an official receipt, a copy of the return reporting such payment, or other documentation satisfactory to Agent evidencing such payment to such authority. Borrowers shall timely pay to the relevant Governmental Authority in accordance with applicable Law, or at the option of Agent timely reimburse Agent for the payment of, any Other Taxes.

(b) The Borrowers shall indemnify Agent and Lenders, within ten (10) days after demand thereof, for the full amount of any Indemnified Taxes (including Indemnified Taxes imposed or asserted on or attributable to amounts payable under this Section 2.8) payable or paid by Agent or any Lender or required to be withheld or deducted from a payment to Agent or any Lender and any expenses arising therefrom or with respect thereto, whether or not such Indemnified Taxes and Other Taxes were correctly or legally imposed or asserted by the relevant Governmental Authority. A certificate in reasonable detail as to the amount of such payment or liability delivered to Borrowers by a Lender (with a copy to Agent), or by Agent on its own behalf or on behalf of a Lender, shall be conclusive absent manifest error.

(c) Any Lender that is entitled to an exemption from or reduction of withholding Tax with respect to payments made under any Financing Document shall deliver to Borrower Representative and Agent, at the time or times prescribed by applicable Law or reasonably requested by Borrower Representative or Agent, such properly completed and executed documentation reasonably requested by Borrower Representative or Agent as will permit such payments to be made without withholding or at a

reduced rate of withholding. In addition, any Lender, if reasonably requested by Borrower Representative or Agent, shall deliver such other documentation prescribed by applicable Law or reasonably requested by Borrowers or Agent as will enable Borrowers or Agent to determine whether or not such Lender is subject to backup withholding or information reporting requirements. Notwithstanding anything to the contrary in the preceding two sentences, the completion, execution and submission of such documentation (other than such documentation set forth in Sections 2.8(c)(i), 2.8(c)(ii) and 2.8(e) below) shall not be required if in such Lender's reasonable judgment such completion, execution or submission would subject such Lender to any material unreimbursed cost or expense or would materially prejudice the legal or commercial position of such Lender.

(i) Each Lender that is not a "United States person" (as such term is defined in Section 7701(a)(30) of the Code) for U.S. federal income tax purposes and is a party hereto on the Closing Date or purports to become an assignee of an interest pursuant to Section 11.17(a) after the Closing Date (unless such Lender was already a Lender hereunder immediately prior to such assignment) (each such Lender a "**Foreign Lender**") shall, to the extent permitted by Law, execute and deliver to Borrower Representative and Agent (in such number of copies as shall be requested by the recipient) on or prior to the date on which such Foreign Lender becomes a Lender under this Agreement (and from time to time thereafter upon the reasonable request of the Borrower Representative or Agent) whichever of the following is applicable: (A) in the case of a Foreign Lender claiming the benefits of an income tax treaty to which the United States is a party, (x) with respect to payments of interest under any Financing Document, two (2) properly completed and executed originals of United States Internal Revenue Service ("**IRS**") Forms W-8BEN or W-8BEN-E (or successor form) establishing an exemption from, or reduction of, U.S. federal withholding tax pursuant to the "interest" article of such tax treaty and (y) with respect to any other applicable payments under any Financing Documents, two (2) properly completed and executed originals of IRS Forms W-8BEN or W-8BEN-E (or successor form) establishing an exemption from, or reduction of, U.S. federal withholding tax pursuant to the "business profits" or "other income" article of such tax treaty; (B) two (2) executed originals of IRS Form W-8ECI (or successor form); (C) in the case of a Foreign Lender claiming the benefits of the exemption for portfolio interest under Section 881(c) of the Code, (x) a certificate substantially in the form of Exhibit E-1 to the effect that such Foreign Lender is not a "bank" within the meaning of Section 881(c)(3)(A) of the Code, a "10 percent shareholder" of any Borrower within the meaning of Section 881(c)(3)(B) of the Code, or a "controlled foreign corporation" described in Section 881(c)(3)(C) of the Code (a "**U.S. Tax Compliance Certificate**") and (y) two (2) executed originals of IRS Forms W-8BEN or W-8BEN-E (or successor form); (D) to the extent a Foreign Lender is not the beneficial owner, two (2) executed originals of IRS Form W-8IMY, accompanied by IRS Form W-8ECI, IRS Form W-8BEN or W-8BEN-E (or successor form), a U.S. Tax Compliance Certificate substantially in the form of Exhibit E-2 or Exhibit E-3, IRS Form W-9 (or successor form), and/or other certification documents from each beneficial owner, as applicable; *provided* that if the Foreign Lender is a partnership and one or more direct or indirect partners of such Foreign Lender are claiming the portfolio interest exemption, such Foreign Lender may provide a U.S. Tax Compliance Certificate substantially in the form of Exhibit E-4 on behalf of each such direct and indirect partner; or (E) other applicable forms, certificates or documents prescribed by the IRS. Each Lender agrees that if any form or certification it previously delivered expires or becomes obsolete or inaccurate in any respect, it shall update such form or certification or promptly notify Borrower Representative and Agent in writing of its legal inability to do so. In addition, to the extent permitted by applicable Law, such forms shall be delivered by each Foreign Lender upon the obsolescence or invalidity of any form previously delivered by such Foreign Lender. Each Foreign Lender shall promptly notify Borrower Representative at any time it determines that it is no longer in a position to provide any previously delivered certificate to Borrower Representative (or any other form of certification adopted by the U.S. taxing authorities for such purpose).

(ii) Each Lender that is a "United States person" (as such term is defined in Section 7701(a)(30) of the Code) for U.S. federal income tax purposes and is a party hereto on the Closing Date or purports to become an assignee of an interest pursuant to Section 11.17(a) after the Closing Date (unless such Lender was already a Lender hereunder immediately prior to such assignment) shall, to the extent permitted by Law, provide to Borrower Representative and Agent on or prior to the date on which such Lender becomes a Lender under this Agreement (and from time to time thereafter upon the reasonable request of the Borrower Representative or Agent), a properly completed and executed IRS Form W-9 or any successor form certifying as to such Lender's entitlement to an exemption from U.S. backup withholding and other applicable forms, certificates or documents prescribed by the IRS or reasonably requested by Borrower Representative or Agent. Each such Lender shall promptly notify Borrowers at any time it determines that any certificate previously delivered to Borrower Representative (or any other form of certification adopted by the U.S. governmental authorities for such purposes) is no longer valid.

(iii) Any Foreign Lender shall, to the extent it is legally entitled to do so, deliver to Borrower Representative and Agent (in such number of copies as shall be requested by the recipient) on or prior to the date on which such Foreign Lender becomes a Lender under this Agreement (and from time to time thereafter upon the reasonable request of the Borrower Representative or Agent), executed copies of any other form prescribed by applicable Law as a basis for claiming exemption from or a reduction in U.S. Federal withholding Tax, duly completed, together with such supplementary documentation as may be prescribed by applicable law to permit Borrowers or Agent to determine the withholding or deduction required to be made.

(d) If any Lender determines, in its reasonable discretion, that it has received a refund in respect of any Taxes as to which it has been indemnified by any Borrower pursuant to this Section 2.8 (including by the payment of additional amounts pursuant to this Section 2.8), then it shall promptly pay an amount equal to such refund to Borrowers, net of all reasonable out-of-pocket expenses of such Lender or of Agent with respect thereto, including any Taxes; *provided*, *however*, that Borrowers, upon the written request of such Lender or Agent, agree to repay any amount paid over to Borrowers to such Lender or to Agent (plus any related penalties, interest or other charges imposed by the relevant Governmental Authority) in the event such Lender or Agent is required, for any reason, to repay such refund to such Governmental Authority. Notwithstanding anything to the contrary in this Section 2.8, in no event will the indemnified party be required to pay any amount to an indemnifying party pursuant to this Section 2.8(d) the payment of which would place the indemnified party in a less favorable net after-Tax position than the indemnified party would have been in if the Tax subject to indemnification and giving rise to such refund had not been deducted, withheld or otherwise imposed and the indemnification payments or additional amounts with respect to such Tax had never been paid. This Section 2.8 shall not be construed to require any indemnified party to make available its Tax returns (or any other information relating to its Taxes that it deems confidential) to the indemnifying party or any other Person.

(e) If a payment made to a Lender under any Financing Document would be subject to U.S. federal withholding tax imposed by FATCA if such Lender were to fail to comply with the applicable reporting requirements of FATCA (including those contained in Section 1471(b) or 1472(b) of the Code, as applicable), such Lender shall deliver to Borrower Representative and Agent at the time or times prescribed by Law and at such time or times reasonably requested by Borrower Representative or Agent such documentation prescribed by applicable Law (including as prescribed by Section 1471(b)(3)(C)(i) of the Code) and such additional documentation reasonably requested by Borrower Representative or Agent as may be necessary for Borrowers and Agent to comply with their

obligations under FATCA and to determine that such Lender has complied with such Lender's obligations under FATCA or to determine the amount to deduct and withhold from such payment. Solely for purposes of this clause (e), "FATCA" shall include any amendments made to FATCA after the date of this Agreement.

(f) Each Lender shall severally indemnify Agent, within ten (10) days after demand therefor, for (i) any Indemnified Taxes attributable to such Lender (but only to the extent that any Credit Party has not already indemnified Agent for such Indemnified Taxes and without limiting the obligation of the Credit Parties to do so), (ii) any Taxes attributable to such Lender's failure to comply with the provisions of Section 11.17 relating to the maintenance of a Participant Register and (iii) any Excluded Taxes attributable to such Lender, in each case, that are payable or paid by Agent in connection with any Financing Document, and any reasonable expenses arising therefrom or with respect thereto, whether or not such Taxes were correctly or legally imposed or asserted by the relevant Governmental Authority. A certificate as to the amount of such payment or liability delivered to any Lender by Agent shall be conclusive absent manifest error. Each Lender hereby authorizes Agent to set off and apply any and all amounts at any time owing to such Lender under any Financing Document or otherwise payable by Agent to such Lender from any other source against any amount due to Agent under this paragraph (f).

(g) Each party's obligations under Section 2.8(a) through (f) shall survive the resignation or replacement of Agent or any assignment of rights by, or the replacement of, a Lender, and the repayment, satisfaction or discharge of all Obligations hereunder.

(h) If any Lender shall determine in its commercially reasonable judgment that the adoption or taking effect of, or any change in, any applicable Law regarding capital adequacy, in each instance, after the Closing Date, or any change after the Closing Date in the interpretation, administration or application thereof by any Governmental Authority, central bank or comparable agency charged with the interpretation, administration or application thereof, or the compliance by any Lender or any Person controlling such Lender with any request, guideline or directive regarding capital adequacy (whether or not having the force of Law) of any such Governmental Authority, central bank or comparable agency adopted or otherwise taking effect after the Closing Date, has or would have the effect of reducing the rate of return on such Lender's or such controlling Person's capital as a consequence of such Lender's obligations hereunder to a level below that which such Lender or such controlling Person could have achieved but for such adoption, taking effect, change, interpretation, administration, application or compliance (taking into consideration such Lender's or such controlling Person's policies with respect to capital adequacy) then from time to time, upon written demand by such Lender (which demand shall be accompanied by a certificate setting forth the basis for such demand and a calculation of the amount thereof in reasonable detail, a copy of which shall be furnished to Agent), Borrowers shall promptly pay to such Lender such additional amount as will compensate such Lender or such controlling Person for such reduction, so long as such amounts have accrued on or after the day which is two hundred seventy (270) days prior to the date on which such Lender first made demand therefor; *provided* that notwithstanding anything in this Agreement to the contrary, (i) the Dodd-Frank Wall Street Reform and Consumer Protection Act and all requests, rules, guidelines or directives thereunder or issued in connection therewith and (ii) all requests, rules, guidelines or directives promulgated by the Bank for International Settlements, the Basel Committee on Banking Supervision (or any successor or similar authority) or the United States or foreign regulatory authorities, in each case pursuant to Basel III, shall in each case be deemed to be a "change in applicable Law", regardless of the date enacted, adopted or issued; *provided; further;* that this Section 2.8(h) shall apply only to Taxes that are not (A) Indemnified Taxes, (B) Taxes described in clauses (b) through (d) of the definition of Excluded Taxes, or (c) Connection Income Taxes.

(i) If any Lender requires compensation under either Section 2.1(b)(iv) or Section 2.8(h), or requires Borrowers to pay any additional amount to any Lender or any Governmental

Authority for the account of any Lender pursuant to Section 2.8, then, upon the written request of Borrower Representative, such Lender shall use reasonable efforts to designate a different lending office for funding or booking its Loans hereunder or to assign its rights and obligations hereunder (subject to the provisions of Section 11.17) to another of its offices, branches or affiliates, if, in the reasonable judgment of such Lender, such designation or assignment (i) would eliminate or materially reduce amounts payable pursuant to any such Section, as the case may be, in the future, (ii) would not subject such Lender to any unreimbursed cost or expense and (iii) would not otherwise be disadvantageous to such Lender (as determined in its sole good faith discretion). Without limitation of the provisions of Section 12.14, each Borrower hereby agrees to pay all reasonable and documented, out-of-pocket costs and expenses incurred by any Lender in connection with any such designation or assignment.

Section 2.9 Appointment of Borrower Representative.

(a) Each Borrower hereby irrevocably appoints and constitutes Borrower Representative as its agent and attorney-in-fact to request and receive Loans in the name or on behalf of such Borrower and any other Borrowers, deliver Notices of Borrowing, and Borrowing Base Certificates give instructions with respect to the disbursement of the proceeds of the Loans, giving and receiving all other notices and consents hereunder or under any of the other Financing Documents and taking all other actions (including in respect of compliance with covenants) in the name or on behalf of any Borrower or Borrowers pursuant to this Agreement and the other Financing Documents. Agent and Lenders may disburse the Loans to such bank account of Borrower Representative or a Borrower or otherwise make such Loans to a Borrower, in each case as Borrower Representative may designate or direct, without notice to any other Borrower. Notwithstanding anything to the contrary contained herein, Agent may at any time and from time to time require that Loans to or for the account of any Borrower be disbursed directly to an operating account of such Borrower.

(b) Borrower Representative hereby accepts the appointment by Borrowers to act as the agent and attorney-in-fact of Borrowers pursuant to this Section 2.9. Borrower Representative shall ensure that the disbursement of any Loans that are at any time requested by or to be remitted to or for the account of a Borrower, shall be remitted or issued to or for the account of such Borrower.

(c) Each Borrower hereby irrevocably appoints and constitutes Borrower Representative as its agent to receive statements on account and all other notices from Agent, Lenders with respect to the Obligations or otherwise under or in connection with this Agreement and the other Financing Documents.

(d) Any notice, election, representation, warranty, agreement or undertaking made or delivered by or on behalf of any Borrower by Borrower Representative shall be deemed for all purposes to have been made or delivered by such Borrower, as the case may be, and shall be binding upon and enforceable against such Borrower to the same extent as if made or delivered directly by such Borrower.

(e) No resignation by or termination of the appointment of Borrower Representative as agent and attorney-in-fact as aforesaid shall be effective, except after ten (10) Business Days' prior written notice to Agent. If the Borrower Representative resigns under this Agreement, Borrowers shall be entitled to appoint a successor Borrower Representative (which shall be a Borrower and shall be reasonably acceptable to Agent as such successor). Upon the acceptance of its appointment as successor Borrower Representative hereunder, such successor Borrower Representative shall succeed to all the rights, powers and duties of the retiring Borrower Representative and the term "Borrower Representative" means such successor Borrower Representative for all purposes of this Agreement and the other Financing Documents, and the retiring or terminated Borrower Representative's appointment, powers and duties as Borrower Representative shall be thereupon terminated.

Section 2.10 Joint and Several Liability; Rights of Contribution; Subordination and Subrogation.

(a) Borrowers are defined collectively to include all Persons named as one of the Borrowers herein; *provided, however*, that any references herein to "any Borrower", "each Borrower" or similar references, shall be construed as a reference to each individual Person named as one of the Borrowers herein. Each Person so named shall be jointly and severally liable for all of the obligations of Borrowers under this Agreement. Each Borrower, individually, expressly understands, agrees and acknowledges, that the credit facilities would not be made available on the terms herein in the absence of the collective credit of all of the Persons named as the Borrowers herein, the joint and several liability of all such Persons, and the cross-collateralization of the collateral of all such Persons. Accordingly, each Borrower individually acknowledges that the benefit to each of the Persons named as one of the Borrowers as a whole constitutes reasonably equivalent value, regardless of the amount of the credit facilities actually borrowed by, advanced to, or the amount of collateral provided by, any individual Borrower. In addition, each entity named as one of the Borrowers herein hereby acknowledges and agrees that all of the representations, warranties, covenants, obligations, conditions, agreements and other terms contained in this Agreement shall be applicable to and shall be binding upon and measured and enforceable individually against each Person named as one of the Borrowers herein as well as all such Persons when taken together. By way of illustration, but without limiting the generality of the foregoing, the terms of Section 10.1 of this Agreement are to be applied to each individual Person named as one of the Borrowers herein (as well as to all such Persons taken as a whole), such that the occurrence of any of the events described in Section 10.1 of this Agreement as to any Person named as one of the Borrowers herein shall constitute an Event of Default even if such event has not occurred as to any other Persons named as the Borrowers or as to all such Persons taken as a whole.

(b) Notwithstanding any provisions of this Agreement to the contrary, it is intended that the joint and several nature of the liability of each Borrower for the Obligations and the Liens granted by Borrowers to secure the Obligations not constitute a Fraudulent Conveyance (as defined below). Consequently, Agent, Lenders and each Borrower agree that if the liability of a Borrower for the Obligations or any Liens granted by such Borrower securing the Obligations would, but for the application of this sentence, constitute a Fraudulent Conveyance, the liability of such Borrower and the Liens securing such liability shall be valid and enforceable only to the maximum extent that would not cause such liability or such Lien to constitute a Fraudulent Conveyance, and the liability of such Borrower and this Agreement shall automatically be deemed to have been amended accordingly. For purposes hereof, the term "**Fraudulent Conveyance**" means a fraudulent conveyance under Section 548 of Chapter 11 of Title II of the Bankruptcy Code or a fraudulent conveyance or fraudulent transfer under the applicable provisions of any fraudulent conveyance or fraudulent transfer law or similar law of any state, nation or other governmental unit, as in effect from time to time.

(c) Agent is hereby authorized, without notice or demand (except as otherwise specifically required under this Agreement) and without affecting the liability of any Borrower hereunder, at any time and from time to time, to (i) renew, extend or otherwise increase the time for payment of the Obligations; (ii) with the written agreement of any Borrower, change the terms relating to the Obligations or otherwise modify, amend or change the terms of any Note or other agreement, document or instrument now or hereafter executed by any Borrower and delivered to Agent for any Lender; (iii) accept partial payments of the Obligations; (iv) take and hold any Collateral for the payment of the Obligations or for the payment of any guaranties of the Obligations and exchange, enforce, waive and release any such Collateral; (v) apply any such Collateral and direct the order or manner of sale thereof as Agent, in its reasonable discretion, may determine; and (vi) settle, release, compromise, collect or otherwise liquidate the Obligations and any Collateral therefor in any manner, all guarantor and surety defenses being hereby waived by each Borrower. Except as specifically provided in this Agreement or any of the other Financing

Documents, Agent shall have the exclusive right to determine the time and manner of application of any payments or credits, whether received from any Borrower or any other source, and such determination shall be binding on all Borrowers. All such payments and credits may be applied, reversed and reapplied, in whole or in part, to any of the Obligations that Agent shall determine, in its reasonable discretion, without affecting the validity or enforceability of the Obligations of any other Borrower.

(d) Each Borrower hereby agrees that, except as hereinafter provided, its obligations hereunder shall be unconditional, irrespective of (i) the absence of any attempt to collect the Obligations from any obligor or other action to enforce the same; (ii) the waiver or consent by Agent with respect to any provision of any instrument evidencing the Obligations, or any part thereof, or any other agreement heretofore, now or hereafter executed by a Borrower and delivered to Agent; (iii) failure by Agent to take any steps to perfect and maintain its security interest in, or to preserve its rights to, any security or collateral for the Obligations; (iv) the institution of any proceeding under the Bankruptcy Code or any similar proceeding, by or against a Borrower or Agent's election in any such proceeding of the application of Section 1111(b)(2) of the Bankruptcy Code; (v) any borrowing or grant of a security interest by a Borrower as debtor-in-possession, under Section 364 of the Bankruptcy Code; (vi) the disallowance, under Section 502 of the Bankruptcy Code, of all or any portion of Agent's claim(s) for repayment of any of the Obligations; or (vii) any other circumstance other than payment in full of the Obligations which might otherwise constitute a legal or equitable discharge or defense of a guarantor or surety.

(e) Borrowers hereby agree, as between themselves, that to the extent that Agent, on behalf of Lenders, shall have received from any Borrower any Recovery Amount (as defined below), then the paying Borrower shall have a right of contribution against each other Borrower in an amount equal to such other Borrower's contributive share of such Recovery Amount; *provided*, *however*, that in the event any Borrower suffers a Deficiency Amount (as defined below), then the Borrower suffering the Deficiency Amount shall be entitled to seek and receive contribution from and against the other Borrowers in an amount equal to the Deficiency Amount; and *provided*, *further*, that in no event shall the aggregate amounts so reimbursed by reason of the contribution of any Borrower equal or exceed an amount that would, if paid, constitute or result in Fraudulent Conveyance. Until all Obligations have been paid and satisfied in full (other than inchoate indemnification obligations for which no claim has yet been made), no payment made by or for the account of a Borrower including, without limitation, (i) a payment made by such Borrower on behalf of the liabilities of any other Borrower, or (ii) a payment made by any other Guarantor under any Guarantee, shall entitle such Borrower, by subrogation or otherwise, to any payment from such other Borrower or from or out of such other Borrower's property. The right of each Borrower to receive any contribution under this Section 2.10(e) or by subrogation or otherwise from any other Borrower shall be subordinate in right of payment to the Obligations and such Borrower shall not exercise any right or remedy against such other Borrower or any property of such other Borrower by reason of any performance of such Borrower of its joint and several obligations hereunder, until the Obligations (other than inchoate indemnification obligations for which no claim has yet been made) have been indefeasibly paid and satisfied in full, and no Borrower shall exercise any right or remedy with respect to this Section 2.10(e) until the Obligations (other than inchoate indemnification obligations for which no claim has yet been made) have been indefeasibly paid and satisfied in full. As used in this Section 2.10(e), the term "**Recovery Amount**" means the amount of proceeds received by or credited to Agent from the exercise of any remedy of the Lenders under this Agreement or the other Financing Documents, including, without limitation, the sale of any Collateral. As used in this Section 2.10(e), the term "**Deficiency Amount**" means any amount that is less than the entire amount a Borrower is entitled to receive by way of contribution or subrogation from, but that has not been paid by, the other Borrowers in respect of any Recovery Amount attributable to the Borrower entitled to contribution, until the Deficiency Amount has been reduced to Zero Dollars ($0) through contributions and reimbursements made under the terms of this Section 2.10(e) or otherwise.

Section 2.11 Collections and Lockbox Account.

(a) At all times following the Lockbox Activation Date, Borrowers shall maintain a Lockbox Account with a United States depository institution reasonably acceptable to by Agent (the "**Lockbox Bank**"), subject to the provisions of this Agreement, and shall execute with the Lockbox Bank a Deposit Account Control Agreement and such other agreements related to such Lockbox Account as Agent may require. At all times following the Lockbox Activation Date, Borrowers shall direct all Account Debtors to send payments in respect of all Accounts directly (i) into a lockbox (the "**Lockbox**") for deposit into the Lockbox Account and/or (ii) directly into the Lockbox Account; *provided, however*, (x) Borrowers shall not be required to comply with clause (i) of this Section 2.11(a) with respect to Account Debtors paying Borrower by paper check (and not, for the avoidance of doubt, by wire or other electronic means) so long as the average amount of Accounts paid by Account Debtors directly to Borrowers by paper check during any trailing three (3) month period does not exceed an amount equal to 30% of the aggregate amount of all Accounts paid to Borrowers on average during such trailing three (3) month period, and (y) unless Agent shall otherwise direct by written notice to Borrowers, Borrowers shall be permitted to cause Account Debtors who are individuals to pay Accounts directly to Borrowers, which Borrowers shall then administer and apply in the manner required below. At all times following the Lockbox Activation Date, all funds deposited into a Lockbox Account shall be transferred into the Payment Account (or, prior to the time of the initial borrowing of the Revolving Loans, such Deposit Account of Borrower, as Agent may direct in its sole discretion) by the close of each Business Day.

(b) **[**Reserved**]**

(c) Notwithstanding anything in any lockbox agreement or Deposit Account Control Agreement to the contrary, Borrowers agree that they shall be liable for any fees and charges in effect from time to time and charged by the Lockbox Bank in connection with the Lockbox, the Lockbox Account, and that Agent shall have no liability therefor. Borrowers hereby indemnify and agree to hold Agent harmless from any and all liabilities, claims, losses and demands whatsoever, including reasonable attorneys' fees and expenses, arising from or relating to actions of Agent or the Lockbox Bank pursuant to this Section or any lockbox agreement or Deposit Account Control Agreement or similar agreement, except to the extent of such losses arising solely from Agent's gross negligence or willful misconduct.

(d) Agent shall apply, on a daily basis, all funds transferred into the Payment Account pursuant to this Section 2.11 to reduce the outstanding Revolving Loans in such order of application as Agent shall elect. If as the result of collections of Accounts pursuant to the terms and conditions of this Section, a credit balance exists with respect to the Loan Account, such credit balance shall not accrue interest in favor of Borrowers, but Agent shall transfer such funds into an account designated by Borrower Representative for so long as no Event of Default exists.

(e) To the extent that, following the Lockbox Activation Date, any collections of Accounts or proceeds of other Collateral are not sent directly to the Lockbox or Lockbox Account but are received by any Borrower, such collections shall be held in trust for the benefit of Agent pursuant to an express trust created hereby and immediately (and in any event within one (1) Business Day) remitted, in the form received, to the Lockbox Account. No such funds received by any Borrower shall be commingled with other funds of the Borrowers. If any funds received by any Borrower are commingled with other funds of the Borrowers, or are required to be deposited to a Lockbox or Lockbox Account and are not so deposited within five (5) Business Days, then Borrowers shall pay to Agent, for its own account and not for the account of any other Lenders, a compliance fee equal to $500 for each day that any such conditions exist.

(f) Borrowers acknowledge and agree that compliance with the terms of this Section is essential, and that Agent and Lenders will suffer immediate and irreparable injury and have no adequate remedy at law, if any Borrower, through acts or omissions, causes Account Debtors to send payments other than to the Lockbox or Lockbox Accounts or if any Borrower fails to promptly deposit collections of Accounts or proceeds of other Collateral in the Lockbox Account as herein required. Accordingly, in addition to all other rights and remedies of Agent and Lenders hereunder, Agent shall have the right to seek specific performance of the Borrowers' obligations under this Section, and any other equitable relief as Agent may deem necessary or appropriate, and Borrowers waive any requirement for the posting of a bond in connection with such equitable relief.

(g) Borrowers shall not, and Borrowers shall not suffer or permit any Credit Party to, (i) withdraw any amounts from any Lockbox Account, (ii) change the procedures or sweep instructions under the agreements governing any Lockbox Accounts, or (iii) send to or deposit in any Lockbox Account any funds other than payments made with respect to and proceeds of Accounts or other Collateral. Borrowers shall, and shall cause each Credit Party to, cooperate with Agent in the identification and reconciliation on a daily basis of all amounts received in or required to be deposited into the Lockbox Accounts. If more than ten percent (10%) of the collections of Accounts received by Borrowers during any given fifteen (15) day period is not identified or reconciled to the reasonable satisfaction of Agent within ten (10) Business Days of receipt, Agent shall not be obligated to make further advances under this Agreement until such amount is identified or is reconciled to the reasonable satisfaction of Agent, as the case may be. In addition, if any such amount cannot be identified or reconciled to the reasonable satisfaction of Agent, Agent may utilize its own staff or, if it deems necessary, engage an outside auditor, in either case at Borrowers' expense (which in the case of Agent's own staff shall be in accordance with Agent's then prevailing customary charges (*plus* expenses)), to make such examination and report as may be necessary to identify and reconcile such amount.

(h) If any Borrower breaches its obligation to direct payments of the proceeds of the Collateral to the Lockbox Account, Agent, as the irrevocably made, constituted and appointed true and lawful attorney for Borrowers, may, by the signature or other act of any of Agent's authorized representatives (without requiring any of them to do so), direct any Account Debtor to pay proceeds of the Collateral to Borrowers by directing payment to the Lockbox Account.

Section 2.12 Termination; Restriction on Termination.

(a) Termination by Lenders. In addition to the rights set forth in Section 10.2, Agent may, and at the direction of Required Lenders shall, terminate this Agreement without notice upon or after the occurrence and during the continuance of an Event of Default.

(b) Termination by Borrowers. Upon at least five (5) Business Day' prior written notice and pursuant to payoff documentation in form and substance reasonably satisfactory to Agent and Lenders, Borrowers may, at its option, terminate this Agreement; *provided*, *however*, that no such termination shall be effective until Borrowers have complied with Section 2.12(d) and the Obligations are paid in full (other than inchoate indemnification obligations for which no claim has yet been made) and the Affiliated Obligations are paid in full and the Affiliated Financing Documents are terminated. Any notice of termination given by Borrowers shall be irrevocable unless all Lenders otherwise agree in writing and no Lender shall have any obligation to make any Loans on or after the termination date stated in such notice. Borrowers may elect to terminate this Agreement in its entirety only. No section of this Agreement or type of Loan available hereunder may be terminated singly.

(c) Termination for Failure to Borrower Revolving Loans. If Borrowers have failed to borrow any portion of the Revolving Loan Commitments by July 1, 2021, at any time prior to the date

of the initial borrowing of the Revolving Loans Agent may at its option, and at the direction of Required Lenders shall, deliver a notice of termination of the Revolving Loan Commitments ("**Revolving Loan Termination Notice**") to Borrower Representative. Within five (5) Business Days (or such later date as Agent and Required Lenders may agree in writing) of delivery of a Revolving Loan Termination Notice, the Revolving Loan Commitment Amount of each Lender shall be reduced to zero (0) and this Agreement shall be terminated without any further notice or action by any party and the Termination Date shall be deemed to have occurred.

(d) Effectiveness of Termination. All of the Obligations shall be immediately due and payable upon the Termination Date. All undertakings, agreements, covenants, warranties and representations of Borrowers contained in the Financing Documents shall survive any such termination and Agent shall retain its Liens in the Collateral and Agent and each Lender shall retain all of its rights and remedies under the Financing Documents notwithstanding such termination until all Obligations have been discharged or paid, in full, in immediately available funds, including, without limitation, all Obligations under Section 2.2 and the terms of any Fee Letter resulting from such termination (in each case, other than inchoate indemnification obligations for which no claim has yet been made). Notwithstanding the foregoing or the payment in full of the Obligations, Agent shall not be required to terminate its Liens in the Collateral unless, with respect to any loss or damage Agent may incur as a result of dishonored checks or other items of payment received by Agent from Borrower or any Account Debtor and applied to the Obligations, Agent shall, at its option, (a) have received a written agreement reasonably satisfactory to Agent, executed by Borrowers and by any Person whose loans or other advances to Borrowers are used in whole or in part to satisfy the Obligations, indemnifying Agent and each Lender from any such loss or damage or (b) have retained cash Collateral or other Collateral for such period of time as Agent, in its discretion, may deem necessary to protect Agent and each Lender from any such loss or damage. Upon the payment in full, in cash in immediately available funds, of all Obligations and the termination of the Revolving Loan Commitments, as Borrower may reasonably request, Agent shall, at Borrower's sole cost and expense, execute and deliver such documents evidencing the release and termination of the security interest in the Collateral granted under this Agreement and the other Financing Documents pursuant to and in accordance with the terms of any applicable payoff documentation.

ARTICLE 3 - REPRESENTATIONS AND WARRANTIES

To induce Agent and Lenders to enter into this Agreement and to make the Loans and other credit accommodations contemplated hereby, each Borrower hereby represents and warrants to Agent and each Lender that:

Section 3.1 Existence and Power. Each Credit Party (a) is an entity as specified on Schedule 3.1, (b) is duly organized, validly existing and in good standing under the laws of the jurisdiction of its organization and other jurisdictions specified on Schedule 3.1 and no other jurisdiction, (c) has the same legal name as it appears in such Credit Party's Organizational Documents and an organizational identification number (if any), in each case as specified on Schedule 3.1, (d) has all powers to own its assets and has powers and all Permits necessary in the operation of its business as presently conducted or as proposed to be conducted, except where the failure to have such Permits would not reasonably be expected to have a Material Adverse Effect, and (e) is qualified to do business as a foreign entity in each jurisdiction in which it is required to be so qualified, which jurisdictions as of the Closing Date are specified on Schedule 3.1, except in the case of this clause (e) where the failure to be so qualified would not reasonably be expected to have a Material Adverse Effect. Except as set forth on Schedule 3.1, no Credit Party (x) has had, over the five (5) year period preceding the Closing Date, any name other than its current name, or (y) was incorporated or organized under the laws of any jurisdiction other than its current jurisdiction of incorporation or organization.

Section 3.2 Organization and Governmental Authorization; No Contravention. The execution, delivery and performance by each Credit Party of the Financing Documents to which it is a party (a) are within its powers, (b) have been duly authorized by all necessary action pursuant to its Organizational Documents, (c) require no further action by or in respect of, or filing with, any Governmental Authority other than (i) recordings, filings and other perfection actions in connection with the Liens granted to Agent under this Agreement or any Security Document and (ii) those obtained or made on or prior to the Closing Date and (d) do not violate, conflict with or cause a breach or a default under (i) any Law applicable to any Credit Party, (ii) any of the Organizational Documents of any Credit Party, or (iii) any agreement or instrument binding upon it, except for such violations, conflicts, breaches or defaults as would not, with respect to this clause (iii), reasonably be expected to have a Material Adverse Effect.

Section 3.3 Binding Effect. Each of the Financing Documents to which any Credit Party is a party constitutes a valid and binding agreement or instrument of such Credit Party, enforceable against such Credit Party in accordance with its respective terms, except as the enforceability thereof may be limited by bankruptcy, insolvency or other similar laws relating to the enforcement of creditors' rights generally and by general equitable principles. Each Financing Document has been duly executed and delivered by each Credit Party party thereto.

Section 3.4 Capitalization. The authorized equity securities of each of the Credit Parties as of the Closing Date are as set forth on Schedule 3.4. All issued and outstanding equity securities of each of the Credit Parties are duly authorized and validly issued, fully paid, nonassessable, free and clear of all Liens other than those in favor of Agent for the benefit of Agent and Lenders, and such equity securities were issued in compliance with all applicable Laws. The identity of the holders of the equity securities of each of the Credit Parties and the percentage of their fully-diluted ownership of the equity securities of each of the Credit Parties as of the Closing Date is set forth on Schedule 3.4. No shares of the capital stock or other Equity Interests of any Credit Party, other than as described above, are issued and outstanding as of the Closing Date. Except as set forth on Schedule 3.4, as of the Closing Date there are no preemptive or other outstanding rights, options, warrants, conversion rights or similar agreements or understandings for the purchase or acquisition from any Credit Party of any equity securities of any such entity.

Section 3.5 Financial Information. All information delivered to Agent and pertaining to the financial condition of any Credit Party fairly in all material respects presents the financial position of such Credit Party as of such date and for such period then ended in conformity with GAAP (and as to unaudited financial statements, subject to normal year-end adjustments and the absence of footnote disclosures). Since December 31, 2019, there has been (a) no material adverse change in the business, operations, properties, or condition (financial or otherwise) of any Credit Party and (b) no fact, event or circumstance that could reasonably be expected to result in a Material Adverse Effect.

Section 3.6 Litigation. Except as set forth on Schedule 3.6 as of the Closing Date, and except as hereafter disclosed to Agent in writing, there is no Litigation pending against, or to such Borrower's knowledge threatened in writing against, any Credit Party or any of their Subsidiaries, which, if adversely determined, could reasonably be expected to result in any judgment or liability of more than Two Hundred Fifty Thousand Dollars ($250,000). There is no Litigation pending in which an adverse decision could reasonably be expected to have a Material Adverse Effect or which in any manner draws into question the validity of any of the Financing Documents.

Section 3.7 Ownership of Property. Each Borrower and each of its Subsidiaries is the lawful sole owner of, has good and marketable title to and is in lawful possession of, or has valid leasehold interests in, all material properties, accounts and other assets (real or personal, tangible, intangible or mixed) purported or reported to be owned or leased (as the case may be) by such Person.

Section 3.8 No Default. No Event of Default, or to such Borrower's knowledge, Default, has occurred and is continuing. No Credit Party is in breach or default under or with respect to any contract, agreement, lease or other instrument to which it is a party or by which its property is bound or affected, which breach or default could reasonably be expected to have a Material Adverse Effect.

Section 3.9 Labor Matters. As of the Closing Date, there are no strikes or other labor disputes pending or, to any Borrower's knowledge, threatened in writing against any Credit Party, which could reasonably be expected to have a Material Adverse Effect. Hours worked and payments made to the employees of the Credit Parties have not been in material violation of the Fair Labor Standards Act or any other applicable Law dealing with such matters. All payments due from the Credit Parties, or for which any claim may be made against any of them, on account of wages and employee and retiree health and welfare insurance and other benefits have been paid or accrued as a liability on their books, as the case may be. The consummation of the transactions contemplated by the Financing Documents will not give rise to a right of termination or right of renegotiation on the part of any union under any collective bargaining agreement to which it is a party or by which it is bound, the result of which could reasonably be expected to have a Material Adverse Effect.

Section 3.10 Investment Company Act. No Credit Party is an "investment company" or a company "controlled" by an "investment company" or a "subsidiary" of an "investment company," all within the meaning of the Investment Company Act of 1940.

Section 3.11 Margin Regulations.

(a) The Credit Parties and their Subsidiaries do not own any stock, partnership interest or other equity securities, except for Permitted Investments. Without limiting the foregoing, the Credit Parties and their Subsidiaries do not own or hold any Margin Stock.

(b) None of the proceeds from the Loans have been or will be used, directly or indirectly, for the purpose of purchasing or carrying any "margin stock" (as defined in Regulation U of the Federal Reserve Board), for the purpose of reducing or retiring any indebtedness which was originally incurred to purchase or carry any "margin stock" or for any other purpose which might cause any of the Loans to be considered a "purpose credit" within the meaning of Regulation T, U or X of the Federal Reserve Board.

Section 3.12 Compliance With Laws; Anti-Terrorism Laws.

(a) Each Credit Party is in compliance with the requirements of all applicable Laws, except for such Laws the noncompliance with which could not reasonably be expected to have a Material Adverse Effect.

(b) None of the Credit Parties and, to the knowledge of the Credit Parties, none of their Affiliates (i) is in violation of any Anti-Terrorism Law, (ii) engages in or conspires to engage in any transaction that evades or avoids, or has the purpose of evading or avoiding, or attempts to violate, any of the prohibitions set forth in any Anti-Terrorism Law, (iii) is a Blocked Person, or is controlled by a Blocked Person, (iv) is acting or will act for or on behalf of a Blocked Person, (v) is associated with, or will become associated with, a Blocked Person or (vi) is providing, or will provide, material, financial or technical support or other services to or in support of acts of terrorism of a Blocked Person. No Credit Party nor, to the knowledge of any Credit Party, any of its Affiliates or agents acting or benefiting in any capacity in connection with the transactions contemplated by this Agreement, (A) conducts any business or engages in making or receiving any contribution of funds, goods or services to or for the benefit of any Blocked Person, or (B) deals in, or otherwise engages in any transaction relating to, any property or interest in property blocked pursuant to Executive Order No. 13224, any similar executive order or other Anti-Terrorism Law.

Section 3.13 Taxes. All federal, state, and local income and all other material tax returns, reports and statements required to be filed by or on behalf of each Credit Party have been filed with the appropriate Governmental Authorities in all jurisdictions in which such returns, reports and statements are required to be filed and, except to the extent subject to a Permitted Contest, all federal, income and other material Taxes (including real property Taxes) and other charges shown to be due and payable in respect thereof have been timely paid prior to the date on which any fine, penalty, interest, late charge or loss may be added thereto for nonpayment thereof.

Section 3.14 Compliance with ERISA.

(a) Each ERISA Plan (and the related trusts and funding agreements) complies in form and in operation with, has been administered in compliance with, and the terms of each ERISA Plan satisfy, the applicable requirements of ERISA and the Code in all material respects. Each ERISA Plan which is intended to be qualified under Section 401(a) of the Code is so qualified, and the United States Internal Revenue Service has issued a favorable determination letter with respect to each such ERISA Plan which may be relied on currently. No Credit Party has incurred liability for any material excise tax under any of Sections 4971 through 5000 of the Code.

(b) Except as would not reasonably be expected, individually or in the aggregate, to have a Material Adverse Effect, each Borrower and each Subsidiary is in compliance with the applicable provisions of ERISA and the provision of the Code relating to ERISA Plans and the regulations and published interpretations therein. During the thirty-six (36) month period prior to the Closing Date or the making of any Loan (i) no steps have been taken to terminate any Pension Plan, and (ii) no contribution failure has occurred with respect to any Pension Plan sufficient to give rise to a Lien under Section 303(k) of ERISA or Section 430(k) of the Code and no event has occurred that would give rise to a Lien under Section 4068 of ERISA. No condition exists or event or transaction has occurred with respect to any Pension Plan which would result in the incurrence by any Credit Party of any material liability, fine or penalty. No Credit Party has incurred liability to the PBGC (other than for current premiums) with respect to any employee Pension Plan. All contributions (if any) have been made on a timely basis to any Multiemployer Plan that are required to be made by any Credit Party or any other member of the Controlled Group under the terms of the plan or of any collective bargaining agreement or by applicable Law; no Credit Party nor any member of the Controlled Group has withdrawn or partially withdrawn from any Multiemployer Plan, incurred any withdrawal liability with respect to any such plan or received notice of any claim or demand for withdrawal liability or partial withdrawal liability from any such plan, and no condition has occurred which, if continued, would result in a withdrawal or partial withdrawal from any such plan, and no Credit Party nor any member of the Controlled Group has received any notice that any Multiemployer Plan is in reorganization, that increased contributions may be required to avoid a reduction in plan benefits or the imposition of any excise tax, that any such plan is or has been funded at a rate less than that required under Section 412 of the Code, that any such plan is or may be terminated, or that any such plan is or may become insolvent.

Section 3.15 Consummation of Financing Documents; Brokers. Except for fees payable to Agent and/or Lenders, no broker, finder or other intermediary has brought about the obtaining, making or closing of the transactions contemplated by the Financing Documents, and no Credit Party has or will have any obligation to any Person in respect of any finder's or brokerage fees, commissions or other expenses in connection herewith or therewith.

Section 3.16 [Reserved].

Section 3.17 Material Contracts. Except for the Financing Documents and the agreements set forth on Schedule 3.17, as of the Closing Date there are no Material Contracts. The consummation of the transactions contemplated by the Financing Documents will not give rise to a right of termination in favor of any party to any Material Contract (other than any Credit Party), except for such Material Contracts the noncompliance with which would not reasonably be expected to have a Material Adverse Effect.

Section 3.18 Compliance with Environmental Requirements; No Hazardous Materials. Except in each case as set forth on Schedule 3.18:

(a) no notice, notification, demand, request for information, citation, summons, complaint or order has been issued, no complaint has been filed, no penalty has been assessed and no investigation or review is pending, or to such Borrower's knowledge, threatened in writing by any Governmental Authority or other Person with respect to any (i) alleged violation by any Credit Party of any Environmental Law, (ii) alleged failure by any Credit Party to have any Permits required in connection with the conduct of its business or to comply with the terms and conditions thereof, (iii) any generation, treatment, storage, recycling, transportation or disposal of any Hazardous Materials, or (iv) release of Hazardous Materials, in each case except where the failure to obtain such document could not reasonably be expected to have a Material Adverse Effect; and

(b) no property now owned or leased by any Credit Party and, to the knowledge of each Borrower, no such property previously owned or leased by any Credit Party, to which any Credit Party has, directly or indirectly, transported or arranged for the transportation of any Hazardous Materials in violation of any applicable Law, is listed or, to such Borrower's knowledge, proposed for listing, on the National Priorities List promulgated pursuant to CERCLA, or CERCLIS (as defined in CERCLA) or any similar state list or is the subject of federal, state or local enforcement actions or, to the knowledge of such Borrower, other investigations which may lead to claims against any Credit Party for clean-up costs, remedial work, damage to natural resources or personal injury claims, including, without limitation, claims under CERCLA, which claims could reasonably be expected to have a Material Adverse Effect.

For purposes of this Section 3.18, each Credit Party shall be deemed to include any business or business entity (including a corporation) that is, in whole or in part, a predecessor of such Credit Party.

Section 3.19 Intellectual Property and License Agreements. A list of all Registered Intellectual Property of each Credit Party and all material in-bound license or sublicense agreements and exclusive out-bound license or sublicense agreements (but in each case excluding in-bound licenses of over-the-counter and other software that is commercially available to the public, open source licenses and enabling licenses in the Ordinary Course of Business), as of the Closing Date and, as updated pursuant to Section 4.15, is set forth on Schedule 3.19. Schedule 3.19 shall be prepared by Borrower in the form provided by Agent and contain all information required in such form. Except for Permitted Licenses and Permitted Liens arising by operation of law, each Credit Party is the sole owner of its material Intellectual Property free and clear of any Liens. Each granted material patent owned by any Credit Party is valid and enforceable in all material respects and no part of the Material Intangible Assets has been judged invalid or unenforceable, in whole or in part, and to the best of Borrower's knowledge, no claim has been made that any part of the Material Intangible Assets violates the rights of any third party in any material respect.

Section 3.20 Solvency. After giving effect to the Loan advance and the liabilities and obligations of each Borrower under the Financing Documents, each Borrower and each additional Credit Party is Solvent.

Section 3.21 Full Disclosure. None of the written information (financial or otherwise) furnished by or on behalf of any Credit Party to Agent or any Lender in connection with the consummation of the

transactions contemplated by the Financing Documents, contains any untrue statement of a material fact or omits to state a material fact necessary to make the statements contained herein or therein not misleading in light of the circumstances under which such statements were made. All financial projections delivered to Agent and the Lenders by Borrowers (or their agents) have been prepared on the basis of the assumptions stated therein. Such projections represent each Borrower's best estimate of such Borrower's future financial performance and such assumptions are believed by such Borrower to be fair and reasonable in light of current business conditions; *provided*, *however*, that Borrowers can give no assurance that such projections will be attained. Agent and each Lender acknowledges and agrees that all financial performance projections delivered to Agent represent Borrowers' best good faith estimate of future financial performance and are based on assumptions believed by Borrowers to be fair and reasonable in light of current market conditions, it being acknowledged and agreed by Agent and Lenders that projections as to future events are not to be viewed as facts and that the actual results during the period or periods covered by such projections may differ from the projected results.

Section 3.22 Subsidiaries. Borrowers do not own any stock, partnership interests, limited liability company interests or other equity securities or Subsidiaries except for Permitted Investments.

Section 3.23 Healthcare Laws.

(a) None of the Borrowers or any Subsidiary thereof are in violation of any Healthcare Law, except where any such violation would not reasonably be expected to have a Material Adverse Effect.

(b) No Borrower or any Subsidiary thereof receives any material payments directly (including through any third party payment processor) from Medicare, Medicaid, or TRICARE.

Section 3.24 Senior Indebtedness Status. The Obligations of each Credit Party under this Agreement and each of the other Financing Documents ranks and shall continue to rank at least senior in priority of payment to all Debt that is contractually subordinated to the Obligations of each such Person under this Agreement and is designated as "Senior Indebtedness" (or an equivalent term) under all instruments and documents, now or in the future, relating to all Debt that is contractually subordinated to the Obligations under this Agreement of each such Person.

Section 3.25 Accuracy of Schedules. All information set forth in the Schedules to this Agreement is true, accurate and complete as of the Closing Date. All information set forth in the Perfection Certificate is true, accurate and complete as of the Closing Date and any other subsequent date in which Borrower is requested to update such certificate.

ARTICLE 4 - AFFIRMATIVE COVENANTS

Each Borrower agrees that:

Section 4.1 Financial Statements and Other Reports and Notices. Each Borrower will deliver to Agent:

(a) as soon as available, but no later than thirty (30) days after the last day of each month, a company prepared consolidated (and upon Agent's reasonable request consolidating) balance sheet, cash flow and income statement (including year-to-date results) covering Borrowers' and its Consolidated Subsidiaries' consolidated and consolidating operations during the period, prepared under GAAP (subject to normal year-end adjustments and the absence of footnote disclosures), consistently applied, setting forth in comparative form the corresponding figures as at the end of the corresponding calendar month of the previous fiscal year and the projected figures for such period based upon the projections required hereunder, all in reasonable detail, certified by a Responsible Officer and in a form reasonably acceptable to Agent;

(b) upon Agent's reasonable written request, together with the financial reporting package described in (a) above, evidence of payment and satisfaction of all payroll, withholding and similar taxes due and owing by all Borrowers with respect to the payroll period(s) occurring during such month;

(c) as soon as available, but no later than one hundred fifty (150) days after the last day of Borrower's fiscal year, audited consolidated (and upon Agent's reasonable written request consolidating) financial statements prepared under GAAP, consistently applied, together with an unqualified opinion (other than a going concern qualification based solely on a determination that any Borrower has less than 12 months liquidity) on the financial statements from an independent certified public accounting firm acceptable to Agent in its reasonable discretion;

(d) in the event that such Credit Party is or becomes subject to the reporting requirements under the Securities Exchange Act of 1934, within ten (10) days of delivery or filing thereof, upon request, copies of all statements, reports and notices made available to Borrower's security holders or to any holders of Subordinated Debt and copies of all reports and other filings made by Borrower with any stock exchange on which any securities of any Borrower are traded and/or the SEC;

(e) [reserved];

(f) prompt written notice of an event that materially and adversely affects the value of any Material Intangible Assets;

(g) within ninety (90) days after the start of each fiscal year, projections for the forthcoming two fiscal years, on a quarterly basis for the current year and on an annual basis for the subsequent year;

(h) promptly (but in any event within ten (10) days of any request therefor) such readily available other budgets, sales projections, operating plans and other financial information and information, reports or statements regarding the Borrowers, their business and the Collateral as Agent may from time to time reasonably request;

(i) together with each delivery of financial statements pursuant to clause (a) above, deliver to Agent, a duly completed Compliance Certificate signed by a Responsible Officer setting forth calculations showing monthly cash and Cash Equivalents of (i) Borrowers and (ii) Borrowers and their Consolidated Subsidiaries, and compliance with the financial covenants set forth in this Agreement;

(j) within twenty (20) days after the last day of each month, deliver to Agent a duly completed Borrowing Base Certificate signed by a Responsible Officer, with aged listings of accounts receivable and accounts payable (by invoice date);

(k) within five (5) Business Days of any reasonable written request by Agent, deliver to Agent a schedule of Eligible Accounts denoting the thirty (30) largest Account Debtors during the calendar quarter most recently ended prior thereto;

(l) written notice to Agent promptly, but in any event within ten (10) Business Days of a Responsible Officer of a Borrower receiving written notice or otherwise becoming aware that:

(i) any material Permit has been revoked or withdrawn;

(ii) any Governmental Authority, including without limitation the FDA, has commenced against a Credit Party or a Subsidiary thereof, any action to enjoin a Credit Party or a Subsidiary thereof from conducting their businesses at any facility owned or used by them or for any material civil penalty, injunction, seizure or criminal action; or

(iii) receipt by a Borrower or any Subsidiary thereof from the FDA a warning letter, Form FDA-483, "Untitled Letter," other material correspondence or material notice setting forth alleged violations of laws and regulations enforced by the FDA, or any comparable material correspondence from any state or local authority responsible for regulating drug or medical device products and establishments, or any comparable material correspondence from any foreign counterpart of the FDA;

(m) promptly after the request by any Lender, all documentation and other information that such Lender reasonably requests in writing in order to comply with its ongoing obligations under applicable "know your customer" and anti-money laundering rules and regulations, including, without limitation, the USA PATRIOT Act; and

(n) promptly, but in any event within five (5) Business Days, after any Responsible Officer of any Borrower obtains knowledge of the occurrence of any event or change (including, without limitation, any notice of any violation of applicable Healthcare Laws) that has resulted or could reasonably be expected to result in, either in any case or in the aggregate, a Material Adverse Effect, a certificate of a Responsible Officer specifying the nature and period of existence of any such event or change, or specifying the notice given or action taken by such holder or Person and the nature of such event or change, and what action the applicable Credit Party or Subsidiary has taken, is taking or proposes to take with respect thereto.

Section 4.2 Payment and Performance of Obligations. Each Borrower (a) will pay and discharge, and cause each Subsidiary to pay and discharge, on a timely basis as and when due, all of their respective obligations and liabilities, except for such obligations and/or liabilities (i) that may be the subject of a Permitted Contest, and (ii) the nonpayment or nondischarge of which could not reasonably be expected to have a Material Adverse Effect or result in a Lien against any Collateral, except for Permitted Liens, (b) without limiting anything contained in the foregoing clause (a), (i) pay all amounts due and owing in respect of all federal Taxes (including without limitation, payroll and withholdings tax liabilities) and (ii) pay all material amounts due and owing in respect of all foreign and state Taxes and other local Taxes (including without limitation, payroll and withholdings tax liabilities), in each case, on a timely basis as and when due, and in any case prior to the date on which any fine, penalty, interest, late charge or loss may be added thereto for nonpayment thereof, in each case, except for such Taxes that may be the subject of a Permitted Contest; provided that for purposes of this Section 4.2(b)(ii) any tax assessment, deposit or contribution shall be considered "material" if it exceeds Two Hundred Fifty Thousand Dollars ($250,000), (c) will maintain, and cause each Subsidiary to maintain, in accordance with GAAP, appropriate reserves for the accrual of all of their respective obligations and liabilities, and (d) will not breach or permit any Subsidiary to breach, or permit to exist any default under, the terms of any lease, commitment, contract, instrument or obligation to which it is a party, or by which its properties or assets are bound, except for such breaches or defaults which could not reasonably be expected to have a Material Adverse Effect.

Section 4.3 Maintenance of Existence. Each Borrower will preserve, renew and keep in full force and effect and in good standing, and will cause each Subsidiary to preserve, renew and keep in full force and effect and in good standing, (a) their respective existence and (b) their respective rights, privileges and franchises necessary or desirable in the normal conduct of business, unless, solely in the case of this clause (b), a failure to do so could not reasonably be expected to have a Material Adverse Effect.

Section 4.4 Maintenance of Property; Insurance.

(a) Each Borrower will keep, and will cause each Subsidiary to keep, all property useful and necessary in its business in good working order and condition, ordinary wear and tear excepted. If all or any part of the Collateral useful or necessary in its business, or upon which any Borrowing Base is calculated, becomes damaged or destroyed, if repair is commercially reasonable each Borrower will, and will cause each Subsidiary to, promptly and completely repair and/or restore the affected Collateral in a good and workmanlike manner, regardless of whether Agent agrees to disburse sums (other than insurance proceeds with respect to such loss required to be disbursed to Borrower under this Agreement) to pay costs of the work of repair or reconstruction.

(b) Upon completion of any Permitted Contest, Borrowers shall, and will cause each Subsidiary to, promptly pay the amount due, if any, and deliver to Agent proof of the completion of the contest and payment of the amount due, if any, following which Agent shall return the security, if any, deposited with Agent pursuant to the definition of Permitted Contest.

(c) Each Borrower will maintain (i) casualty insurance on all real and personal property on an all risks basis (including the perils of flood, windstorm, and, subject to Section 7.4, quake), covering the repair and replacement cost of all such property and coverage, business interruption and rent loss coverages with extended period of indemnity (for the period required by Agent from time to time) and indemnity for extra expense, in each case without application of coinsurance and with agreed amount endorsements, (ii) general and professional liability insurance (including products/completed operations liability coverage), and (iii) such other insurance coverage, in each case against loss or damage of the kinds customarily insured against by Persons engaged in the same or similar business, of such types and in such amounts as are customarily carried under similar circumstances by such other Persons; *provided, however*, that, (x) in no event shall such insurance be in amounts or with coverage less than, or with carriers with qualifications inferior to, any of the insurance or carriers in existence as of the Closing Date (or required to be in existence after the Closing Date under a Financing Document) and (y) in the event the capital stock of Alpha Teknova, Inc. is traded on either the NASDAQ or New York Stock Exchange, then no Borrower will be required to obtain or maintain earth quake insurance. All such insurance shall be provided by insurers having an A.M. Best policyholders rating reasonably acceptable to Agent.

(d) On or prior to the Closing Date, and at all times thereafter, each Borrower will cause Agent to be named as an additional insured, assignee and lender loss payee (which shall include, as applicable, identification as mortgagee), as applicable, on each insurance policy required to be maintained pursuant to this Section 4.4 pursuant to endorsements in form and substance reasonably acceptable to Agent. Borrowers shall deliver to Agent and the Lenders (i) on the Closing Date, a certificate from Borrowers' insurance broker dated such date showing the amount of coverage as of such date, and that such policies will include effective waivers (whether under the terms of any such policy or otherwise) by the insurer of all claims for insurance premiums against all loss payees and additional insureds and all rights of subrogation against all loss payees and additional insureds, and that if all or any part of such policy is canceled, terminated or expires, the insurer will forthwith give notice thereof to each additional insured, assignee and loss payee and that no cancellation, material reduction in amount or material change in coverage thereof shall be effective until at least thirty (30) days (or ten (10) days for nonpayment of premium) after receipt by each additional insured, assignee and loss payee of written notice thereof, (ii) on an annual basis, and upon the request of any Lender through Agent from time to time full information as to the insurance carried, (iii) within five (5) days of receipt of notice from any insurer, a copy of any notice of cancellation, nonrenewal or material change in coverage from that existing on the date of this Agreement, (iv) forthwith, notice of any cancellation or nonrenewal of coverage by any Borrower, and (v) at least fifteen (15) days prior to expiration of any policy of insurance, evidence of renewal of such insurance upon the terms and conditions herein required.

(e) In the event any Borrower fails to provide Agent with evidence of the insurance coverage required by this Agreement, Agent may purchase insurance at Borrowers' expense to protect Agent's interests in the Collateral. This insurance may, but need not, protect such Borrower's interests. The coverage purchased by Agent may not pay any claim made by such Borrower or any claim that is made against such Borrower in connection with the Collateral. Such Borrower may later cancel any insurance purchased by Agent, but only after providing Agent with evidence that such Borrower has obtained insurance as required by this Agreement. If Agent purchases insurance for the Collateral, Borrowers will be responsible for the costs of that insurance to the fullest extent provided by law, including interest and other charges imposed by Agent in connection with the placement of the insurance, until the effective date of the cancellation or expiration of the insurance. The costs of the insurance may be added to the Obligations. The costs of the insurance may be more than the cost of insurance such Borrower is able to obtain on its own.

Section 4.5 Compliance with Laws and Material Contracts. Each Borrower will comply, and cause each Subsidiary to comply, with the requirements of all applicable Laws (including all Healthcare Laws) and Material Contracts, except to the extent that failure to so comply could not reasonably be expected to (a) have a Material Adverse Effect, or (b) result in any Lien upon either (i) a material portion of the assets of any such Person in favor of any Governmental Authority , or (ii) any Collateral which is part of the Borrowing Base (other than, in each case, any Permitted Lien).

Section 4.6 Inspection of Property, Books and Records. Each Borrower will keep, and will cause each Subsidiary to keep, proper books of record substantially in accordance with GAAP in which full, true and correct entries shall be made of all dealings and transactions in relation to its business and activities; and will permit, and will cause each Subsidiary to permit, during normal business hours at the sole cost of the applicable Borrower or any applicable Subsidiary, representatives of Agent to visit and inspect any of their respective properties, to examine and make abstracts or copies from any of their respective books and records, to conduct a collateral audit and analysis of their respective operations and the Collateral, to evaluate and make physical verifications and appraisals of the Inventory and other Collateral in any manner and through any medium that Agent considers advisable, to verify the amount and age of the Accounts, the identity and credit of the respective Account Debtors, to review the billing practices of Borrowers and to discuss their respective affairs, finances and accounts with their respective officers, employees and independent public accountants as often as may reasonably be desired. In the absence of a Default or an Event of Default which is continuing (i) such inspections and audits shall be conducted no more often than two (2) times every twelve (12) months, and (ii) Agent exercising any rights pursuant to this Section 4.6 shall give the applicable Borrower or any applicable Subsidiary commercially reasonable prior notice of such exercise. No notice shall be required during the existence and during the continuance of any Default or any time during which Agent reasonably believes a Default exists.

Section 4.7 Use of Proceeds. Borrowers shall use the proceeds of Revolving Loans solely for (a) transaction fees incurred in connection with the Financing Documents, (b) for working capital needs and for operating expenditures and capital expenditures of Borrowers and their Subsidiaries, and (c) for Permitted Acquisitions. No portion of the proceeds of the Loans will be used for family, personal, agricultural or household use.

Section 4.8 Reserved.

Section 4.9 Notices of Material Contracts, Litigation and Defaults.

(a) (i) Borrowers shall promptly (but in any event within ten (10) Business Days) provide written notice to Agent after any Borrower or Subsidiary receives or delivers any notice of termination or default or similar notice in connection with any Material Contract, and (ii) Borrower shall provide, together with the next quarterly Compliance Certificate required to be delivered under this Agreement, written notice to Agent after any Borrower or Subsidiary (1) executes and delivers any material amendment, consent, waiver or other modification to any Material Contract or (2) enters into new Material Contract and shall, upon request of Agent, promptly provide Agent a copy thereof.

(b) Borrowers shall promptly (but in any event within ten (10) Business Days) provide written notice to Agent (i) of any litigation or governmental proceedings pending or threatened (in writing) against Borrowers or other Credit Party which, if adversely determined, would reasonably be expected to have a Material Adverse Effect with respect to Borrowers or any other Credit Party or which in any manner calls into question the validity or enforceability of any Financing Document, (ii) of any strikes or other labor disputes pending or, to any Borrower's knowledge, threatened against any Credit Party, in each case that would reasonably be expected to result in a Material Adverse Effect, (iii) if there is any infringement or claim of infringement by any other Person with respect to any Intellectual Property rights of any Credit Party that could reasonably be expected to have a Material Adverse Effect, and (iv) of all returns, recoveries, disputes and claims that would reasonably be expected to result in liability of more than Five Hundred Thousand Dollars ($500,000). Borrowers represent and warrant that Schedule 4.9 sets forth a complete list of all material matters existing as of the Closing Date for which notice could be required under this Section 4.9.

(c) Borrowers shall promptly (but in any event within five (5) Business Days) provide written notice to Agent upon any Responsible Officer becoming aware of the existence of any Default or Event of Default.

(d) Borrower shall, and shall cause each Credit Party, to provide such further information (including copies of such documentation) as Agent or any Lender shall reasonably request in writing with respect to any of the events or notices described in clauses (a) and (b) above. From the date hereof and continuing through the termination of this Agreement, Borrower shall, and shall cause each Credit Party to, make available to Agent, without expense to Agent, each Credit Party's officers, employees and agents and books, to the extent that Agent may deem them reasonably necessary to prosecute or defend any third-party suit or proceeding instituted by or against Agent with respect to any Collateral or relating to a Credit Party.

Section 4.10 Hazardous Materials; Remediation.

(a) If any release or disposal of Hazardous Materials that could reasonably be expected to result in a Material Adverse Effect shall occur or shall have occurred on any real property or any other assets of any Borrower or any other Credit Party, such Borrower will to the extent Borrower or any other Credit Party is liable for remediation costs, cause, or direct the applicable Credit Party to cause, the prompt containment and removal of such Hazardous Materials and the remediation of such real property or other assets as is necessary to comply with all applicable Environmental Laws and Healthcare Laws and to preserve the value of such real property or other assets. Without limiting the generality of the foregoing, each Borrower shall, and shall cause each other Credit Party to, comply with each applicable Environmental Law and Healthcare Law requiring the performance at any real property by any Borrower or any other Credit Party of activities in response to the release or threatened release of a Hazardous Material.

(b) Borrowers will provide Agent within thirty (30) days after written demand therefor with a bond, letter of credit or similar financial assurance evidencing to the reasonable satisfaction of Agent that sufficient funds are available to pay the cost of removing, treating and disposing of any Hazardous Materials or Hazardous Materials Contamination and discharging any assessment which may be established on any property as a result thereof for which any Credit Party is liable for remediation costs,

such demand to be made, if at all, upon Agent's reasonable business determination that the failure to remove, treat or dispose of any Hazardous Materials or Hazardous Materials Contamination, or the failure to discharge any such assessment could reasonably be expected to have a Material Adverse Effect.

Section 4.11 Further Assurances.

(a) Each Borrower will, and will cause each Subsidiary to, at its own cost and expense, promptly and duly take, execute, acknowledge and deliver all such further acts, documents and assurances as may from time to time be necessary or as Agent or the Required Lenders may from time to time reasonably request in order to carry out the intent and purposes of the Financing Documents and the transactions contemplated thereby, including all such actions to (i) establish, create, preserve, protect and perfect a first priority Lien (subject only to the Affiliated Intercreditor Agreement and to Permitted Liens) in favor of Agent for itself and for the benefit of the Lenders on the Collateral (including Collateral acquired after the date hereof and including pursuant to any foreign law governed security documents), and (ii) unless Agent shall agree otherwise in writing, cause all Subsidiaries of Borrowers to be jointly and severally obligated with the other Borrowers under all covenants and obligations under this Agreement, including the obligation to repay the Obligations.

(b) Upon receipt of an affidavit of an authorized representative of Agent or a Lender as to the loss, theft, destruction or mutilation of any Note or any other Financing Document which is not of public record, and, in the case of any such mutilation, upon surrender and cancellation of such Note or other applicable Financing Document, Borrowers will issue, in lieu thereof, a replacement Note or other applicable Financing Document, dated the date of such lost, stolen, destroyed or mutilated Note or other Financing Document in the same principal amount thereof and otherwise of like tenor.

(c) Borrower shall provide Agent with at least ten (10) Business Days (or such shorter period as Agent may accept in its sole discretion) prior written notice of the creation (or to the extent permitted under this Agreement, acquisition) of a new Subsidiary. Upon the formation (or to the extent permitted under this Agreement, acquisition) of a new Subsidiary, Borrowers shall (i) pledge, have pledged or cause or have caused to be pledged to Agent pursuant to a pledge agreement in form and substance satisfactory to Agent, all of the outstanding shares of Equity Interests or other Equity Interests of such new Subsidiary owned directly or indirectly by any Borrower, along with undated stock or equivalent powers for such certificates, executed in blank; (ii) unless Agent shall agree otherwise in writing, cause the new Subsidiary to take such other actions (including entering into or joining any Security Documents) as are necessary or advisable in the reasonable opinion of Agent in order to grant Agent, acting on behalf of the Lenders, a first priority Lien (subject to the Affiliated Intercreditor Agreement and Permitted Liens which have priority by operation of Law) on all real and personal property (other than Excluded Property) of such Subsidiary in existence as of such date and in all after acquired property, which first priority Liens are required to be granted pursuant to this Agreement, including pursuant to foreign law governed Security Documents to the extent required by Agent in its reasonable discretion; (iii) unless Agent shall agree otherwise in writing, cause such new Subsidiary to either (at the election of Agent) become a Borrower hereunder with joint and several liability for all obligations of Borrowers hereunder and under the other Financing Documents pursuant to a joinder agreement or other similar agreement in form and substance satisfactory to Agent or to become a Guarantor of the obligations of Borrowers hereunder and under the other Financing Documents pursuant to a guaranty and suretyship agreement in form and substance satisfactory to Agent; and (iv) cause the new Subsidiary to deliver certified copies of such Subsidiary's certificate or articles of incorporation, together with good standing certificates, by-laws (or other operating agreement or governing documents), resolutions of the Board of Directors or other governing body, approving and authorize the execution and delivery of the Security Documents, incumbency certificates and to execute and/or deliver such other documents and legal opinions or to take such other actions as may be requested by Agent, in each case, in form and substance satisfactory to Agent (the requirements set forth in clauses (i)-(iv), collectively, the "**Joinder Requirements**").

Section 4.12 Reserved.

Section 4.13 Power of Attorney. Each of the authorized representatives of Agent is hereby irrevocably made, constituted and appointed the true and lawful attorney for Borrowers (without requiring any of them to act as such) with full power of substitution, exercisable only upon the occurrence and during the continuance of an Event of Default, to do the following: (a) endorse the name of Borrowers upon any and all checks, drafts, money orders, and other instruments for the payment of money that are payable to Borrowers and constitute collections on Borrowers' Accounts; (b) so long as Agent has provided not less than three (3) Business Days' prior written notice to Borrower to perform the same and Borrower has failed to take such action, execute in the name of Borrowers any schedules, assignments, instruments, documents, and statements that Borrowers are obligated to give Agent under this Agreement; (c) take any action Borrowers are required to take under this Agreement; (d) so long as Agent has provided not less than three (3) Business Days' prior written notice to Borrower to perform the same and Borrower has failed to take such action, do such other and further acts and deeds in the name of Borrowers that Agent may deem necessary or desirable to enforce any Account or other Collateral or perfect Agent's security interest or Lien in any Collateral; and (e) do such other and further acts and deeds in the name of Borrowers that Agent may deem necessary or desirable to enforce its rights with regard to any Account or other Collateral. This power of attorney shall be irrevocable and coupled with an interest.

Section 4.14 Borrowing Base Collateral Administration.

(a) All data and other information relating to Accounts and other intangible Collateral shall at all times be kept by Borrowers, at their respective principal offices and shall not be moved from such locations without (i) providing prior written notice to Agent, and (ii) obtaining the prior written consent of Agent, which consent shall not be unreasonably withheld.

(b) Following the Lockbox Activation Date, to the extent required for Borrowers to comply with the provisions of Section 2.11, Borrowers shall provide prompt written notice to each Person who either is currently an Account Debtor or becomes an Account Debtor at any time following the Lockbox Activation Date that directs each Account Debtor to make payments into the Lockbox or Lockbox Account, and hereby authorizes Agent, upon Borrowers' failure to send such notices within ten (10) days after the Lockbox Activation Date (or ten (10) days after the Person becomes an Account Debtor, if later), to send any and all similar notices to such Person. Agent reserves the right to notify Account Debtors that Agent has been granted a Lien upon all Accounts.

(c) Borrowers will conduct a physical count of the Inventory at least once per year and at such other times as Agent requests, and Borrowers shall provide to Agent a written accounting of such physical count in form and substance satisfactory to Agent. Each Borrower will use commercially reasonable efforts to at all times keep its Inventory in good and marketable condition. In addition to the foregoing, from time to time, Agent may require Borrowers to obtain and deliver to Agent appraisal reports in form and substance and from appraisers reasonably satisfactory to Agent stating the then current fair market values of all or any portion of Inventory owned by each Borrower or any Subsidiaries.

(d) In addition to the foregoing, from time to time, Agent may require Borrowers to obtain and deliver to Agent appraisal reports in form and substance and from appraisers reasonably satisfactory to Agent stating the then current fair market values of all or any portion of the Collateral.

Section 4.15 Reserved.

Section 4.16 Intellectual Property and Licensing.

(a) Together with each Compliance Certificate required to be delivered pursuant to Section 4.1 with respect to the last month of a fiscal quarter to the extent (i) Borrower acquires and/or develops any new Registered Intellectual Property, (ii) Borrower enters into or becomes bound by any additional material in-bound license or sublicense agreement, any additional exclusive out-bound license or sublicense agreement or other material agreement with respect to rights in Intellectual Property (other than over-the-counter software, software that is commercially available to the public and open source licenses), or (iii) there occurs any other material change in Borrower's Registered Intellectual Property, material in-bound licenses or sublicenses or exclusive out-bound licenses or sublicenses from that listed on Schedule 3.19 together with such Compliance Certificate, deliver to Agent an updated Schedule 3.19 reflecting such updated information. With respect to any updates to Schedule 3.19 involving exclusive out-bound licenses or sublicenses, such licenses shall be consistent with the definitions of and limitations herein pertaining to Permitted Licenses.

(b) If Borrower obtains any Registered Intellectual Property (other than copyrights, mask works and related applications, which are addressed below), Borrower shall promptly (and in any event within thirty (30) days of obtaining same) notify Agent and execute such documents and provide such other information (including, without limitation, copies of applications) and take such other actions as Agent shall request in its good faith business judgment to perfect and maintain a first priority perfected security interest in favor of Agent, for the ratable benefit of Lenders, in such Registered Intellectual Property.

(c) Borrower shall take such commercially reasonable steps as Agent reasonably requests to obtain the consent of, or waiver by, any person whose consent or waiver is necessary for (x) all material licenses or material agreements to be deemed "Collateral" and for Agent to have a security interest in it that might otherwise be restricted or prohibited by Law or by the terms of any such material license or agreement, whether now existing or entered into in the future, and (y) Agent to have the ability in the event of a liquidation of any Collateral to dispose of such Collateral in accordance with Agent's rights and remedies under this Agreement and the other Financing Documents.

(d) Borrower shall own, or be licensed to use or otherwise have the right to use, all Material Intangible Assets subject to Permitted Liens. Borrower shall cause all Registered Intellectual Property to be duly and properly registered, filed or issued in the appropriate office and jurisdictions for such registrations, filings or issuances, except where the failure to do so would not reasonably be expected to result in a Material Adverse Effect. Borrower shall at all times conduct its business without material infringement or material claim of infringement of any valid Intellectual Property rights of others. Borrower shall (i) protect, defend and maintain the validity and enforceability of its Material Intangible Assets (ii) promptly advise Agent in writing of material infringements of its Material Intangible Assets, or of a material claim of infringement by Borrower on the Intellectual Property rights of others; and (iii) not allow any of Borrower's Material Intangible Assets to be abandoned, invalidated, forfeited or dedicated to the public or to become unenforceable. Borrower shall not become a party to, nor become bound by, any material license or other agreement with respect to which Borrower is the licensee (other than in-bound licenses of over-the-counter software and other software that is commercially available to the public, and open source licenses) that prohibits or otherwise restricts Borrower from granting a security interest in Borrower's interest in such license or agreement or other property.

Section 4.17 Permits. Borrowers shall have and maintain, and shall ensure that it and each of its Subsidiaries has and maintains, each Permit of Borrowers or their Subsidiaries the loss of which could be reasonably expected to result in a Material Adverse Effect, and have made all necessary declarations and filings with, all applicable Governmental Authorities, all self-regulatory authorities and all courts and other

tribunals necessary to engage in all material respects in the ownership, management and operation of the business or the assets of any Borrower and Borrowers shall take such reasonable actions to ensure that no Governmental Authority has taken action to limit, suspend or revoke any such Permit.

ARTICLE 5 - NEGATIVE COVENANTS

Each Borrower agrees that:

Section 5.1 Debt; Contingent Obligations.

(a) No Borrower will, or will permit any Subsidiary to, directly or indirectly, create, incur, assume, guarantee or otherwise become or remain directly or indirectly liable with respect to, any Debt, except for Permitted Debt.

(b) No Borrower will, or will permit any Subsidiary to, directly or indirectly, create, assume, incur or suffer to exist any Contingent Obligations, except for Permitted Contingent Obligations.

(c) No Borrower will, or will permit any Subsidiary to, directly or indirectly, purchase, redeem, defease or prepay any principal of, premium, if any, interest or other amount payable in respect of any Debt prior to its scheduled maturity (except (i) with respect to the Debt permitted under this Agreement, (ii) for Capital Lease obligations and (iii) for Subordinated Debt solely to the extent permitted by Section 5.5).

Section 5.2 Liens. No Borrower will, or will permit any Subsidiary to, directly or indirectly, create, assume or suffer to exist any Lien on any asset now owned or hereafter acquired by it, except for Permitted Liens.

Section 5.3 Distributions. No Borrower will, or will permit any Subsidiary to, directly or indirectly, declare, order, pay, make or set apart any sum for any Distribution, except for Permitted Distributions.

Section 5.4 Restrictive Agreements. No Borrower will, or will permit any Subsidiary to, directly or indirectly (a) enter into or assume any agreement (other than the Financing Documents, the Affiliated Financing Documents, and any agreements for purchase money debt and Capital Leases permitted under clause (c) of the definition of Permitted Debt) prohibiting the creation or assumption of any Lien upon its properties or assets, whether now owned or hereafter acquired, or (b) create or otherwise cause or suffer to exist or become effective any consensual encumbrance or restriction of any kind (except as provided by the Financing Documents and the Affiliated Financing Documents) on the ability of any Subsidiary to: (i) pay or make Distributions to any Borrower or any Subsidiary; (ii) pay any Debt owed to any Borrower or any Subsidiary; (iii) make loans or advances to any Borrower or any Subsidiary; or (iv) transfer any of its property or assets to any Borrower or any Subsidiary, in each case under this Section 5.4 other than reasonable and customary anti-assignment provisions contained in licenses, contracts and other agreements so long as such anti-assignment provisions do not cause such licenses, contracts or other agreements to constitute Excluded Property.

Section 5.5 Payments and Modifications of Subordinated Debt. No Borrower will, or will permit any Subsidiary to, directly or indirectly:

(a) declare, pay, make or set aside any amount for payment in respect of Subordinated Debt, except for payments made in full compliance with and expressly permitted under the Subordination Agreement;

(b) amend or otherwise modify the terms of any Subordinated Debt, except for amendments or modifications made in full compliance with the Subordination Agreement;

(c) declare, pay, make or set aside any amount for payment in respect of any Debt hereinafter incurred that, by its terms, or by separate agreement, is subordinated to the Obligations, except for payments made in full compliance with and expressly permitted under the subordination provisions applicable thereto; or

(d) amend or otherwise modify the terms of any such Debt if the effect of such amendment or modification is to (i) increase the interest rate or fees on, or change the manner or timing of payment of, such Debt, (ii) accelerate or shorten the dates upon which payments of principal or interest are due on, or the principal amount of, such Debt, (iii) change in a manner adverse to any Credit Party or Agent any event of default or add or make more restrictive any covenant with respect to such Debt, (iv) change the prepayment or redemption provisions of such Debt or any of the defined terms related thereto, (v) change the subordination provisions thereof (or the subordination terms of any guaranty thereof), or (vi) change or amend any other term if such change or amendment would materially increase the obligations of the obligor or confer additional material rights on the holder of such Debt in a manner adverse to Borrowers, any Subsidiaries, Agent or Lenders.

Section 5.6 Consolidations, Mergers and Sales of Assets;. No Borrower will, or will permit any Subsidiary to, directly or indirectly:

(a) consolidate or merge or amalgamate with or into any other Person other than (i) consolidations or mergers among Borrowers so long as (x) in any consolidation or merger involving Alpha Teknova, Inc., Alpha Teknova, Inc. is the surviving entity and (y) in any consolidation or merger involving a Borrower, a Borrower is the surviving entity, (ii) consolidations or mergers among a Guarantor and a Borrower so long as the Borrower is the surviving entity, (iii) consolidations or mergers among Guarantors, and (iv) consolidations or mergers among Subsidiaries that are not Credit Parties; or

(b) make or consummate any Asset Dispositions other than Permitted Asset Dispositions.

Section 5.7 Purchase of Assets, Investments. No Borrower will, or will permit any Subsidiary to, directly or indirectly:

(a) acquire, make, own, hold or otherwise consummate any Investment (including for the avoidance of doubt, any Acquisition) other than Permitted Investments or enter into any agreement to acquire, make, own or hold any Investment other than Permitted Investments;

(b) without limiting clause (a) above, acquire any other assets other than Permitted Investments or otherwise (i) in the Ordinary Course of Business, (ii) constituting capital expenditures, (iii) constituting replacement assets purchased with proceeds of property insurance policies, awards or other compensation with respect to any eminent domain, condemnation or similar proceeding and for which the requirements set forth in this Agreement have been satisfied and (iv) any acquisition by a Credit Party of assets of any other Credit Party to the extent not otherwise prohibited by Article 5 of this Agreement;

(c) engage or enter into any agreement to engage in any joint venture or partnership with any other Person except for Investments made pursuant to clause (l) of the definition of Permitted Investments; or

(d) Without limiting the foregoing, no Borrower shall, nor will any Borrower permit any Subsidiary to, purchase or carry Margin Stock.

Section 5.8 Transactions with Affiliates. No Borrower will, or will permit any Subsidiary to, directly or indirectly, enter into or permit to exist any transaction (including the purchase, sale, lease or exchange of any property or the rendering of any service) with any Affiliate of any Borrower or any Subsidiary thereof, except for (a) transaction disclosed on Schedule 5.8 on the Closing Date, (b) transactions that are in the Ordinary Course of Business upon fair and reasonable terms, and, in each case, which contain terms that are no less favorable to the applicable Borrower or any Subsidiary, as the case may be, than those which might be obtained from a third party not an Affiliate of any Credit Party, (c) transactions among Credit Parties and Subsidiaries that are not otherwise prohibited by this Agreement, (d) transactions constituting (i) issuances of Subordinated Debt to investors and (ii) issuance of other equity securities, in each case, not otherwise in contravention of this Agreement; and (e) reasonable and customary director, officer and employee compensation (including bonuses) and other benefits (including retirement, health, stock option and other benefit plans and indemnification arrangements approved by the relevant board of directors, board managers or equivalent corporate body in the Ordinary Course of Business).

Section 5.9 Modification of Organizational Documents. No Borrower will, or will permit any Subsidiary to, directly or indirectly, amend or otherwise modify any Organizational Documents of such Person, except for Permitted Modifications.

Section 5.10 Modification of Certain Agreements. No Borrower will, or will permit any Subsidiary to, directly or indirectly, (a) amend or otherwise modify any Material Contract, which amendment or modification in any case: (i) is contrary to the terms of this Agreement or any other Financing Document; (ii) would reasonably be expected to be adverse to the rights, interests or privileges of Agent or the Lenders or their ability to enforce the same; (iii) results in the imposition or expansion in any material respect of any obligation of or restriction or burden on any Credit Party or any Subsidiary; or (iv) reduces in any material respect any rights or benefits of any Credit Party or any Subsidiaries (it being understood and agreed that any such determination shall be in the discretion of Agent) or (b) without the prior written consent of Agent, amend or otherwise modify the Affiliated Financing Document.

Section 5.11 Conduct of Business. No Borrower will, or will permit any Subsidiary to, directly or indirectly, engage in any line of business other than those businesses engaged in on the Closing Date and businesses reasonably related or incidental thereto. No Borrower will, or will permit any Subsidiary to, other than in the Ordinary Course of Business, change its normal billing payment and reimbursement policies and procedures with respect to its Accounts (including, without limitation, the amount and timing of finance charges, fees and write-offs).

Section 5.12 Reserved.

Section 5.13 Limitation on Sale and Leaseback Transactions. No Borrower will, or will permit any Subsidiary to, directly or indirectly, enter into any arrangement with any Person whereby, in a substantially contemporaneous transaction, any Borrower or any Subsidiaries sells or transfers all or substantially all of its right, title and interest in an asset and, in connection therewith, acquires or leases back the right to use such asset.

Section 5.14 Deposit Accounts and Securities Accounts; Payroll and Benefits Accounts.

(a) No Borrower will, or will permit any Credit Party to, directly or indirectly, establish any new Deposit Account or Securities Account unless such Borrower or such other Credit Party and the bank, financial institution or securities intermediary at which the account is to be opened enter into a Deposit Account Control Agreement or Securities Account Control Agreement prior to or concurrently with the establishment of such Deposit Account or Securities Account.

(b) Borrowers represent and warrant that Schedule 5.14 (as updated by the Compliance Certificates delivered to Agent from time to time after the Closing Date) lists all of the Deposit Accounts and Securities Accounts of each Borrower as of the Closing Date and as of the date on which each Compliance Certificate is delivered. The provisions of this Section requiring Deposit Account Control Agreements shall not apply to (i) Deposit Accounts exclusively used for payroll, payroll taxes and other employee wage and benefit payments to or for the benefit of Borrowers' employees and identified to Agent by Borrowers as such; *provided*, *however*, that the aggregate balance in such accounts does not exceed the amount necessary to make the two immediately succeeding payroll, payroll tax or benefit payments (or such minimum amount as may be required by any requirement of Law with respect to such accounts), (ii) escrow accounts and trust accounts, in each case entered into in the Ordinary Course of Business and consistent with prudent business practice conduct where the applicable Credit Party holds the funds exclusively for the benefit of one or more unaffiliated third parties in an aggregate amount not to exceed $100,000 with respect to all such escrow accounts and trust accounts, (iii) Deposit Accounts or Securities Accounts constituting Credit Card Cash Collateral Accounts or L/C Cash Collateral Accounts, and (iv) Deposit Accounts or Securities Accounts holding cash or Cash Equivalents described in clause (q) of the definition Permitted Liens (the accounts referenced in clauses (i)-(iv), the "**Excluded Accounts**").

(c) At all times that any Obligations or Affiliated Obligations remain outstanding, Borrower shall maintain one or more separate Deposit Accounts to hold any and all amounts to be used for payroll, payroll taxes and other employee wage and benefit payments, and shall not commingle any monies allocated for such purposes with funds in any other Deposit Account.

Section 5.15 Compliance with Anti-Terrorism Laws. Agent hereby notifies Borrowers that pursuant to the requirements of Anti-Terrorism Laws, and Agent's policies and practices, Agent is required to obtain, verify and record certain information and documentation that identifies Borrowers and its principals, which information includes the name and address of each Borrower and its principals and such other information that will allow Agent to identify such party in accordance with Anti-Terrorism Laws. No Borrower will, or will permit any Subsidiary to, directly or indirectly, knowingly enter into any Material Contracts with any Blocked Person or any Person listed on the OFAC Lists. Each Borrower shall immediately notify Agent if such Borrower has knowledge that any Borrower, any additional Credit Party or any of their respective Affiliates or agents acting or benefiting in any capacity in connection with the transactions contemplated by this Agreement is or becomes a Blocked Person or (a) is convicted on, (b) pleads nolo contendere to, (c) is indicted on, or (d) is arraigned and held over on charges involving money laundering or predicate crimes to money laundering. No Borrower will, or will permit any Subsidiary to, directly or indirectly, (i) conduct any business or engage in any transaction or dealing with any Blocked Person, including, without limitation, the making or receiving of any contribution of funds, goods or services to or for the benefit of any Blocked Person, (ii) deal in, or otherwise engage in any transaction relating to, any property or interests in property blocked pursuant to Executive Order No. 13224, any similar executive order or other Anti-Terrorism Law, or (iii) engage in or conspire to engage in any transaction that evades or avoids, or has the purpose of evading or avoiding, or attempts to violate, any of the prohibitions set forth in Executive Order No. 13224 or other Anti-Terrorism Law.

Section 5.16 Change in Accounting. No Borrower shall, and no Borrower shall suffer or permit any of its Subsidiaries to, (a) make any significant change in accounting treatment or reporting practices, except as required by GAAP or (b) change the fiscal year or method for determining fiscal quarters of any Credit Party or of any Consolidated Subsidiary of any Credit Party except, in each case, to the extent that Agent has provided its prior written consent to such change (such consent to be given or withheld in Agent's reasonable discretion).

Section 5.17 Investment Company Act. No Borrower shall, nor shall it permit any Subsidiary to, directly or indirectly, engage in any business, enter into any transaction, use any securities or take any other action or permit any of its Subsidiaries to do any of the foregoing, that would cause it or any of its Subsidiaries to become subject to the registration requirements of the Investment Company Act, by virtue of being an "investment company" or a company "controlled" by an "investment company" not entitled to an exemption within the meaning of the Investment Company Act.

Section 5.18 Agreements Regarding Receivables. No Borrower may backdate, postdate or redate any of its invoices. No Borrower may make any sales on extended dating or credit terms beyond that customary in such Borrower's industry and consented to in advance by Agent. Borrower Representative shall also notify Agent promptly of all material disputes and claims with respect to the Accounts of any Borrower, and such Borrower will settle or adjust such material disputes and claims at no expense to Agent; provided, however, no Borrower may, without Agent's consent, grant (a) any discount, credit or allowance in respect of its Accounts (i) which is outside the ordinary course of business or (ii) which discount, credit or allowance exceeds an amount equal to $250,000 in the aggregate with respect to any individual Account of (b) any materially adverse extension, compromise or settlement to any customer or account debtor with respect to any then Eligible Account. Nothing permitted by this Section 5.16, however, may be construed to alter in any the criteria for Eligible Accounts or Eligible Inventory provided in Section 1.1.

ARTICLE 6 - FINANCIAL COVENANTS

Section 6.1 Minimum Net Revenue. Borrowers shall not permit their consolidated Net Revenue for any applicable Defined Period, as tested monthly on the last day of the applicable Defined Period, to be less than the Minimum Net Revenue Threshold for such Defined Period. For the avoidance of doubt, in no event shall any Net Revenue attributable to any entity or assets acquired pursuant to or in connection with a Permitted Acquisition and that was received or accrued prior to the date of such Permitted Acquisition be counted for purposes of determining Borrower's compliance with the financial covenant set forth in Section 6.1.

Section 6.2 Evidence of Compliance. Borrowers shall furnish to Agent, as required by Section 4.1, a Compliance Certificate as evidence of (a) the monthly cash and Cash Equivalents of Borrowers and Borrowers and their Consolidated Subsidiaries, (b) Borrowers' compliance with the covenants in this Article, and (c) that no Event of Default specified in this Article has occurred. The Compliance Certificate shall include, without limitation, (x) a statement and report, in form and substance reasonably satisfactory to Agent, detailing Borrowers' calculations, and (y) if requested by Agent, back-up documentation (including, without limitation, bank statements, invoices, receipts and other evidence of costs incurred during such quarter as Agent shall reasonably require) evidencing the propriety of the calculations.

ARTICLE 7 - CONDITIONS

Section 7.1 Conditions to Closing. The obligation of each Lender to make the initial Loans on the Closing Date shall be subject to the receipt by Agent of each agreement, document and instrument set forth on the closing checklist attached hereto as Exhibit G, each in form and substance satisfactory to Agent, and such other closing deliverables reasonably requested by Agent and Lenders, and to the satisfaction of the following conditions precedent, each to the satisfaction of Agent and Lenders in their reasonable discretion:

(a) the receipt by Agent of executed counterparts of this Agreement, the other Financing Documents and the Affiliated Financing Documents;

(b) the payment of all fees, expenses and other amounts due and payable under each Financing Document; and

(c) since December 31, 2020, the absence of any material adverse change in any aspect of the business, operations, properties, or condition (financial or otherwise) of any Credit Party, or any event or condition which would reasonably be expected to result in such a material adverse change.

Each Lender, by delivering its signature page to this Agreement, shall be deemed to have acknowledged receipt of, consented to, approved and ratified, each Financing Document and each other document, agreement and/or instrument required to be approved by Agent, Required Lenders or Lenders, as applicable, on the Closing Date.

Section 7.2 Conditions to Each Loan. The obligation of the Lenders to make a Loan or an advance in respect of any Loan (including the initial Loans), is subject to the satisfaction of the following additional conditions:

(a) (i) in the case of the initial borrowing of Revolving Loans, receipt by Agent of a Notice of Borrowing and the initial Borrowing Base Certificate and (ii) in the case of each subsequent borrowing of a Revolving Loan receipt by Agent of a Notice of Borrowing (or telephonic notice if permitted by this Agreement) and updated Borrowing Base Certificate;

(b) the fact that, immediately after such borrowing and after application of the proceeds thereof or after such issuance, the Revolving Loan Outstandings will not exceed the Revolving Loan Limit;

(c) in the case of the initial borrowing of Revolving Loans, (i) Agent shall have completed a reasonably satisfactory field exam and all other necessary or reasonably desirable audits and appraisals with respect to Borrowing Base Collateral, the results of which are reasonably satisfactory to Agent and Lenders, and (ii) the Lockbox Activation Date shall have occurred and Agent shall have received a fully executed Lockbox Deposit Account Control Agreement;

(d) [reserved];

(e) [reserved];

(f) [reserved];

(g) [reserved];

(h) the fact that, immediately before and after such advance or issuance, no Default or Event of Default shall have occurred and be continuing;

(i) for Loans made on the Closing Date, the fact that the representations and warranties of each Credit Party contained in the Financing Documents shall be true, correct and complete on and as of the Closing Date, except to the extent that any such representation or warranty relates to a specific date in which case such representation or warranty shall be true and correct as of such earlier date;

(j) for Loans made after the Closing Date, the fact that the representations and warranties of each Credit Party contained in the Financing Documents shall be true, correct and complete in all material respects on and as of the date of such borrowing or issuance, except to the extent that any such representation or warranty relates to a specific earlier date in which case such representation or warranty shall be true and correct in all material respects as of such specific earlier date; *provided*, *however*, in each case, such materiality qualifier shall not be applicable to any representations and warranties that already are qualified or modified by materiality in the text thereof; and

(k) the fact that no material adverse change in the condition (financial or otherwise), properties, business, or operations of Borrowers or any other Credit Party shall have occurred and be continuing with respect to Borrowers or any Credit Party since the date of this Agreement.

Each giving of a Notice of Borrowing hereunder and each acceptance by any Borrower of the proceeds of any Loan made hereunder shall be deemed to be (y) a representation and warranty by each Borrower on the date of such notice or acceptance as to the facts specified in this Section, and (z) a restatement by each Borrower that each and every one of the representations made by it in any of the Financing Documents is true and correct all material respects on and as of the date of such borrowing or issuance, except to the extent that any such representation or warranty relates to a specific earlier date in which case such representation or warranty shall be true and correct in all material respects as of such specific earlier date; *provided*, *however*, in each case, such materiality qualifier shall not be applicable to any representations and warranties that already are qualified or modified by materiality in the text thereof.

Section 7.3 Searches. Before the Closing Date, and thereafter (as and when determined by Agent in its discretion), Agent shall have the right to perform, all at Borrowers' expense, the searches described in clauses (a), (b), and (c) below against Borrowers and any other Credit Party, the results of which are to be consistent with Borrowers' representations and warranties under this Agreement and the satisfactory results of which shall be a condition precedent to all advances of Loan proceeds: (a) UCC searches with the Secretary of State of the jurisdiction in which the applicable Person is organized; (b) judgment, pending litigation, federal tax lien, personal property tax lien, and corporate and partnership tax lien searches, in each jurisdiction searched under clause (a) above; and (c) searches of applicable corporate, limited liability company, partnership and related records to confirm the continued existence, organization and good standing of the applicable Person and the exact legal name under which such Person is organized. Notwithstanding anything to the contrary herein, after the Closing Date, Borrowers shall not be liable for the expenses associated with such searches conducted more than once during each twelve month period unless an Event of Default has occurred and is continuing.

Section 7.4 Post-Closing Requirements. Unless Agent shall otherwise consent, Borrowers shall complete each of the post-closing obligations and/or provide to Agent each of the documents, instruments, agreements and information listed on Schedule 7.4 attached hereto on or before the date set forth for each such item thereon, each of which shall be completed or provided in form and substance reasonably satisfactory to Agent.

ARTICLE 8 - [RESERVED]

ARTICLE 9 - SECURITY AGREEMENT

Section 9.1 Generally. As security for the payment and performance of the Obligations, and for the payment and performance of all obligations under the Affiliated Financing Documents (if any) and without limiting any other grant of a Lien and security interest in any Security Document, each Borrower hereby collaterally assigns, grants and pledges to Agent, for the benefit of itself and Lenders a continuing first priority Lien on and security interest in, upon, and to the property set forth on Schedule 9.1 attached hereto and made a part hereof, subject only to the Affiliated Intercreditor Agreement.

Section 9.2 Representations and Warranties and Covenants Relating to Collateral.

(a) The security interest granted pursuant to this Agreement constitutes a valid and, to the extent such security interest is required to be perfected by this Agreement and any other Financing Document, continuing perfected security interest in favor of Agent in all Collateral subject, for the following Collateral, to the occurrence of the following: (i) in the case of all Collateral in which a security interest may be perfected by filing a financing statement under the UCC, the completion of the filings and other actions specified on Schedule 9.2(b) (which, in the case of all filings and other documents referred to on such schedule, have been delivered to Agent in completed and duly authorized form), (ii) with respect to any Deposit Account, the execution of Deposit Account Control Agreements, (iii) in the case of letter-of-credit rights that are not supporting obligations of Collateral, the execution of a contractual obligation granting control to Agent over such letter-of-credit rights, (iv) in the case of electronic chattel paper, the completion of all steps necessary to grant control to Agent over such electronic chattel paper, (v) in the case of all certificated stock, debt instruments and investment property, the delivery thereof to Agent of such certificated stock, debt instruments and investment property consisting of instruments and certificates, in each case properly endorsed for transfer to Agent or in blank, (vi) in the case of all investment property not in certificated form, the execution of control agreements with respect to such investment property and (vii) in the case of all other instruments and tangible chattel paper that are not certificated stock, debt instructions or investment property, the delivery thereof to Agent of such instruments and tangible chattel paper. Such security interest shall be prior to all other Liens on the Collateral except for Permitted Liens. Except to the extent not required pursuant to the terms of this Agreement, all actions by each Credit Party necessary or desirable to protect and perfect the Lien granted hereunder on the Collateral have been duly taken.

(b) Schedule 9.2(b) (as updated by the Compliance Certificates delivered to Agent from time to time after the Closing Date) sets forth (i) each chief executive office and principal place of business of each Borrower and each of their respective Subsidiaries, and (ii) all of the addresses (including all warehouses) at which any of the Collateral is located and/or books and records of Borrowers regarding any Collateral or any of Borrower's assets, liabilities, business operations or financial condition are kept, which such Schedule 9.2(b) indicates in each case which Borrower(s) have Collateral and/or books and records located at such address, and, in the case of any such address not owned by one or more of the Borrowers(s), indicates the nature of such location (e.g., leased business location operated by Borrower(s), third party warehouse, consignment location, processor location, etc.) and the name and address of the third party owning and/or operating such location.

(c) Without limiting the generality of Section 3.2, except as indicated on Schedule 3.19 with respect to any rights of any Borrower as a licensee under any license of Intellectual Property owned by another Person, and except for the filing of financing statements under the UCC, no authorization, approval or other action by, and no notice to or filing with, any Governmental Authority or consent of any other Person is required for (i) the grant by each Borrower to Agent of the security interests and Liens in the Collateral provided for under this Agreement and the other Security Documents (if any), or (ii) the granting of the security interest or the exercise by Agent of its rights and remedies with respect to the Collateral provided for under this Agreement and the other Security Documents or under any applicable Law, including the UCC and neither any such grant of Liens in favor of Agent or exercise of rights by Agent shall violate or cause a default under any agreement between any Borrower and any other Person relating to any such collateral, including any license to which a Borrower is a party, whether as licensor or licensee, with respect to any Intellectual Property, whether owned by such Borrower or any other Person.

(d) As of the Closing Date, except as set forth on Schedule 9.2(d), no Borrower has any ownership interest in any Chattel Paper (as defined in Article 9 of the UCC), letter of credit rights, commercial tort claims, Instruments, documents or investment property evidencing an obligation in excess of Two Hundred Fifty Thousand Dollars ($250,000) individually or in excess of Five Hundred Thousand Dollars ($500,000) in the aggregate for all such obligations (other than Equity Interests in any Subsidiaries of such Borrower disclosed on Schedule 3.4), and Borrowers shall give notice to Agent promptly (but in any event not later than the delivery by Borrowers of the next quarterly Compliance Certificate required pursuant to Section 4.1 above) upon the acquisition by any Borrower of any such Chattel Paper, letter of credit rights, commercial tort claims, Instruments, documents, investment property evidencing an obligation in excess of Two Hundred Fifty Thousand Dollars ($250,000) individually or in excess of Five Hundred Thousand Dollars ($500,000) in the aggregate for all such obligations. No Person other than Agent or (if applicable) any Lender has "control" (as defined in Article 9 of the UCC) over any Deposit Account, investment property (including Securities Accounts and commodities account), letter of credit rights or electronic chattel paper in which any Borrower has any interest (except for such control arising by operation of law in favor of any bank or securities intermediary or commodities intermediary with whom any Deposit Account, Securities Account or commodities account of Borrowers is maintained).

(e) Borrowers shall not, and shall not permit any Credit Party to, take any of the following actions or make any of the following changes unless Borrowers have given at least thirty (30) days prior written notice to Agent of Borrowers' intention to take any such action (which such written notice shall include an updated version of any Schedule impacted by such change) and have executed any and all documents, instruments and agreements and taken any other actions which Agent may request after receiving such written notice in order to protect and preserve the Liens, rights and remedies of Agent with respect to the Collateral: (i) change the legal name or organizational identification number of any Borrower as it appears in official filings in the jurisdiction of its organization, (ii) change the jurisdiction of incorporation or formation of any Borrower or Credit Party or allow any Borrower or Credit Party to designate any jurisdiction as an additional jurisdiction of incorporation for such Borrower or Credit Party, or change the type of entity that it is; *provided* that in no event shall a Borrower organized under the laws of the United States or any state thereof be reorganized under the laws of a jurisdiction other than the United States or any State thereof, or (iii) change its chief executive office, principal place of business, or the location of its books and records or move any Collateral to or place any Collateral on any location that is not then listed on the Schedules and/or establish any business location at any location that is not then listed on the Schedules.

(f) Borrowers shall not adjust, settle or compromise the amount or payment of any Account, or release wholly or partly any Account Debtor, or allow any credit or discount thereon (other than adjustments, settlements, compromises, credits and discounts in the Ordinary Course of Business, made while no Default exists and in amounts which constitute less than $250,000 reduction per individual account and are otherwise not material with respect to the Account taken as a whole and which, after giving effect thereto, do not cause the Borrowing Base to be less than the Revolving Loan Outstandings) without the prior written consent of Agent. Without limiting the generality of this Agreement or any other provisions of any of the Financing Documents relating to the rights of Agent after the occurrence and during the continuance of an Event of Default, Agent shall have the right at any time after the occurrence and during the continuance of an Event of Default to: (i) exercise the rights of Borrowers with respect to the obligation of any Account Debtor to make payment or otherwise render performance to Borrowers and with respect to any property that secures the obligations of any Account Debtor or any other Person obligated on the Collateral, and (ii) adjust, settle or compromise the amount or payment of such Accounts.

(g) Without limiting the generality of Sections 9.2(c) and 9.2(e):

(i) Borrowers shall deliver to Agent all tangible Chattel Paper and all Instruments and documents evidencing an obligation in excess of Two Hundred Fifty Thousand Dollars ($250,000) individually or in excess of Five Hundred Thousand Dollars ($500,000) in the aggregate for all such obligations owned by any Borrower and constituting part of the Collateral duly endorsed and accompanied by duly executed instruments of transfer or assignment, all in form and substance satisfactory to Agent. Borrowers shall provide Agent with "control" (as defined in Article 9 of the UCC) of all electronic Chattel Paper evidencing an obligation in excess of Two Hundred Fifty Thousand Dollars ($250,000) individually or in excess of Five Hundred Thousand Dollars ($500,000) in the aggregate for all such obligations owned by any Borrower and constituting part of the Collateral by having Agent identified as the assignee on the records pertaining to the single authoritative copy thereof and otherwise complying with the applicable elements of control set forth in the UCC. Borrowers also shall deliver to Agent all security agreements securing any such Chattel Paper and securing any such Instruments (other than those with a value of less than One Hundred Thousand Dollars ($100,000) in the aggregate). Borrowers will mark conspicuously all such Chattel Paper and all such Instruments and documents (other than those with a value of less than One Hundred Thousand Dollars ($100,000) in the aggregate) with a legend, in form and substance satisfactory to Agent, indicating that such Chattel Paper and such instruments and documents are subject to the security interests and Liens in favor of Agent created pursuant to this Agreement and the Security Documents. Borrowers shall comply with all the provisions of Section 5.14 with respect to the Deposit Accounts and Securities Accounts of Borrowers.

(ii) Borrowers shall deliver to Agent all letters of credit with a face amount in excess of Two Hundred Fifty Thousand Dollars ($250,000) individually or in excess of Five Hundred Thousand Dollars ($500,000) in the aggregate for all letters of credit on which any Borrower is the beneficiary and which give rise to letter of credit rights owned by such Borrower which constitute part of the Collateral in each case duly endorsed and accompanied by duly executed instruments of transfer or assignment, all in form and substance satisfactory to Agent. Borrowers shall take any and all actions as may be necessary or desirable, or that Agent may request, from time to time, to cause Agent to obtain exclusive "control" (as defined in Article 9 of the UCC) of any such letter of credit rights in a manner acceptable to Agent.

(iii) Borrowers shall promptly advise Agent upon any Borrower becoming aware that it has any interests in any commercial tort claim that is for at least, or could reasonably be expected to result in a payment in excess of, Two Hundred Fifty Thousand Dollars ($250,000) individually or in excess of Five Hundred Thousand Dollars ($500,000) in the aggregate for all commercial tort claims and that constitutes part of the Collateral, which such notice shall include descriptions of the events and circumstances giving rise to such commercial tort claim and the dates such events and circumstances occurred, the potential defendants with respect such commercial tort claim and any court proceedings that have been instituted with respect to such commercial tort claims, and Borrowers shall, with respect to any such commercial tort claim, execute and deliver to Agent such documents as Agent shall request to perfect, preserve or protect the Liens, rights and remedies of Agent with respect to any such commercial tort claim.

(iv) Unless Agent shall otherwise consent, Borrowers shall obtain a landlord's agreement, mortgagee agreement, or bailee agreement, as applicable, from the lessor of each leased property, the mortgagee of owned property or the warehouseman, consignee, bailee at any business location, in each case, located in the United States and (a) which is a Borrower's chief executive office or (b) where (i) any portion of the Collateral included in or proposed to be included in the

Borrowing Base, or (ii) any portion of the Collateral with a value in excess of $500,000, is located, in each case, which agreement or letter shall be reasonably satisfactory in form and substance to Agent. Borrowers shall timely and fully pay and perform its obligations under all leases and other agreements with respect to each of the locations specified in the preceding sentence. In no event shall Borrower maintain tangible Collateral (other than Inventory with contract manufacturers and Inventory in transit in the Ordinary Course of Business) with a value in excess of $500,000 outside of the United States without Agent's prior consent.

(v) Borrowers shall cause all equipment and other tangible personal property other than Inventory to be maintained and preserved in the same condition, repair and in working order as when new, ordinary wear and tear excepted, and shall to the extent doing so is commercially reasonable, promptly make or cause to be made all repairs, replacements and other improvements in connection therewith that are necessary or desirable to such end. Upon request of Agent, Borrowers shall promptly deliver to Agent any and all certificates of title, applications for title or similar evidence of ownership of all such tangible personal property and shall cause Agent to be named as lienholder on any such certificate of title or other evidence of ownership. Borrowers shall not permit any such tangible personal property to become fixtures to real estate unless such real estate is subject to a Lien in favor of Agent.

(vi) Each Borrower hereby authorizes Agent to file without the signature of such Borrower one or more UCC financing statements relating to liens on personal property relating to all or any part of the Collateral, which financing statements may list Agent as the "secured party" and such Borrower as the "debtor" and which describe and indicate the collateral covered thereby as all or any part of the Collateral under the Financing Documents (including an indication of the collateral covered by any such financing statement as "all assets" of such Borrower now owned or hereafter acquired), in such jurisdictions as Agent from time to time determines are appropriate, and to file without the signature of such Borrower any continuations of or corrective amendments to any such financing statements, in any such case in order for Agent to perfect, preserve or protect the Liens, rights and remedies of Agent with respect to the Collateral. Each Borrower also ratifies its authorization for Agent to have filed in any jurisdiction any initial financing statements or amendments thereto if filed prior to the date hereof.

(vii) As of the Closing Date, no Borrower holds, and, after the Closing Date, Borrowers shall promptly notify Agent in writing upon creation or acquisition by any Borrower of, any Collateral in excess of Two Hundred Fifty Thousand Dollars ($250,000) in the aggregate for all such Collateral which constitutes a claim against any Governmental Authority, including, without limitation, the federal government of the United States or any instrumentality or agency thereof, the assignment of which claim is restricted by any applicable Law, including, without limitation, the federal Assignment of Claims Act and any other comparable Law. Upon the request of Agent, Borrowers shall take such steps as may be necessary or desirable, or that Agent may request, to comply with any such applicable Law with respect to Accounts evidencing obligations in excess of Two Hundred Fifty Thousand Dollars ($250,000) or more in the aggregate.

(viii) Borrowers shall furnish to Agent from time to time any statements and schedules further identifying or describing the Collateral and any other information, reports or evidence concerning the Collateral as Agent may reasonably request from time to time.

(h) Any obligation of any Credit Party in this Agreement that requires (or any representation or warranty hereunder to the extent that it would have the effect of requiring) delivery of Collateral (including any endorsements related thereto) to, or the possession of Collateral with, Agent shall be deemed to have complied with and satisfied (or, in the case of any representation or warranty hereunder, shall be deemed to be true) if such delivery of Collateral is made to, or such possession of Collateral is with, the Affiliated Financing Agent.

ARTICLE 10 - EVENTS OF DEFAULT

Section 10.1 Events of Default. For purposes of the Financing Documents, the occurrence of any of the following conditions and/or events, whether voluntary or involuntary, by operation of law or otherwise, shall constitute an "**Event of Default**":

(a) (i) any Credit Party shall fail to pay when due any principal, interest, premium or fee under any Financing Document or any other amount payable under any Financing Document and, with respect to any such payment other than principal or interest, such failure shall continue for 3 Business Days after the date such amount was due, or (ii) there shall occur any default in the performance of or compliance with any of the following sections or articles of this Agreement: Section 2.11, Section 4.1, Section 4.2(b), Section 4.4(c), Section 4.6, Section 4.9, Section 4.11, Section 4.15, Section 4.16, Section 4.17, Article 5, Article 6 or Section 7.4;

(b) any Credit Party defaults in the performance of or compliance with any term contained in this Agreement or in any other Financing Document (other than occurrences described in other provisions of this Section 10.1 for which a different grace or cure period is specified or for which no grace or cure period is specified and thereby constitute immediate Events of Default) and such default is not remedied by the Credit Party or waived by Agent within twenty (20) days after the earlier of (i) receipt by Borrower Representative of notice from Agent or Required Lenders of such default, or (ii) actual knowledge of any Responsible Officer of the Borrower or any other Credit Party of such default; *provided*, *however*, that if the default cannot by its nature be cured within the twenty (20) day period or cannot after diligent attempts by Borrowers be cured within such twenty (20) day period, and such default is likely to be cured within a reasonable time (not to exceed the end of the twenty (20) day additional period), then Borrowers shall have an additional period (which period shall not in any case exceed twenty (20) days) to attempt to cure such default, and within such additional twenty (20) day period the failure of Borrowers to cure the default shall not be deemed an Event of Default (but no Loans shall be made during such period until such default is cured);

(c) any written representation, warranty, certification or statement made by any Credit Party or any other Person in any Financing Document or in any certificate, financial statement or other document delivered pursuant to any Financing Document is incorrect in any respect (or in any material respect if such representation, warranty, certification or statement is not by its terms already qualified as to materiality) when made (or deemed made);

(d) (i) failure of any Credit Party to pay when due or within any applicable grace period any principal, interest or other amount on Debt (other than the Loans), or the occurrence of any breach, default, condition or event with respect to any Debt (other than the Loans), if the effect of such failure or occurrence is to cause or to permit the holder or holders of any such Debt, or to cause, Debt or other liabilities having an individual principal amount in excess of $500,000 or having an aggregate principal amount in excess of $1,000,000 to become or be declared due prior to its stated maturity, or (ii) without limiting the foregoing, the occurrence of any breach or default under any terms or provisions of any Subordinated Debt Document or under any agreement subordinating the Subordinated Debt to all or any portion of the Obligations or the occurrence of any event requiring (or that would allow the holders thereof to require) the prepayment or mandatory redemption of any Subordinated Debt;

(e) any Credit Party or any Subsidiary of a Credit Party shall commence a voluntary case or other proceeding seeking liquidation, reorganization or other relief with respect to itself or its debts

under any bankruptcy, insolvency or other similar law or any analogous procedure or step is taken in any other jurisdiction) now or hereafter in effect or seeking the appointment of a trustee, receiver, liquidator, custodian or other similar official of it or any substantial part of its property, or shall consent to any such relief or to the appointment of or taking possession by any such official in an involuntary case or other proceeding commenced against it, or shall make a general assignment for the benefit of creditors, or shall fail generally to pay its debts as they become due, or shall take any corporate action to authorize the foregoing;

(f) an involuntary case or other proceeding shall be commenced against any Credit Party or any Subsidiary of a Credit Party seeking liquidation, reorganization or other relief with respect to it or its debts under any bankruptcy, insolvency or other similar law now or hereafter in effect or seeking the appointment of a trustee, receiver, liquidator, custodian or other similar official of it or any substantial part of its property, and such involuntary case or other proceeding shall remain undismissed and unstayed for a period of forty-five (45) days; or an order for relief shall be entered against any Credit Party or any Subsidiary of a Credit Party under applicable federal bankruptcy, insolvency or other similar law in respect of (i) bankruptcy, liquidation, winding-up, dissolution or suspension of general operations, (ii) composition, rescheduling, reorganization, arrangement or readjustment of, or other relief from, or stay of proceedings to enforce, some or all of the debts or obligations, or (iii) possession, foreclosure, seizure or retention, sale or other disposition of, or other proceedings to enforce security over, all or any substantial part of the assets of such Credit Party or Subsidiary;

(g) (i) institution of any steps by any Person to terminate a Pension Plan if as a result of such termination any Credit Party or any member of the Controlled Group could be required to make a contribution to such Pension Plan, or could incur a liability or obligation to such Pension Plan, in excess of $500,000, (ii) a contribution failure occurs with respect to any Pension Plan sufficient to give rise to a Lien under Section 303(k) of ERISA or Section 430(k) of the Code or an event occurs that would reasonably be expected to give rise to a Lien under Section 4068 of ERISA, or (iii) there shall occur any withdrawal or partial withdrawal from a Multiemployer Plan and the withdrawal liability (without unaccrued interest) to Multiemployer Plans as a result of such withdrawal (including any outstanding withdrawal liability that any Credit Party or any member of the Controlled Group have incurred on the date of such withdrawal) exceeds $500,000;

(h) one or more judgments or orders for the payment of money (not paid or fully covered by insurance maintained in accordance with the requirements of this Agreement and as to which the relevant insurance company has not denied coverage) aggregating in excess of $250,000 shall be rendered against any or all Credit Parties and either (i) enforcement proceedings shall have been commenced by any creditor upon any such judgments or orders, or (ii) there shall be any period of twenty (20) consecutive days during which a stay of enforcement of any such judgments or orders, by reason of a pending appeal, bond or otherwise, shall not be in effect;

(i) except solely as a result of any action or inaction of Agent or any Lenders (provided that such action or inaction is not caused by a Credit Party's failure to comply with the terms of the Financing Documents), any Lien created by any of the Security Documents shall at any time fail to constitute a valid and perfected Lien on all of the Collateral purported to be encumbered thereby, subject to no prior or equal Lien except Permitted Liens, or any Credit Party shall so assert;

(j) the institution by any Governmental Authority of criminal proceedings against any Credit Party;

(k) an event of default occurs under any Guarantee of any portion of the Obligations;

(l) the occurrence of a Change in Control;

(m) any Borrower makes any payment on account of any Debt that has been subordinated to any of the Obligations, other than payments specifically permitted by the terms of such subordination;

(n) if any Borrower is or becomes an entity whose equity is registered with the SEC, and/or is publicly traded on and/or registered with a public securities exchange, such Borrower's equity fails to remain registered with the SEC in good standing, and/or such equity fails to remain publicly traded on and registered with a public securities exchange;

(o) the occurrence of any fact, event or circumstance that could reasonably be expected to result in a Material Adverse Effect;

(p) there shall occur any event of default under the Affiliated Financing Documents;

(q) any Credit Party defaults under or breaches any Material Contract (after any applicable grace period contained therein), or a Material Contract shall be terminated by a third party or parties party thereto prior to the expiration thereof and such default, breach or termination would reasonably be expected to result in a Material Adverse Effect; or

(r) any of the Financing Documents shall for any reason fail to constitute the valid and binding agreement of any party thereto, or any Credit Party shall so assert, in each case, unless such Financing Document terminates pursuant to the terms and conditions thereof without any breach or default thereunder by any Credit Party thereto.

All cure periods provided for in this Section 10.1 shall run concurrently with any cure period provided for in any applicable Financing Documents under which the default occurred.

Section 10.2 Acceleration and Suspension or Termination of Revolving Loan Commitment. Upon the occurrence and during the continuance of an Event of Default, Agent may, and shall if requested by Required Lenders, (a) by notice to Borrower Representative suspend or terminate the Revolving Loan Commitment and the obligations of Agent and the Lenders with respect thereto, in whole or in part (and, if in part, each Lender's Revolving Loan Commitment shall be reduced in accordance with its Pro Rata Share), and/or (b) by notice to Borrower Representative declare all or any portion of the Obligations to be, and the Obligations shall thereupon become, immediately due and payable, with accrued interest thereon, without presentment, demand, protest or other notice of any kind, all of which are hereby waived by each Borrower and Borrowers will pay the same; *provided*, *however*, that in the case of any of the Events of Default specified in Section 10.1(e) or 10.1(f) above, without any notice to any Borrower or any other act by Agent or the Lenders, the Revolving Loan Commitment and the obligations of Agent and the Lenders with respect thereto shall thereupon immediately and automatically terminate and all of the Obligations shall become immediately and automatically due and payable without presentment, demand, protest or other notice of any kind, all of which are hereby waived by each Borrower and Borrowers will pay the same.

Section 10.3 UCC Remedies.

(a) Upon the occurrence of and during the continuance of an Event of Default under this Agreement or the other Financing Documents, Agent, in addition to all other rights, options, and remedies granted to Agent under this Agreement or at law or in equity, may exercise, either directly or through one or more assignees or designees, all rights and remedies granted to it under all Financing

Documents and under the UCC in effect in the applicable jurisdiction(s) and under any other applicable law, including, without limitation:

(i) the right to take possession of, send notices regarding, and collect directly the Collateral, with or without judicial process;

(ii) the right to (by its own means or with judicial assistance) enter any of Borrowers' premises and take possession of the Collateral, or render it unusable, or to render it usable or saleable, or dispose of the Collateral on such premises in compliance with subsection (iii) below and to take possession of Borrowers' original books and records, to obtain access to Borrowers' data processing equipment, computer hardware and software relating to the Collateral and to use all of the foregoing and the information contained therein in any manner Agent deems appropriate, without any liability for rent, storage, utilities, or other sums, and Borrowers shall not resist or interfere with such action (if Borrowers' books and records are prepared or maintained by an accounting service, contractor or other third party agent, Borrowers hereby irrevocably authorize such service, contractor or other agent, upon notice by Agent to such Person that an Event of Default has occurred and is continuing, to deliver to Agent or its designees such books and records, and to follow Agent's instructions with respect to further services to be rendered);

(iii) the right to require Borrowers at Borrowers' expense to assemble all or any part of the Collateral and make it available to Agent at any place designated by Lender;

(iv) the right to notify postal authorities to change the address for delivery of Borrowers' mail to an address designated by Agent and to receive, open and dispose of all mail addressed to any Borrower; and/or

(v) the right to enforce Borrowers' rights against Account Debtors and other obligors, including, without limitation, (i) the right to collect Accounts directly in Agent's own name (as agent for Lenders) and to charge the collection costs and expenses, including documented out-of-pocket attorneys' fees, to Borrowers, and (ii) the right, in the name of Agent or any designee of Agent or Borrowers, to verify the validity, amount or any other matter relating to any Accounts by mail, telephone, telegraph or otherwise, including, without limitation, verification of Borrowers' compliance with applicable Laws. Borrowers shall cooperate fully with Agent in an effort to facilitate and promptly conclude such verification process. Such verification may include contacts between Agent and applicable federal, state and local regulatory authorities having jurisdiction over the Borrowers' affairs, all of which contacts Borrowers hereby irrevocably authorize.

(b) Each Borrower agrees that a notice received by it at least ten (10) days before the time of any intended public sale, or the time after which any private sale or other disposition of the Collateral is to be made, shall be deemed to be reasonable notice of such sale or other disposition. If permitted by applicable law, any perishable Collateral which threatens to speedily decline in value or which is sold on a recognized market may be sold immediately by Agent without prior notice to Borrowers. At any sale or disposition of Collateral, Agent may (to the extent permitted by applicable law) purchase all or any part of the Collateral, free from any right of redemption by Borrowers, which right is hereby waived and released. Each Borrower covenants and agrees not to interfere with or impose any obstacle to Agent's exercise of its rights and remedies with respect to the Collateral. Agent shall have no obligation to clean-up or otherwise prepare the Collateral for sale. Agent may comply with any applicable state or federal law requirements in connection with a disposition of the Collateral and compliance will not be considered to adversely affect the commercial reasonableness of any sale of the Collateral. Agent may sell the Collateral without giving any warranties as to the Collateral. Agent may specifically disclaim any warranties of title or the like. This procedure will not be considered to adversely affect the commercial

reasonableness of any sale of the Collateral. If Agent sells any of the Collateral upon credit, Borrowers will be credited only with payments actually made by the purchaser, received by Agent and applied to the indebtedness of the purchaser. In the event the purchaser fails to pay for the Collateral, Agent may resell the Collateral and Borrowers shall be credited with the proceeds of the sale. Borrowers shall remain liable for any deficiency if the proceeds of any sale or disposition of the Collateral are insufficient to pay all Obligations.

(c) Without restricting the generality of the foregoing and for the purposes aforesaid, each Borrower hereby appoints and constitutes Agent its lawful attorney-in-fact with full power of substitution in the Collateral, upon the occurrence and during the continuance of an Event of Default, to (i) use unadvanced funds remaining under this Agreement or which may be reserved, escrowed or set aside for any purposes hereunder at any time, or to advance funds in excess of the face amount of the Notes, (ii) pay, settle or compromise all existing bills and claims, which may be Liens or security interests, or to avoid such bills and claims becoming Liens against the Collateral, (iii) execute all applications and certificates in the name of such Borrower and to prosecute and defend all actions or proceedings in connection with the Collateral, and (iv) do any and every act which such Borrower might do in its own behalf; it being understood and agreed that this power of attorney in this subsection (c) shall be a power coupled with an interest and cannot be revoked.

(d) Upon the occurrence and during the continuance of an Event of Default, subject to any right of any third parties and/or any agreement between any Borrower and any third party to the extent not granted or entered into in contravention of the terms of this Agreement, Agent and each Lender is hereby granted a non-exclusive, royalty-free license or other right to use, without charge, Borrowers' labels, mask works, rights of use of any name, any other Intellectual Property and advertising matter, and any similar property as it pertains to the Collateral, in completing production of, advertising for sale, and selling any Collateral and, in connection with Agent's exercise of its rights under this Article, Borrowers' rights under all licenses (whether as licensor or licensee) (to the extent permitted by applicable Law) and all franchise agreements inure to Agent's and each Lender's benefit.

Section 10.4 Reserved.

Section 10.5 Default Rate of Interest. At the election of Agent or Required Lenders, after the occurrence of an Event of Default and for so long as it continues, the Loans and other Obligations shall bear interest at rates that are three percent (3.0%) per annum in excess of the rates otherwise payable under this Agreement; *provided*, *however*, that in the case of any Event of Default specified in Section 10.1(e) or 10.1(f) above, such default rates shall apply immediately and automatically without the need for any election or action of any kind on the part of Agent or any Lender.

Section 10.6 Setoff Rights. During the continuance of any Event of Default, each Lender is hereby authorized by each Borrower at any time or from time to time, with reasonably prompt subsequent notice to such Borrower (any prior or contemporaneous notice being hereby expressly waived) to set off and to appropriate and to apply any and all (a) balances held by such Lender or any of such Lender's Affiliates at any of its offices for the account of such Borrower or any of its Subsidiaries (regardless of whether such balances are then due to such Borrower or its Subsidiaries), and (b) other property at any time held or owing by such Lender to or for the credit or for the account of such Borrower or any of its Subsidiaries, against and on account of any of the Obligations (other than contingent obligations for which no claim has been made); except that no Lender shall exercise any such right without the prior written consent of Agent. Any Lender exercising a right to set off shall purchase for cash (and the other Lenders shall sell) interests in each of such other Lender's Pro Rata Share of the Obligations as would be necessary to cause all Lenders to share the amount so set off with each other Lender in accordance with their respective Pro Rata Share of the Obligations. Each Borrower agrees, to the fullest extent permitted by law, that any Lender and any of such Lender's Affiliates may exercise its right to set off with respect to the Obligations as provided in this Section 10.6.

Section 10.7 Application of Proceeds.

(a) Notwithstanding anything to the contrary contained in this Agreement, upon the occurrence and during the continuance of an Event of Default, each Borrower irrevocably waives the right to direct the application of any and all payments at any time or times thereafter received by Agent from or on behalf of such Borrower or any Guarantor of all or any part of the Obligations, and, as between Borrowers on the one hand and Agent and Lenders on the other, Agent shall have the continuing and exclusive right to apply and to reapply any and all payments received against the Obligations in such manner as Agent may deem advisable notwithstanding any previous application by Agent.

(b) Following the occurrence and during the continuance of an Event of Default, but absent the occurrence and continuance of an Acceleration Event, Agent shall apply any and all payments received by Agent in respect of the Obligations, and any and all proceeds of Collateral received by Agent, in such order as Agent may from time to time elect.

(c) Notwithstanding anything to the contrary contained in this Agreement, if an Acceleration Event shall have occurred, and so long as it continues, Agent shall apply any and all payments received by Agent in respect of the Obligations, and any and all proceeds of Collateral received by Agent, in the following order: *first*, to all fees, costs, indemnities, liabilities, obligations and expenses incurred by or owing to Agent with respect to this Agreement, the other Financing Documents or the Collateral; *second*, to all fees, costs, indemnities, liabilities, obligations and expenses incurred by or owing to any Lender with respect to this Agreement, the other Financing Documents or the Collateral; *third*, to accrued and unpaid interest on the Obligations (including any interest which, but for the provisions of the Bankruptcy Code, would have accrued on such amounts); *fourth*, to the principal amount of the Obligations outstanding; and *fifth*, to any other indebtedness or obligations of Borrowers owing to Agent or any Lender under the Financing Documents. Any balance remaining shall be delivered to Borrowers or to whomever may be lawfully entitled to receive such balance or as a court of competent jurisdiction may direct. In carrying out the foregoing, (y) amounts received shall be applied in the numerical order provided until exhausted prior to the application to the next succeeding category, and (z) each of the Persons entitled to receive a payment in any particular category shall receive an amount equal to its Pro Rata Share of amounts available to be applied pursuant thereto for such category.

Section 10.8 Waivers.

(a) Except as otherwise provided for in this Agreement and to the fullest extent permitted by applicable law, each Borrower waives: (i) presentment, demand and protest, and notice of presentment, dishonor, intent to accelerate, acceleration, protest, default, nonpayment, maturity, release, compromise, settlement, extension or renewal of any or all Financing Documents, the Notes or any other notes, commercial paper, accounts, contracts, documents, Instruments, Chattel Paper and Guarantees at any time held by Lenders on which any Borrower may in any way be liable, and hereby ratifies and confirms whatever Lenders may do in this regard; (ii) all rights to notice and a hearing prior to Agent's or any Lender's taking possession or control of, or to Agent's or any Lender's replevy, attachment or levy upon, any Collateral or any bond or security which might be required by any court prior to allowing Agent or any Lender to exercise any of its remedies; and (iii) the benefit of all valuation, appraisal and exemption Laws. Each Borrower acknowledges that it has been advised by counsel of its choices and decisions with respect to this Agreement, the other Financing Documents and the transactions evidenced hereby and thereby.

(b) Each Borrower for itself and all its successors and assigns, (i) agrees that its liability shall not be in any manner affected by any indulgence, extension of time, renewal, waiver, or modification granted or consented to by Lender; (ii) consents to any indulgences and all extensions of time, renewals, waivers, or modifications that may be granted by Agent or any Lender with respect to the payment or other provisions of the Financing Documents, and to any substitution, exchange or release of the Collateral, or any part thereof, with or without substitution, and agrees to the addition or release of any Borrower, endorsers, guarantors, or sureties, or whether primarily or secondarily liable, without notice to any other Borrower and without affecting its liability hereunder; (iii) agrees that its liability shall be unconditional and without regard to the liability of any other Borrower, Agent or any Lender for any tax on the indebtedness; and (iv) to the fullest extent permitted by law, expressly waives the benefit of any statute or rule of law or equity now provided, or which may hereafter be provided, which would produce a result contrary to or in conflict with the foregoing.

(c) To the extent that Agent or any Lender may have acquiesced in any noncompliance with any requirements or conditions precedent to the closing of the Loans or to any subsequent disbursement of Loan proceeds, such acquiescence shall not be deemed to constitute a waiver by Agent or any Lender of such requirements with respect to any future disbursements of Loan proceeds and Agent may at any time after such acquiescence require Borrowers to comply with all such requirements. Any forbearance by Agent or Lender in exercising any right or remedy under any of the Financing Documents, or otherwise afforded by applicable law, including any failure to accelerate the maturity date of the Loans, shall not be a waiver of or preclude the exercise of any right or remedy nor shall it serve as a novation of the Notes or as a reinstatement of the Loans or a waiver of such right of acceleration or the right to insist upon strict compliance of the terms of the Financing Documents. Agent's or any Lender's acceptance of payment of any sum secured by any of the Financing Documents after the due date of such payment shall not be a waiver of Agent's and such Lender's right to either require prompt payment when due of all other sums so secured or to declare a default for failure to make prompt payment. The procurement of insurance or the payment of taxes or other Liens or charges by Agent as the result of an Event of Default shall not be a waiver of Agent's right to accelerate the maturity of the Loans, nor shall Agent's receipt of any condemnation awards, insurance proceeds, or damages under this Agreement operate to cure or waive any Credit Party's default in payment of sums secured by any of the Financing Documents.

(d) Without limiting the generality of anything contained in this Agreement or the other Financing Documents, each Borrower agrees that if an Event of Default is continuing (i) Agent and Lenders shall not be subject to any "one action" or "election of remedies" law or rule, and (ii) all Liens and other rights, remedies or privileges provided to Agent or Lenders shall remain in full force and effect until Agent or Lenders have exhausted all remedies against the Collateral and any other properties owned by Borrowers and the Financing Documents and other security instruments or agreements securing the Loans have been foreclosed, sold and/or otherwise realized upon in satisfaction of Borrowers' obligations under the Financing Documents.

(e) Nothing contained herein or in any other Financing Document shall be construed as requiring Agent or any Lender to resort to any part of the Collateral for the satisfaction of any of Borrowers' obligations under the Financing Documents in preference or priority to any other Collateral, and Agent may seek satisfaction out of all of the Collateral or any part thereof, in its absolute discretion in respect of Borrowers' obligations under the Financing Documents. In addition, Agent shall have the right from time to time to partially foreclose upon any Collateral in any manner and for any amounts secured by the Financing Documents then due and payable as determined by Agent in its sole discretion, including, without limitation, the following circumstances: (i) in the event any Borrower defaults beyond any applicable grace period in the payment of one or more scheduled payments of principal and/or interest, Agent may foreclose upon all or any part of the Collateral to recover such delinquent payments, or (ii) in

the event Agent elects to accelerate less than the entire outstanding principal balance of the Loans, Agent may foreclose all or any part of the Collateral to recover so much of the principal balance of the Loans as Lender may accelerate and such other sums secured by one or more of the Financing Documents as Agent may elect. Notwithstanding one or more partial foreclosures, any unforeclosed Collateral shall remain subject to the Financing Documents to secure payment of sums secured by the Financing Documents and not previously recovered.

(f) To the fullest extent permitted by law, each Borrower, for itself and its successors and assigns, waives in the event of foreclosure of any or all of the Collateral any equitable right otherwise available to any Credit Party which would require the separate sale of any of the Collateral or require Agent or Lenders to exhaust their remedies against any part of the Collateral before proceeding against any other part of the Collateral; and further in the event of such foreclosure each Borrower does hereby expressly consent to and authorize, at the option of Agent, the foreclosure and sale either separately or together of each part of the Collateral.

Section 10.9 Injunctive Relief. The parties acknowledge and agree that, in the event of a breach or threatened breach of any Credit Party's obligations under any Financing Documents, Agent and Lenders may have no adequate remedy in money damages and, accordingly, shall be entitled to an injunction (including, without limitation, a temporary restraining order, preliminary injunction, writ of attachment, or order compelling an audit) against such breach or threatened breach, including, without limitation, maintaining any cash management and collection procedure described herein. However, no specification in this Agreement of a specific legal or equitable remedy shall be construed as a waiver or prohibition against any other legal or equitable remedies in the event of a breach or threatened breach of any provision of this Agreement. Each Credit Party waives, to the fullest extent permitted by law, the requirement of the posting of any bond in connection with such injunctive relief. By joining in the Financing Documents as a Credit Party, each Credit Party specifically joins in this Section as if this Section were a part of each Financing Document executed by such Credit Party.

Section 10.10 Marshalling; Payments Set Aside. Neither Agent nor any Lender shall be under any obligation to marshal any assets in payment of any or all of the Obligations. To the extent that Borrower makes any payment or Agent enforces its Liens or Agent or any Lender exercises its right of set-off, and such payment or the proceeds of such enforcement or set-off is subsequently invalidated, declared to be fraudulent or preferential, set aside, or required to be repaid by anyone, then to the extent of such recovery, the Obligations or part thereof originally intended to be satisfied, and all Liens, rights and remedies therefor, shall be revived and continued in full force and effect as if such payment had not been made or such enforcement or set-off had not occurred.

ARTICLE 11 - AGENT

Section 11.1 Appointment and Authorization. Each Lender hereby irrevocably appoints and authorizes Agent to enter into each of the Financing Documents to which it is a party (other than this Agreement) on its behalf and to take such actions as Agent on its behalf and to exercise such powers under the Financing Documents as are delegated to Agent by the terms thereof, together with all such powers as are reasonably incidental thereto. Subject to the terms of Section 11.16 and to the terms of the other Financing Documents, Agent is authorized and empowered to amend, modify, or waive any provisions of this Agreement or the other Financing Documents on behalf of Lenders. The provisions of this Article 11 are solely for the benefit of Agent and Lenders and neither any Borrower nor any other Credit Party shall have any rights as a third party beneficiary of any of the provisions hereof. In performing its functions and duties under this Agreement, Agent shall act solely as agent of Lenders and does not assume and shall not be deemed to have assumed any obligation toward or relationship of agency or trust with or for any Borrower or any other Credit Party. Agent may perform any of its duties hereunder, or under the Financing Documents, by or through its agents, servicers, trustees, investment managers or employees.

Section 11.2 Agent and Affiliates. Agent shall have the same rights and powers under the Financing Documents as any other Lender and may exercise or refrain from exercising the same as though it were not Agent, and Agent and its Affiliates may lend money to, invest in and generally engage in any kind of business with each Credit Party or Affiliate of any Credit Party as if it were not Agent hereunder.

Section 11.3 Action by Agent. The duties of Agent shall be mechanical and administrative in nature. Agent shall not have by reason of this Agreement a fiduciary relationship in respect of any Lender. Nothing in this Agreement or any of the Financing Documents is intended to or shall be construed to impose upon Agent any obligations in respect of this Agreement or any of the Financing Documents except as expressly set forth herein or therein.

Section 11.4 Consultation with Experts . Agent may consult with legal counsel, independent public accountants and other experts selected by it and shall not be liable for any action taken or omitted to be taken by it in good faith in accordance with the advice of such counsel, accountants or experts.

Section 11.5 Liability of Agent. Neither Agent nor any of its directors, officers, agents, trustees, investment managers, servicers or employees shall be liable to any Lender for any action taken or not taken by it in connection with the Financing Documents, except that Agent shall be liable with respect to its specific duties set forth hereunder but only to the extent of its own gross negligence or willful misconduct in the discharge thereof as determined by a final non-appealable judgment of a court of competent jurisdiction. Neither Agent nor any of its directors, officers, agents, trustees, investment managers, servicers or employees shall be responsible for or have any duty to ascertain, inquire into or verify (a) any statement, warranty or representation made in connection with any Financing Document or any borrowing hereunder; (b) the performance or observance of any of the covenants or agreements specified in any Financing Document; (c) the satisfaction of any condition specified in any Financing Document; (d) the validity, effectiveness, sufficiency or genuineness of any Financing Document, any Lien purported to be created or perfected thereby or any other instrument or writing furnished in connection therewith; (e) the existence or non-existence of any Default or Event of Default; or (f) the financial condition of any Credit Party. Agent shall not incur any liability by acting in reliance upon any notice, consent, certificate, statement, or other writing (which may be a bank wire, facsimile or electronic transmission or similar writing) believed by it to be genuine or to be signed by the proper party or parties. Agent shall not be liable for any apportionment or distribution of payments made by it in good faith and if any such apportionment or distribution is subsequently determined to have been made in error the sole recourse of any Lender to whom payment was due but not made, shall be to recover from other Lenders any payment in excess of the amount to which they are determined to be entitled (and such other Lenders hereby agree to return to such Lender any such erroneous payments received by them).

Section 11.6 Indemnification. Each Lender shall, in accordance with its Pro Rata Share, indemnify Agent (to the extent not reimbursed by Borrowers) upon demand against any cost, expense (including counsel fees and disbursements), claim, demand, action, loss or liability (except such as result from Agent's gross negligence or willful misconduct as determined by a final non-appealable judgment of a court of competent jurisdiction) that Agent may suffer or incur in connection with the Financing Documents or any action taken or omitted by Agent hereunder or thereunder. If any indemnity furnished to Agent for any purpose shall, in the opinion of Agent, be insufficient or become impaired, Agent may call for additional indemnity and cease, or not commence, to do the acts indemnified against even if so directed by Required Lenders until such additional indemnity is furnished.

Section 11.7 Right to Request and Act on Instructions. Agent may at any time request instructions from Lenders with respect to any actions or approvals which by the terms of this Agreement or of any of the Financing Documents Agent is permitted or desires to take or to grant, and if such instructions are promptly requested, Agent shall be absolutely entitled to refrain from taking any action or to withhold any approval and shall not be under any liability whatsoever to any Person for refraining from any action or withholding any approval under any of the Financing Documents until it shall have received such instructions from Required Lenders or all or such other portion of the Lenders as shall be prescribed by this Agreement. Without limiting the foregoing, no Lender shall have any right of action whatsoever against Agent as a result of Agent acting or refraining from acting under this Agreement or any of the other Financing Documents in accordance with the instructions of Required Lenders (or all or such other portion of the Lenders as shall be prescribed by this Agreement) and, notwithstanding the instructions of Required Lenders (or such other applicable portion of the Lenders), Agent shall have no obligation to take any action if it believes, in good faith, that such action would violate applicable Law or exposes Agent to any liability for which it has not received satisfactory indemnification in accordance with the provisions of Section 11.6.

Section 11.8 Credit Decision. Each Lender acknowledges that it has, independently and without reliance upon Agent or any other Lender, and based on such documents and information as it has deemed appropriate, made its own credit analysis and decision to enter into this Agreement. Each Lender also acknowledges that it will, independently and without reliance upon Agent or any other Lender, and based on such documents and information as it shall deem appropriate at the time, continue to make its own credit decisions in taking or not taking any action under the Financing Documents.

Section 11.9 Collateral Matters. Lenders irrevocably authorize Agent, at its option and in its discretion, to (a) release any Lien granted to or held by Agent under any Security Document (i) upon termination of the Revolving Loan Commitment and payment in full of all Obligations; or (ii) constituting property sold or disposed of as part of or in connection with any disposition permitted under any Financing Document (it being understood and agreed that Agent may conclusively rely without further inquiry on a certificate of a Responsible Officer as to the sale or other disposition of property being made in full compliance with the provisions of the Financing Documents); and (b) subordinate any Lien granted to or held by Agent under any Security Document to a Permitted Lien that is allowed to have priority over the Liens granted to or held by Agent pursuant to the definition of "Permitted Liens". Upon request by Agent at any time, Lenders will confirm Agent's authority to release and/or subordinate particular types or items of Collateral pursuant to this Section 11.9.

Section 11.10 Agency for Perfection. Agent and each Lender hereby appoint each other Lender as agent for the purpose of perfecting Agent's security interest in assets which, in accordance with the Uniform Commercial Code in any applicable jurisdiction, can be perfected by possession or control. Should any Lender (other than Agent) obtain possession or control of any such assets, such Lender shall notify Agent thereof, and, promptly upon Agent's request therefor, shall deliver such assets to Agent or in accordance with Agent's instructions or transfer control to Agent in accordance with Agent's instructions. Each Lender agrees that it will not have any right individually to enforce or seek to enforce any Security Document or to realize upon any Collateral for the Loan unless instructed to do so by Agent (or consented to by Agent), it being understood and agreed that such rights and remedies may be exercised only by Agent.

Section 11.11 Notice of Default. Agent shall not be deemed to have knowledge or notice of the occurrence of any Default or Event of Default except with respect to defaults in the payment of principal, interest and fees required to be paid to Agent for the account of Lenders, unless Agent shall have received written notice from a Lender or a Borrower referring to this Agreement, describing such Default or Event of Default and stating that such notice is a "notice of default". Agent will notify each Lender of its receipt of any such notice. Agent shall take such action with respect to such Default or Event of Default as may be requested by Required Lenders (or all or such other portion of the Lenders as shall be prescribed by this

Agreement) in accordance with the terms hereof. Unless and until Agent has received any such request, Agent may (but shall not be obligated to) take such action, or refrain from taking such action, with respect to such Default or Event of Default as it shall deem advisable or in the best interests of Lenders.

Section 11.12 Assignment by Agent; Resignation of Agent; Successor Agent.

(a) Agent may at any time assign its rights, powers, privileges and duties hereunder to (i) another Lender or an Affiliate of Agent or any Approved Fund, or (ii) any Eligible Assignee to whom Agent, in its capacity as a Lender, has assigned (or will assign, in conjunction with such assignment of agency rights hereunder) 50% or more of its Loan, in each case without the consent of the Lenders or Borrowers. Following any such assignment, Agent shall endeavor to give notice to the Lenders and Borrowers. Failure to give such notice shall not affect such assignment in any way or cause the assignment to be ineffective. An assignment by Agent pursuant to this subsection (a) shall not be deemed a resignation by Agent for purposes of subsection (b) below.

(b) Without limiting the rights of Agent to designate an assignee pursuant to subsection (a) above, Agent may at any time give notice of its resignation to the Lenders and Borrowers. Upon receipt of any such notice of resignation, Required Lenders shall have the right to appoint a successor Agent. If no such successor shall have been so appointed by Required Lenders and shall have accepted such appointment within ten (10) Business Days after the retiring Agent gives notice of its resignation, then the retiring Agent may on behalf of the Lenders, appoint a successor Agent; *provided*, *however,* that if Agent shall notify Borrowers and the Lenders that no Person has accepted such appointment, then such resignation shall nonetheless become effective in accordance with such notice from Agent that no Person has accepted such appointment and, from and following delivery of such notice, (i) the retiring Agent shall be discharged from its duties and obligations hereunder and under the other Financing Documents, and (ii) all payments, communications and determinations provided to be made by, to or through Agent shall instead be made by or to each Lender directly, until such time as Required Lenders appoint a successor Agent as provided for above in this paragraph.

(c) Upon (i) an assignment permitted by subsection (a) above, or (ii) the acceptance of a successor's appointment as Agent pursuant to subsection (b) above, such successor shall succeed to and become vested with all of the rights, powers, privileges and duties of the retiring (or retired) Agent, and the retiring Agent shall be discharged from all of its duties and obligations hereunder and under the other Financing Documents (if not already discharged therefrom as provided above in this paragraph). The fees payable by Borrowers to a successor Agent shall be the same as those payable to its predecessor unless otherwise agreed between Borrowers and such successor. After the retiring Agent's resignation hereunder and under the other Financing Documents, the provisions of this Article and Section 11.12 shall continue in effect for the benefit of such retiring Agent and its sub-agents in respect of any actions taken or omitted to be taken by any of them while the retiring Agent was acting or was continuing to act as Agent.

Section 11.13 Payment and Sharing of Payment.

(a) Revolving Loan Advances, Payments and Settlements; Interest and Fee Payments.

(i) Agent shall have the right, on behalf of Revolving Lenders to disburse funds to Borrowers for all Revolving Loans requested or deemed requested by Borrowers pursuant to the terms of this Agreement. Agent shall be conclusively entitled to assume, for purposes of the preceding sentence, that each Revolving Lender, other than any Non-Funding Lenders, will fund its Pro Rata Share of all Revolving Loans requested by Borrowers. Each Revolving Lender shall

reimburse Agent on demand, in accordance with the provisions of the immediately following paragraph, for all funds disbursed on its behalf by Agent pursuant to the first sentence of this clause (i), or if Agent so requests, each Revolving Lender will remit to Agent its Pro Rata Share of any Revolving Loan before Agent disburses the same to a Borrower. If Agent elects to require that each Revolving Lender make funds available to Agent, prior to a disbursement by Agent to a Borrower, Agent shall advise each Revolving Lender by telephone, facsimile or e-mail of the amount of such Revolving Lender's Pro Rata Share of the Revolving Loan requested by such Borrower no later than noon (Eastern time) on the date of funding of such Revolving Loan, and each such Revolving Lender shall pay Agent on such date such Revolving Lender's Pro Rata Share of such requested Revolving Loan, in same day funds, by wire transfer to the Payment Account, or such other account as may be identified by Agent to Revolving Lenders from time to time. If any Lender fails to pay the amount of its Pro Rata Share of any funds advanced by Agent pursuant to the first sentence of this clause (i) within one (1) Business Day after Agent's demand, Agent shall promptly notify Borrower Representative, and Borrowers shall immediately repay such amount to Agent. Any repayment required by Borrowers pursuant to this Section 11.13 shall be accompanied by accrued interest thereon from and including the date such amount is made available to a Borrower to but excluding the date of payment at the rate of interest then applicable to Revolving Loans. Nothing in this Section 11.13 or elsewhere in this Agreement or the other Financing Documents shall be deemed to require Agent to advance funds on behalf of any Lender or to relieve any Lender from its obligation to fulfill its commitments hereunder or to prejudice any rights that Agent or any Borrower may have against any Lender as a result of any default by such Lender hereunder.

(ii) On a Business Day of each week as selected from time to time by Agent, or more frequently (including daily), if Agent so elects (each such day being a "**Settlement Date**"), Agent will advise each Revolving Lender by telephone, facsimile or e-mail of the amount of each such Revolving Lender's percentage interest of the Revolving Loan balance as of the close of business of the Business Day immediately preceding the Settlement Date. In the event that payments are necessary to adjust the amount of such Revolving Lender's actual percentage interest of the Revolving Loans to such Lender's required percentage interest of the Revolving Loan balance as of any Settlement Date, the Revolving Lender from which such payment is due shall pay Agent, without setoff or discount, to the Payment Account before 1:00 p.m. (Eastern time) on the Business Day following the Settlement Date the full amount necessary to make such adjustment. Any obligation arising pursuant to the immediately preceding sentence shall be absolute and unconditional and shall not be affected by any circumstance whatsoever. In the event settlement shall not have occurred by the date and time specified in the second preceding sentence, interest shall accrue on the unsettled amount at the rate of interest then applicable to Revolving Loans.

(iii) On each Settlement Date, Agent shall advise each Revolving Lender by telephone, facsimile or e-mail of the amount of such Revolving Lender's percentage interest of principal, interest and fees paid for the benefit of Revolving Lenders with respect to each applicable Revolving Loan, to the extent of such Revolving Lender's Revolving Loan Exposure with respect thereto, and shall make payment to such Revolving Lender before 1:00 p.m. (Eastern time) on the Business Day following the Settlement Date of such amounts in accordance with wire instructions delivered by such Revolving Lender to Agent, as the same may be modified from time to time by written notice to Agent; *provided, however,* that, in the case such Revolving Lender is a Defaulted Lender, Agent shall be entitled to set off the funding short-fall against that Defaulted Lender's respective share of all payments received from any Borrower.

(iv) On the Closing Date, Agent, on behalf of Lenders, may elect to advance to Borrowers the full amount of the initial Loans to be made on the Closing Date prior to receiving

funds from Lenders, in reliance upon each Lender's commitment to make its Pro Rata Share of such Loans to Borrowers in a timely manner on such date. If Agent elects to advance the initial Loans to Borrower in such manner, Agent shall be entitled to receive all interest that accrues on the Closing Date on each Lender's Pro Rata Share of such Loans unless Agent receives such Lender's Pro Rata Share of such Loans before 3:00 p.m. (Eastern time) on the Closing Date.

(v) It is understood that for purposes of advances to Borrowers made pursuant to this Section 11.13, Agent will be using the funds of Agent, and pending settlement, (A) all funds transferred from the Payment Account to the outstanding Revolving Loans shall be applied first to advances made by Agent to Borrowers pursuant to this Section 11.13, and (B) all interest accruing on such advances shall be payable to Agent.

(vi) The provisions of this Section 11.13(a) shall be deemed to be binding upon Agent and Lenders notwithstanding the occurrence of any Default or Event of Default, or any insolvency or bankruptcy proceeding pertaining to any Borrower or any other Credit Party.

(b) [Reserved.]

(c) Return of Payments.

(i) If Agent pays an amount to a Lender under this Agreement in the belief or expectation that a related payment has been or will be received by Agent from a Borrower and such related payment is not received by Agent, then Agent will be entitled to recover such amount from such Lender on demand without setoff, counterclaim or deduction of any kind, together with interest accruing on a daily basis at the Federal Funds Rate.

(ii) If Agent determines at any time that any amount received by Agent under this Agreement must be returned to any Borrower or paid to any other Person pursuant to any insolvency law or otherwise, then, notwithstanding any other term or condition of this Agreement or any other Financing Document, Agent will not be required to distribute any portion thereof to any Lender. In addition, each Lender will repay to Agent on demand any portion of such amount that Agent has distributed to such Lender, together with interest at such rate, if any, as Agent is required to pay to any Borrower or such other Person, without setoff, counterclaim or deduction of any kind.

(d) Defaulted Lenders. The failure of any Defaulted Lender to make any payment required by it hereunder shall not relieve any other Lender of its obligations to make payment, but neither any other Lender nor Agent shall be responsible for the failure of any Defaulted Lender to make any payment required hereunder. Notwithstanding anything set forth herein to the contrary, a Defaulted Lender shall not have any voting or consent rights under or with respect to any Financing Document or constitute a "Lender" (or be included in the calculation of "Required Lenders" hereunder) for any voting or consent rights under or with respect to any Financing Document.

(e) Sharing of Payments. If any Lender shall obtain any payment or other recovery (whether voluntary, involuntary, by application of setoff or otherwise) on account of any Loan (other than pursuant to the terms of Section 2.8(d)) in excess of its Pro Rata Share of payments entitled pursuant to the other provisions of this Section 11.13, such Lender shall purchase from the other Lenders such participations in extensions of credit made by such other Lenders (without recourse, representation or warranty) as shall be necessary to cause such purchasing Lender to share the excess payment or other recovery ratably with each of them; *provided, however,* that if all or any portion of the excess payment or other recovery is thereafter required to be returned or otherwise recovered from such purchasing Lender,

such portion of such purchase shall be rescinded and each Lender which has sold a participation to the purchasing Lender shall repay to the purchasing Lender the purchase price to the ratable extent of such return or recovery, without interest. Each Borrower agrees that any Lender so purchasing a participation from another Lender pursuant to this clause (e) may, to the fullest extent permitted by law, exercise all its rights of payment (including pursuant to Section 10.6) with respect to such participation as fully as if such Lender were the direct creditor of Borrowers in the amount of such participation). If under any applicable bankruptcy, insolvency or other similar law, any Lender receives a secured claim in lieu of a setoff to which this clause (e) applies, such Lender shall, to the extent practicable, exercise its rights in respect of such secured claim in a manner consistent with the rights of the Lenders entitled under this clause (e) to share in the benefits of any recovery on such secured claim.

Section 11.14 Right to Perform, Preserve and Protect. If any Credit Party fails to perform any obligation hereunder or under any other Financing Document, Agent itself may, but shall not be obligated to, cause such obligation to be performed at Borrowers' expense. Agent is further authorized by Borrowers and the Lenders to make expenditures from time to time which Agent, in its reasonable business judgment, deems necessary or desirable to (a) preserve or protect the business conducted by Borrowers, the Collateral, or any portion thereof, and/or (b) enhance the likelihood of, or maximize the amount of, repayment of the Loan and other Obligations. Each Borrower hereby agrees to reimburse Agent on demand for any and all costs, liabilities and obligations incurred by Agent pursuant to this Section 11.14. Each Lender hereby agrees to indemnify Agent upon demand for any and all costs, liabilities and obligations incurred by Agent pursuant to this Section 11.14, in accordance with the provisions of Section 11.6.

Section 11.15 Additional Titled Agents. Except for rights and powers, if any, expressly reserved under this Agreement to any bookrunner, arranger or to any titled agent named on the cover page of this Agreement, other than Agent (collectively, the "**Additional Titled Agents**"), and except for obligations, liabilities, duties and responsibilities, if any, expressly assumed under this Agreement by any Additional Titled Agent, no Additional Titled Agent, in such capacity, has any rights, powers, liabilities, duties or responsibilities hereunder or under any of the other Financing Documents. Without limiting the foregoing, no Additional Titled Agent shall have nor be deemed to have a fiduciary relationship with any Lender. At any time that any Lender serving as an Additional Titled Agent shall have transferred to any other Person (other than any Affiliates) all of its interests in the Loan, such Lender shall be deemed to have concurrently resigned as such Additional Titled Agent.

Section 11.16 Amendments and Waivers.

(a) No provision of this Agreement or any other Financing Document may be amended, waived or otherwise modified unless such amendment, waiver or other modification is in writing and is signed or otherwise approved by Borrowers, the Required Lenders and any other Lender to the extent required under Section 11.16(b); *provided, however*, the Fee Letter may be amended, or rights or privileges thereunder waived, in a writing executed only by the parties thereto.

(b) In addition to the required signatures under Section 11.16(a), no provision of this Agreement or any other Financing Document may be amended, waived or otherwise modified unless such amendment, waiver or other modification is in writing and is signed or otherwise approved by the following Persons:

(i) if any amendment, waiver or other modification would increase a Lender's funding obligations in respect of any Loan, by such Lender; and/or

(ii) if the rights or duties of Agent are affected thereby, by Agent;

provided, however, that, in each of (i) and (ii) above, no such amendment, waiver or other modification shall, unless signed or otherwise approved in writing by all the Lenders directly affected thereby, (A) reduce the principal of, rate of interest on or any fees with respect to any Loan or forgive any principal, interest (other than default interest) or fees (other than late charges) with respect to any Loan; (B) postpone the date fixed for, or waive, any payment (other than any mandatory prepayment pursuant to Section 2.1(a)(ii)) of principal of any Loan, or of interest on any Loan (other than default interest) or any fees provided for hereunder (other than late charges) or postpone the date of termination of any commitment of any Lender hereunder; (C) change the definition of the term Required Lenders or the percentage of Lenders which shall be required for Lenders to take any action hereunder; (D) release all or substantially all of the Collateral, authorize any Borrower to sell or otherwise dispose of all or substantially all of the Collateral, release any Guarantor of all or any portion of the Obligations or its Guarantee obligations with respect thereto, or consent to a transfer of any of the Intellectual Property, except, in each case with respect to this clause (D), as otherwise may be provided in this Agreement or the other Financing Documents (including in connection with any disposition permitted hereunder); (E) amend, waive or otherwise modify this Section 11.16(b) or the definitions of the terms used in this Section 11.16(b) insofar as the definitions affect the substance of this Section 11.16(b); (F) consent to the assignment, delegation or other transfer by any Credit Party of any of its rights and obligations under any Financing Document or release any Borrower of its payment obligations under any Financing Document, except, in each case with respect to this clause (F), pursuant to a merger or consolidation permitted pursuant to this Agreement; or (G) amend any of the provisions of Section 10.7 or amend any of the definitions Pro Rata Share, Revolving Loan Commitment, Revolving Loan Commitment Amount, Revolving Loan Commitment Percentage or that provide for the Lenders to receive their Pro Rata Shares of any fees, payments, setoffs or proceeds of Collateral hereunder. It is hereby understood and agreed that all Lenders shall be deemed directly affected by an amendment, waiver or other modification of the type described in the preceding clauses (C), (D), (E), (F) and (G) of the preceding sentence.

Section 11.17 Assignments and Participations.

(a) Assignments.

(i) Any Lender may at any time assign to one or more Eligible Assignees all or any portion of such Lender's Loan together with all related obligations of such Lender hereunder. Except as Agent may otherwise agree, the amount of any such assignment (determined as of the date of the applicable Assignment Agreement or, if a "Trade Date" is specified in such Assignment Agreement, as of such Trade Date) shall be in a minimum aggregate amount equal to $1,000,000 or, if less, the assignor's entire interests in the outstanding Loan; *provided, however,* that, in connection with simultaneous assignments to two or more related Approved Funds, such Approved Funds shall be treated as one assignee for purposes of determining compliance with the minimum assignment size referred to above. Borrowers and Agent shall be entitled to continue to deal solely and directly with such Lender in connection with the interests so assigned to an Eligible Assignee until Agent shall have received and accepted an effective Assignment Agreement executed, delivered and fully completed by the applicable parties thereto and a processing fee of $3,500 to be paid by the assigning Lender; *provided, however,* that only one processing fee shall be payable in connection with simultaneous assignments to two or more related Approved Funds.

(ii) From and after the date on which the conditions described above have been met, (A) such Eligible Assignee shall be deemed automatically to have become a party hereto and, to the extent of the interests assigned to such Eligible Assignee pursuant to such Assignment Agreement, shall have the rights and obligations of a Lender hereunder, and (B) the assigning Lender, to the extent that rights and obligations hereunder have been assigned by it pursuant to such Assignment Agreement, shall be released from its rights and obligations hereunder (other than

those that survive termination pursuant to Section 12.1). Upon the request of the Eligible Assignee (and, as applicable, the assigning Lender) pursuant to an effective Assignment Agreement, each Borrower shall execute and deliver to Agent for delivery to the Eligible Assignee (and, as applicable, the assigning Lender) Notes in the aggregate principal amount of the Eligible Assignee's Loan (and, as applicable, Notes in the principal amount of that portion of the principal amount of the Loan retained by the assigning Lender). Upon receipt by the assigning Lender of such Note, the assigning Lender shall return to Borrower Representative any prior Note held by it.

(iii) Agent, acting solely for this purpose as an agent of Borrower, shall maintain at the office of its servicer located in Bethesda, Maryland a copy of each Assignment Agreement delivered to it and a register for the recordation of the names and addresses of each Lender, and the commitments of, and principal amount of the Loan owing to, such Lender pursuant to the terms hereof (the "**Register**"). The entries in such Register shall be conclusive, absent manifest error, and Borrower, Agent and Lenders may treat each Person whose name is recorded therein pursuant to the terms hereof as a Lender hereunder for all purposes of this Agreement, notwithstanding notice to the contrary. Such Register shall be available for inspection by Borrower and any Lender, at any reasonable time upon reasonable prior notice to Agent. Each Lender that sells a participation shall, acting solely for this purpose as an agent of Borrower maintain a register on which it enters the name and address of each participant and the principal amounts (and stated interest) of each participant's interest in the Obligations (each, a "**Participant Register**"). The entries in the Participant Registers shall be conclusive, absent manifest error. Each Participant Register shall be available for inspection by Borrower and Agent at any reasonable time upon reasonable prior notice to the applicable Lender; provided, that no Lender shall have any obligation to disclose all or any portion of the Participant Register (including the identity of any Participant or any information relating to a Participant's interest in any commitments, loans, letters of credit or its other obligations under any Financing Document) to any Person (including Borrower) except to the extent that such disclosure is necessary to establish that such commitment, loan, letter of credit or other obligation is in registered form under Section 5f.103-1(c) of the United States Treasury Regulations. For the avoidance of doubt, Agent (in its capacity as Agent) shall have no responsibility for maintaining a Participant Register.

(iv) Notwithstanding the foregoing provisions of this Section 11.17(a) or any other provision of this Agreement, any Lender may at any time pledge or assign a security interest in all or any portion of its rights under this Agreement to secure obligations of such Lender, including any pledge or assignment to secure obligations to a Federal Reserve Bank; *provided*, *however,* that no such pledge or assignment shall release such Lender from any of its obligations hereunder or substitute any such pledgee or assignee for such Lender as a party hereto.

(v) Notwithstanding the foregoing provisions of this Section 11.17(a) or any other provision of this Agreement, Agent has the right, but not the obligation, to effectuate assignments of Loan via an electronic settlement system acceptable to Agent as designated in writing from time to time to the Lenders by Agent (the "**Settlement Service**"). At any time when Agent elects, in its sole discretion, to implement such Settlement Service, each such assignment shall be effected by the assigning Lender and proposed assignee pursuant to the procedures then in effect under the Settlement Service, which procedures shall be consistent with the other provisions of this Section 11.17(a). Each assigning Lender and proposed Eligible Assignee shall comply with the requirements of the Settlement Service in connection with effecting any assignment of Loan pursuant to the Settlement Service. With the prior written approval of Agent, Agent's approval of such Eligible Assignee shall be deemed to have been automatically granted with respect to any transfer effected through the Settlement Service. Assignments and assumptions of the Loan shall be effected by the provisions otherwise set forth herein until Agent notifies Lenders of the Settlement Service as set forth herein.

(b) Participations. Any Lender may at any time, without the consent of, or notice to, any Borrower or Agent, sell to one or more Persons (other than any Borrower or any Borrower's Affiliates) participating interests in its Loan, commitments or other interests hereunder (any such Person, a "**Participant**"). In the event of a sale by a Lender of a participating interest to a Participant, (i) such Lender's obligations hereunder shall remain unchanged for all purposes, (ii) Borrowers and Agent shall continue to deal solely and directly with such Lender in connection with such Lender's rights and obligations hereunder, and (iii) all amounts payable by each Borrower shall be determined as if such Lender had not sold such participation and shall be paid directly to such Lender. Each Borrower agrees that if amounts outstanding under this Agreement are due and payable (as a result of acceleration or otherwise), each Participant shall be deemed to have the right of set-off in respect of its participating interest in amounts owing under this Agreement to the same extent as if the amount of its participating interest were owing directly to it as a Lender under this Agreement; *provided*, *however*, that such right of set-off shall be subject to the obligation of each Participant to share with Lenders, and Lenders agree to share with each Participant, as provided in Section 11.5.

(c) Replacement of Lenders. Within thirty (30) days after: (i) receipt by Agent of notice and demand from any Lender for payment of additional costs as provided in Section 2.8(d), which demand shall not have been revoked, (ii) any Borrower is required to pay any additional amount to any Lender or any Governmental Authority for the account of any Lender pursuant to Section 2.8(a) through (h), (iii) any Lender is a Defaulted Lender, and the circumstances causing such status shall not have been cured or waived; or (iv) any failure by any Lender to consent to a requested amendment, waiver or modification to any Financing Document in which Required Lenders have already consented to such amendment, waiver or modification but the consent of each Lender, or each Lender affected thereby, is required with respect thereto (each relevant Lender in the foregoing clauses (i) through (iv) being an "**Affected Lender**") each of Borrower Representative and Agent may, at its option, notify such Affected Lender and, in the case of Borrowers' election, Agent, of such Person's intention to obtain, at Borrowers' expense, a replacement Lender ("**Replacement Lender**") for such Lender, which Replacement Lender shall be an Eligible Assignee and, in the event the Replacement Lender is to replace an Affected Lender described in the preceding clause (iv), such Replacement Lender consents to the requested amendment, waiver or modification making the replaced Lender an Affected Lender. In the event Borrowers or Agent, as applicable, obtains a Replacement Lender within ninety (90) days following notice of its intention to do so, the Affected Lender shall sell, at par, and assign all of its Loan and funding commitments hereunder to such Replacement Lender in accordance with the procedures set forth in Section 11.17(a); *provided, however,* that (A) Borrowers shall have reimbursed such Lender for its increased costs and additional payments for which it is entitled to reimbursement under Section 2.8(a) through (h), as applicable, of this Agreement through the date of such sale and assignment, and (B) Borrowers shall pay to Agent the $3,500 processing fee in respect of such assignment. In the event that a replaced Lender does not execute an Assignment Agreement pursuant to Section 11.17(a) within five (5) Business Days after receipt by such replaced Lender of notice of replacement pursuant to this Section 11.17(c) and presentation to such replaced Lender of an Assignment Agreement evidencing an assignment pursuant to this Section 11.17(c), such replaced Lender shall be deemed to have consented to the terms of such Assignment Agreement, and any such Assignment Agreement executed by Agent, the Replacement Lender and, to the extent required pursuant to Section 11.17(a), Borrowers, shall be effective for purposes of this Section 11.17(c) and Section 11.17(a). Upon any such assignment and payment, such replaced Lender shall no longer constitute a "**Lender**" for purposes hereof, other than with respect to such rights and obligations that survive termination as set forth in Section 12.1.

(d) Credit Party Assignments. No Credit Party may assign, delegate or otherwise transfer any of its rights or other obligations hereunder or under any other Financing Document without the prior written consent of Agent and each Lender.

Section 11.18 Funding and Settlement Provisions Applicable When Non-Funding Lenders Exist. So long as Agent has not waived the conditions to the funding of Loans set forth in Section 7.2 or Section 2.1, any Lender may deliver a notice to Agent stating that such Lender shall cease making Revolving Loans due to the non-satisfaction of one or more conditions to funding Loans set forth in Section 7.2 or Section 2.1, and specifying any such non-satisfied conditions. Any Lender delivering any such notice shall become a non-funding Lender (a "**Non-Funding Lender**") for purposes of this Agreement commencing on the Business Day following receipt by Agent of such notice, and shall cease to be a Non-Funding Lender on the date on which such Lender has either revoked the effectiveness of such notice or acknowledged in writing to each of Agent the satisfaction of the condition(s) specified in such notice, or Required Lenders waive the conditions to the funding of such Loans giving rise to such notice by Non-Funding Lender. Each Non-Funding Lender shall remain a Lender for purposes of this Agreement to the extent that such Non-Funding Lender has Revolving Loan Outstanding in excess of Zero Dollars ($0); *provided, however,* that during any period of time that any Non-Funding Lender exists, and notwithstanding any provision to the contrary set forth herein, the following provisions shall apply:

(a) For purposes of determining the Pro Rata Share of each Lender under clause (b) of the definition of such term, each Non-Funding Lender shall be deemed to have a Revolving Loan Commitment Amount as in effect immediately before such Lender became a Non-Funding Lender.

(b) Except as provided in clause (a) above, the Revolving Loan Commitment Amount of each Non-Funding Lender shall be deemed to be Zero Dollars ($0).

(c) The Revolving Loan Commitment at any date of determination during such period shall be deemed to be equal to the sum of (i) the aggregate Revolving Loan Commitment Amounts of all Lenders, other than the Non-Funding Lenders as of such date *plus* (ii) the aggregate Revolving Loan Outstandings of all Non-Funding Lenders as of such date.

(d) Agent shall have no right to make or disburse Revolving Loans for the account of any Non-Funding Lender pursuant to Section 2.1(b)(i) to pay interest, fees, expenses and other charges of any Credit Party.

(e) To the extent that Agent applies proceeds of Collateral or other payments received by Agent to repayment of Revolving Loans pursuant to Section 10.7, such payments and proceeds shall be applied first in respect of Revolving Loans made at the time any Non-Funding Lenders exist, and second in respect of all other outstanding Revolving Loans.

ARTICLE 12 - MISCELLANEOUS

Section 12.1 Survival. All agreements, representations and warranties made herein and in every other Financing Document shall survive the execution and delivery of this Agreement and the other Financing Documents. The provisions of Section 2.10 and Articles 11 and 12 shall survive the payment of the Obligations (both with respect to any Lender and all Lenders collectively) and any termination of this Agreement and any judgment with respect to any Obligations, including any final foreclosure judgment with respect to any Security Document, and no unpaid or unperformed, current or future, Obligations will merge into any such judgment.

Section 12.2 No Waivers. No failure or delay by Agent or any Lender in exercising any right, power or privilege under any Financing Document shall operate as a waiver thereof nor shall any single or partial exercise thereof preclude any other or further exercise thereof or the exercise of any other right, power or privilege. The rights and remedies herein and therein provided shall be cumulative and not exclusive of any rights or remedies provided by law. Any reference in any Financing Document to the "continuing" nature of any Event of Default shall not be construed as establishing or otherwise indicating that any Borrower or any other Credit Party has the independent right to cure any such Event of Default, but is rather presented merely for convenience should such Event of Default be waived in accordance with the terms of the applicable Financing Documents.

Section 12.3 Notices.

(a) All notices, requests and other communications to any party hereunder shall be in writing (including prepaid overnight courier, facsimile transmission or similar writing) and shall be given to such party at its address, facsimile number or e-mail address set forth on the signature pages hereof (or, in the case of any such Lender who becomes a Lender after the date hereof, in an assignment agreement or in a notice delivered to Borrower Representative and Agent by the assignee Lender forthwith upon such assignment) or at such other address, facsimile number or e-mail address as such party may hereafter specify for the purpose by notice to Agent and Borrower Representative; *provided*, *however*, that notices, requests or other communications shall be permitted by electronic means only in accordance with the provisions of Section 12.3(b) and (c). Each such notice, request or other communication shall be effective (i) if given by facsimile, when such notice is transmitted to the facsimile number specified by this Section and the sender receives a confirmation of transmission from the sending facsimile machine, or (ii) if given by mail, prepaid overnight courier or any other means, when received or when receipt is refused at the applicable address specified by this Section 12.3(a).

(b) Notices and other communications to the parties hereto may be delivered or furnished by electronic communication (including e-mail and Internet or intranet websites) pursuant to procedures approved from time to time by Agent, *provided*, *however*, that the foregoing shall not apply to notices sent directly to any Lender if such Lender has notified Agent that it is incapable of receiving notices by electronic communication. Agent or Borrower Representative may, in their discretion, agree to accept notices and other communications to them hereunder by electronic communications pursuant to procedures approved by it, *provided*, *however*, that approval of such procedures may be limited to particular notices or communications.

(c) Unless Agent otherwise prescribes, (i) notices and other communications sent to an e-mail address shall be deemed received upon the sender's receipt of an acknowledgment from the intended recipient (such as by the "return receipt requested" function, as available, return e-mail or other written acknowledgment), and (ii) notices or communications posted to an Internet or intranet website shall be deemed received upon the deemed receipt by the intended recipient at its e-mail address as described in the foregoing clause (i) of notification that such notice or communication is available and identifying the website address therefor, *provided*, *however*, that if any such notice or other communication is not sent or posted during normal business hours, such notice or communication shall be deemed to have been sent at the opening of business on the next Business Day.

Section 12.4 Severability. In case any provision of or obligation under this Agreement or any other Financing Document shall be invalid, illegal or unenforceable in any jurisdiction, the validity, legality and enforceability of the remaining provisions or obligations, or of such provision or obligation in any other jurisdiction, shall not in any way be affected or impaired thereby.

Section 12.5 Headings. Headings and captions used in the Financing Documents (including the Exhibits, Schedules and Annexes hereto and thereto) are included for convenience of reference only and shall not be given any substantive effect.

Section 12.6 Confidentiality.

(a) Each Credit Party agrees (i) not to transmit or disclose provisions of any Financing Document to any Person (other than to Borrowers' advisors and officers on a need-to-know basis or as otherwise may be required by Law) without Agent's prior written consent, and (ii) to inform all Persons of the confidential nature of the Financing Documents and to direct them not to disclose the same to any other Person and to require each of them to be bound by these provisions.

(b) Agent and each Lender shall hold all non-public information regarding the Credit Parties and their respective businesses identified as such by Borrowers and obtained by Agent or any Lender pursuant to the requirements hereof in accordance with such Person's customary procedures for handling information of such nature, except that disclosure of such information may be made (i) to their respective agents, employees, Subsidiaries, Affiliates, attorneys, auditors, professional consultants, rating agencies, insurance industry associations and portfolio management services, (ii) to prospective transferees or purchasers of any interest in the Loans, Agent or a Lender, but solely for use by such prospective transferee or purchaser to evaluate such interest in the making of such transfer or purchase; *provided*, *however*, that any such Persons are bound by obligations of confidentiality similar to or more stringent than this Section 12.6, (iii) as required by Law, subpoena, judicial order or similar order and in connection with any litigation, (iv) as may be required in connection with the examination, audit or similar investigation of such Person, provided that all participants have agreed to keep such information confidential (subject to customary exceptions), and (v) to a Person that is a trustee, investment advisor or investment manager, collateral manager, servicer, noteholder or secured party in a Securitization (as hereinafter defined) in connection with the administration, servicing and reporting on the assets serving as collateral for such Securitization who have agreed to keep such information confidential (subject to customary exceptions). For the purposes of this Section, "**Securitization**" means (A) the pledge of the Loans as collateral security for loans to a Lender, or (B) a public or private offering by a Lender or any of its Affiliates or their respective successors and assigns, of securities which represent an interest in, or which are collateralized, in whole or in part, by the Loans. Confidential information shall include only such information identified as such at the time provided to Agent and shall not include information that either: (y) is in the public domain, or becomes part of the public domain after disclosure to such Person through no fault of such Person, or (z) is disclosed to such Person by a Person other than a Credit Party, *provided*, *however*, Agent does not have actual knowledge that such Person is prohibited from disclosing such information. The obligations of Agent and Lenders under this Section 12.6 shall supersede and replace the obligations of Agent and Lenders under any confidentiality agreement in respect of this financing executed and delivered by Agent or any Lender prior to the date hereof.

Section 12.7 Waiver of Consequential and Other Damages. To the fullest extent permitted by applicable law, no Borrower shall assert, and each Borrower hereby waives, any claim against any Indemnitee (as defined below), on any theory of liability, for special, indirect, consequential or punitive damages (as opposed to direct or actual damages) arising out of, in connection with, or as a result of this Agreement, any other Financing Document or any agreement or instrument contemplated hereby or thereby, the transactions contemplated hereby or thereby, any Loan or the use of the proceeds thereof. No Indemnitee shall be liable for any damages arising from the use by unintended recipients of any information or other materials distributed by it through telecommunications, electronic or other information transmission systems in connection with this Agreement or the other Financing Documents or the transactions contemplated hereby or thereby.

Section 12.8 GOVERNING LAW; SUBMISSION TO JURISDICTION.

(a) THIS AGREEMENT, EACH NOTE AND EACH OTHER FINANCING DOCUMENT, AND ALL DISPUTES AND OTHER MATTERS RELATING HERETO OR THERETO OR ARISING THEREFROM (WHETHER SOUNDING IN CONTRACT LAW, TORT LAW OR OTHERWISE), SHALL BE GOVERNED BY, AND SHALL BE CONSTRUED AND ENFORCED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF NEW YORK, WITHOUT REGARD TO CONFLICTS OF LAWS PRINCIPLES (OTHER THAN SECTION 5-1401 OF THE GENERAL OBLIGATIONS LAW).

(b) EACH PARTY HERETO HEREBY CONSENTS TO THE JURISDICTION OF ANY STATE OR FEDERAL COURT LOCATED IN THE STATE OF NEW YORK IN THE CITY OF NEW YORK, BOROUGH OF MANHATTAN, AND IRREVOCABLY AGREES THAT ALL ACTIONS OR PROCEEDINGS ARISING OUT OF OR RELATING TO THIS AGREEMENT OR THE OTHER FINANCING DOCUMENTS SHALL BE LITIGATED IN SUCH COURTS. EACH PARTY HERETO EXPRESSLY SUBMITS AND CONSENTS TO THE JURISDICTION OF THE AFORESAID COURTS AND WAIVES ANY DEFENSE OF FORUM NON CONVENIENS. EACH PARTY HERETO HEREBY WAIVES PERSONAL SERVICE OF ANY AND ALL PROCESS AND AGREES THAT ALL SUCH SERVICE OF PROCESS MAY BE MADE UPON SUCH PARTY BY CERTIFIED OR REGISTERED MAIL, RETURN RECEIPT REQUESTED, ADDRESSED TO SUCH PARTY AT THE ADDRESS SET FORTH IN THIS AGREEMENT AND SERVICE SO MADE SHALL BE COMPLETE TEN (10) DAYS AFTER THE SAME HAS BEEN POSTED.

Section 12.9 **WAIVER OF JURY TRIAL**.

(a) EACH BORROWER, AGENT AND THE LENDERS HEREBY IRREVOCABLY WAIVES ANY AND ALL RIGHT TO TRIAL BY JURY IN ANY LEGAL ACTION OR PROCEEDING ARISING OUT OF OR RELATING TO THE FINANCING DOCUMENTS OR THE TRANSACTIONS CONTEMPLATED THEREBY AND AGREES THAT ANY SUCH ACTION OR PROCEEDING SHALL BE TRIED BEFORE A COURT AND NOT BEFORE A JURY. EACH BORROWER, AGENT AND EACH LENDER ACKNOWLEDGES THAT THIS WAIVER IS A MATERIAL INDUCEMENT TO ENTER INTO A BUSINESS RELATIONSHIP, THAT EACH HAS RELIED ON THE WAIVER IN ENTERING INTO THIS AGREEMENT AND THE OTHER FINANCING DOCUMENTS, AND THAT EACH WILL CONTINUE TO RELY ON THIS WAIVER IN THEIR RELATED FUTURE DEALINGS. EACH BORROWER, AGENT AND EACH LENDER WARRANTS AND REPRESENTS THAT IT HAS HAD THE OPPORTUNITY OF REVIEWING THIS JURY WAIVER WITH LEGAL COUNSEL, AND THAT IT KNOWINGLY AND VOLUNTARILY WAIVES ITS JURY TRIAL RIGHTS.

(b) In the event any such action or proceeding is brought or filed in any United States federal court sitting in the State of California or in any state court of the State of California, and the waiver of jury trial set forth in Section 12.9(a) hereof is determined or held to be ineffective or unenforceable, the parties agree that all actions or proceedings shall be resolved by reference to a private judge sitting without a jury, pursuant to California Code of Civil Procedure Section 638, before a mutually acceptable referee or, if the parties cannot agree, a referee selected by the Presiding Judge of the Los Angeles County, California. Such proceeding shall be conducted in Los Angeles County, California, with California rules of evidence and discovery applicable to such proceeding. In the event any actions or proceedings are to be resolved by judicial reference, any party may seek from any court having jurisdiction thereover any prejudgment order, writ or other relief and have such prejudgment order, writ or other relief enforced to the fullest extent permitted by Law notwithstanding that all actions or proceedings are otherwise subject to resolution by judicial reference.

Section 12.10 Publication; Advertisement.

(a) Publication. No Credit Party will directly or indirectly publish, disclose or otherwise use in any public disclosure, advertising material, promotional material, press release or interview, any reference to the name, logo or any trademark of MCF or any of its Affiliates or any reference to this Agreement or the financing evidenced hereby, in any case except (i) as required by Law, subpoena or judicial or similar order, in which case the applicable Credit Party shall give Agent prior written notice of such publication or other disclosure, or (ii) with MCF's prior written consent.

(b) Advertisement. Each Lender and each Credit Party hereby authorizes MCF to publish the name of such Lender and Credit Party, the existence of the financing arrangements referenced under this Agreement, the primary purpose and/or structure of those arrangements, the amount of credit extended under each facility, the title and role of each party to this Agreement, and the total amount of the financing evidenced hereby in any "tombstone", comparable advertisement or press release which MCF elects to submit for publication. In addition, each Lender and each Credit Party agrees that MCF may provide lending industry trade organizations with information necessary and customary for inclusion in league table measurements after the Closing Date. With respect to any of the foregoing, MCF shall provide Borrowers with an opportunity to review and confer with MCF regarding the contents of any such tombstone, advertisement or information, as applicable, prior to its submission for publication and, following such review period, MCF may, from time to time, publish such information in any media form desired by MCF, until such time that Borrowers shall have requested MCF cease any such further publication.

Section 12.11 Counterparts; Integration. This Agreement and the other Financing Documents may be signed in any number of counterparts, each of which shall be an original, with the same effect as if the signatures thereto and hereto were upon the same instrument. Signatures by facsimile or by electronic mail delivery of an electronic version of any executed signature page shall bind the parties hereto. In furtherance of the foregoing, the words "execution", "signed", "signature", "delivery" and words of like import in or relating to any document to be signed in connection with this Agreement and the transactions contemplated hereby or thereby shall be deemed to include Electronic Signatures, deliveries or the keeping of records in electronic form, each of which shall be of the same legal effect, validity or enforceability as a manually executed signature, physical delivery thereof or the use of a paper-based recordkeeping system, as the case may be, to the extent and as provided for in any applicable law, including the Federal Electronic Signatures in Global and National Commerce Act, the New York State Electronic Signatures and Records Act, or any other similar state laws based on the Uniform Electronic Transactions Act. As used herein, "**Electronic Signature**" means an electronic sound, symbol, or process attached to, or associated with, a contract or other record and adopted by a Person with the intent to sign, authenticate or accept such contract or other record. This Agreement and the other Financing Documents constitute the entire agreement and understanding among the parties hereto and supersede any and all prior agreements and understandings, oral or written, relating to the subject matter hereof.

Section 12.12 No Strict Construction. The parties hereto have participated jointly in the negotiation and drafting of this Agreement. In the event an ambiguity or question of intent or interpretation arises, this Agreement shall be construed as if drafted jointly by the parties hereto and no presumption or burden of proof shall arise favoring or disfavoring any party by virtue of the authorship of any provisions of this Agreement.

Section 12.13 Lender Approvals. Unless expressly provided herein to the contrary, any approval, consent, waiver or satisfaction of Agent or Lenders with respect to any matter that is the subject of this Agreement, the other Financing Documents may be granted or withheld by Agent and Lenders in their sole and absolute discretion and credit judgment.

Section 12.14 Expenses; Indemnity

(a) Except with respect to Indemnified Taxes, Other Taxes and Excluded Taxes, which shall be governed exclusively by Section 2.8, Borrowers hereby agree to promptly pay (i) all reasonable costs and expenses of Agent (including, without limitation, the fees, costs and expenses of counsel to, and independent appraisers and consultants retained by Agent subject to the limitations set forth herein) in connection with the examination, review, due diligence investigation, documentation, negotiation, closing and syndication of the transactions contemplated by the Financing Documents, in connection with the performance by Agent of its rights and remedies under the Financing Documents and in connection with the continued administration of the Financing Documents including (A) any amendments, modifications, consents and waivers to and/or under any and all Financing Documents, and (B) any periodic public record searches conducted by or at the request of Agent (including, without limitation, title investigations, UCC searches, fixture filing searches, judgment, pending litigation and tax lien searches and searches of applicable corporate, limited liability, partnership and related records concerning the continued existence, organization and good standing of certain Persons); (ii) without limitation of the preceding clause (i), all reasonable and documented costs and expenses of Agent in connection with the creation, perfection and maintenance of Liens pursuant to the Financing Documents; (iii) without limitation of the preceding clause (i), all costs and expenses of Agent in connection with (A) protecting, storing, insuring, handling, maintaining or selling any Collateral, (B) any litigation, dispute, suit or proceeding relating to any Financing Document, other than disputes solely among Lenders and/or Agent (other than any claims against such person in its capacity or in fulfilling its role as Agent, arranger or any similar role hereunder) to the extent such disputes do not arise from any act or omission of any Credit Party or of any Affiliate of a Credit Party, and (C) any workout, collection, bankruptcy, insolvency and other enforcement proceedings under any and all of the Financing Documents; (iv) without limitation of the preceding clause (i), all reasonable and documented costs and expenses of Agent in connection with Agent's reservation of funds in anticipation of the funding of the initial Loans to be made hereunder; and (v) all costs and expenses incurred by Lenders in connection with any litigation, dispute, suit or proceeding relating to any Financing Document, other than disputes solely among Lenders and/or Agent (other than any claims against such person in its capacity or in fulfilling its role as Agent, arranger or any similar role hereunder) to the extent such disputes do not arise from any act or omission of any Credit Party or of any Affiliate of a Credit Party, and in connection with any workout, collection, bankruptcy, insolvency and other enforcement proceedings under any and all Financing Documents, whether or not Agent or Lenders are a party thereto.

(b) Each Borrower hereby agrees to indemnify, pay and hold harmless Agent and Lenders and the officers, directors, employees, trustees, agents, investment advisors and investment managers, collateral managers, servicers, and counsel of Agent and Lenders (collectively called the "**Indemnitees**") from and against any and all liabilities, obligations, losses, damages, penalties, actions, judgments, suits, claims, costs, expenses and disbursements of any kind or nature whatsoever (including the documented out-of-pocket fees and disbursements of counsel for such Indemnitee) in connection with any investigative, response, remedial, administrative or judicial matter or proceeding, whether or not such Indemnitee shall be designated a party thereto and including any such proceeding initiated by or on behalf of a Credit Party, and the reasonable expenses of investigation by engineers, environmental consultants and similar technical personnel and any commission, fee or compensation claimed by any broker (other than any broker retained by Agent or Lenders) asserting any right to payment for the transactions contemplated hereby, which may be imposed on, incurred by or asserted against such Indemnitee as a result of or in connection with the transactions contemplated hereby or by the other Financing Documents (including (i)(A) as a direct or indirect result of the presence on or under, or escape, seepage, leakage, spillage, discharge, emission or release from, any property now or previously owned, leased or operated by Borrower, any Subsidiary or any other Person of any Hazardous Materials, (B) arising out of or relating to the offsite disposal of any materials generated or present on any such property, or (C) arising out of or

resulting from the environmental condition of any such property or the applicability of any governmental requirements relating to Hazardous Materials, whether or not occasioned wholly or in part by any condition, accident or event caused by any act or omission of Borrower or any Subsidiary, and (ii) proposed and actual extensions of credit under this Agreement) and the use or intended use of the proceeds of the Loans, except that Borrower shall have no obligation hereunder to an Indemnitee with respect to any liability resulting from the gross negligence or willful misconduct of such Indemnitee, as determined by a final non-appealable judgment of a court of competent jurisdiction. To the extent that the undertaking set forth in the immediately preceding sentence may be unenforceable, Borrower shall contribute the maximum portion which it is permitted to pay and satisfy under applicable Law to the payment and satisfaction of all such indemnified liabilities incurred by the Indemnitees or any of them. This Section 12.14(b) shall not apply with respect to Taxes other than any Taxes that represent losses, claims, damages, etc. arising from any non-Tax claim

(c) Notwithstanding any contrary provision in this Agreement, the obligations of Borrowers under this Section 12.14 shall survive the payment in full of the Obligations and the termination of this Agreement. NO INDEMNITEE SHALL BE RESPONSIBLE OR LIABLE TO THE BORROWERS OR TO ANY OTHER PARTY TO ANY FINANCING DOCUMENT, ANY SUCCESSOR, ASSIGNEE OR THIRD PARTY BENEFICIARY OR ANY OTHER PERSON ASSERTING CLAIMS DERIVATIVELY THROUGH SUCH PARTY, FOR INDIRECT, PUNITIVE, EXEMPLARY OR CONSEQUENTIAL DAMAGES WHICH MAY BE ALLEGED AS A RESULT OF CREDIT HAVING BEEN EXTENDED, SUSPENDED OR TERMINATED UNDER THIS AGREEMENT OR ANY OTHER FINANCING DOCUMENT OR AS A RESULT OF ANY OTHER TRANSACTION CONTEMPLATED HEREUNDER OR THEREUNDER.

(d) Each Borrower for itself and all endorsers, guarantors and sureties and their heirs, legal representatives, successors and assigns, hereby further specifically waives any rights that it may have under Section 1542 of the California Civil Code (to the extent applicable), which provides as follows: “A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS WHICH THE CREDITOR DOES NOT KNOW OR SUSPECT TO EXIST IN HIS OR HER FAVOR AT THE TIME OF EXECUTING THE RELEASE, WHICH IF KNOWN BY HIM OR HER MUST HAVE MATERIALLY AFFECTED HIS OR HER SETTLEMENT WITH THE DEBTOR,” and further waives any similar rights under applicable Laws.

Section 12.15 Reinstatement. This Agreement shall remain in full force and effect and continue to be effective should any petition or other proceeding be filed by or against any Credit Party for liquidation or reorganization, should any Credit Party become insolvent or make an assignment for the benefit of any creditor or creditors or should an interim receiver, receiver, receiver and manager or trustee be appointed for all or any significant part of any Credit Party’s assets, and shall continue to be effective or to be reinstated, as the case may be, if at any time payment and performance of the Obligations, or any part thereof, is, pursuant to applicable law, rescinded or reduced in amount, or must otherwise be restored or returned by any obligee of the Obligations, whether as a fraudulent preference reviewable transaction or otherwise, all as though such payment or performance had not been made. In the event that any payment, or any part thereof, is rescinded, reduced, restored or returned, the Obligations shall be reinstated and deemed reduced only by such amount paid and not so rescinded, reduced, restored or returned.

Section 12.16 Successors and Assigns. This Agreement shall be binding upon and inure to the benefit of Borrowers and Agent and each Lender and their respective successors and permitted assigns.

Section 12.17 USA PATRIOT Act Notification. Agent (for itself and not on behalf of any Lender) and each Lender hereby notifies Borrowers that pursuant to the requirements of the USA PATRIOT Act, it is required to obtain, verify and record certain information and documentation that identifies Borrowers, which information includes the name and address of Borrower and such other information that will allow Agent or such Lender, as applicable, to identify Borrowers in accordance with the USA PATRIOT Act.

Section 12.18 Acknowledgement and Consent to Bail-In of Affected Financial Institutions. Notwithstanding anything to the contrary in any Financing Document or in any other agreement, arrangement or understanding among any such parties, each party hereto acknowledges that any liability of any Affected Financial Institution arising under any Financing Document, to the extent such liability is unsecured, may be subject to the Write-Down and Conversion Powers of the applicable Resolution Authority and agrees and consents to, and acknowledges and agrees to be bound by:

(a) the application of any Write-Down and Conversion Powers by the applicable Resolution Authority to any such liabilities arising hereunder which may be payable to it by any party hereto that is an Affected Financial Institution; and

(b) the effects of any Bail-In Action on any such liability, including, if applicable:

(i) a reduction in full or in part or cancellation of any such liability;

(ii) a conversion of all, or a portion of, such liability into shares or other instruments of ownership in such Affected Financial Institution, its parent undertaking, or a bridge institution that may be issued to it or otherwise conferred on it, and that such shares or other instruments of ownership will be accepted by it in lieu of any rights with respect to any such liability under this Agreement or any other Financing Document; or

(iii) the variation of the terms of such liability in connection with the exercise of the Write-Down and Conversion Powers of the applicable Resolution Authority.

Section 12.19 Cross Default and Cross Collateralization.

(a) Cross-Default. As stated under Section 10.1 hereof, an Event of Default under any of the Affiliated Financing Documents shall be an Event of Default under this Agreement. In addition, a Default or Event of Default under any of the Financing Documents shall be a Default under the Affiliated Financing Documents.

(b) Cross Collateralization. Borrowers acknowledge and agree that the Collateral securing this Loan, also secures the Affiliated Obligations.

(c) Consent. Each Borrower authorizes Agent, without giving notice to any Borrower or obtaining the consent of any Borrower and without affecting the liability of any Borrower for the Affiliated Obligations directly incurred by the Borrowers, from time to time to:

(i) compromise, settle, renew, extend the time for payment, change the manner or terms of payment, discharge the performance of, decline to enforce, or release all or any of the Affiliated Obligations; grant other indulgences to any Borrowers in respect thereof; or modify in any manner any documents relating to the Affiliated Obligations;

(ii) declare all Affiliated Obligations due and payable upon the occurrence and during the continuance of an Event of Default;

(iii) take and hold security for the performance of the Affiliated Obligations of any Borrowers and exchange, enforce, waive and release any such security;

(iv) apply and reapply such security and direct the order or manner of sale thereof as Agent, in its sole discretion, may determine;

(v) release, surrender or exchange any deposits or other property securing the Affiliated Obligations or on which Agent at any time may have a Lien; release, substitute or add any one or more endorsers or guarantors of the Affiliated Obligations of any Borrowers; or compromise, settle, renew, extend the time for payment, discharge the performance of, decline to enforce, or release all or any obligations of any such endorser or guarantor or other Person who is now or may hereafter be liable on any Affiliated Obligations or release, surrender or exchange any deposits or other property of any such Person;

(vi) apply payments received by Lender from Borrower to any Obligations or Affiliated Obligations, as permitted in accordance with the terms of this Agreement and in such order as Lender shall determine, in its sole discretion; and

(vii) assign the Affiliated Financing Documents in whole or in part in accordance with the terms thereof.

[SIGNATURES APPEAR ON FOLLOWING PAGE(S)]

IN WITNESS WHEREOF, intending to be legally bound, each of the parties have caused this Agreement to be executed on the day and year first above mentioned.

BORROWERS:

ALPHA TEKNOVA, INC.

By: /s/ Matthew Lowell
Name: Matthew Lowell
Title: Chief Financial Officer

Address:

Alpha Teknova, Inc.
2451 Bert Drive
Hollister, CA 95023
Attn: Matthew Lowell
E-Mail:

AGENT:

MIDCAP FINANCIAL TRUST

By: Apollo Capital Management, L.P.,
its investment manager

By: Apollo Capital Management GP, LLC,
its general partner

By: /s/ Maurice Amsellem
Name: Maurice Amsellem
Title: Authorized Signatory

Address:

c/o MidCap Financial Services, LLC, as servicer
7255 Woodmont Avenue, Suite 300
Bethesda, Maryland 20814
Attn: Account Manager for Alpha Teknova transaction
Facsimile: 301-941-1450
E-mail: notices@midcapfinancial.com

with a copy to:

c/o MidCap Financial Services, LLC, as servicer
7255 Woodmont Avenue, Suite 300
Bethesda, Maryland 20814
Attn: General Counsel
Facsimile: 301-941-1450
E-mail: legalnotices@midcapfinancial.com

LENDER:

MIDCAP FINANCIAL TRUST

By: Apollo Capital Management, L.P.,
its investment manager

By: Apollo Capital Management GP, LLC,
its general partner

By: /s/ Maurice Amsellem
Name: Maurice Amsellem
Title: Authorized Signatory

Address:

c/o MidCap Financial Services, LLC, as servicer
7255 Woodmont Avenue, Suite 300
Bethesda, Maryland 20814
Attn: Account Manager for Alpha Teknova transaction
Facsimile: 301-941-1450
E-mail: notices@midcapfinancial.com

with a copy to:

c/o MidCap Financial Services, LLC, as servicer
7255 Woodmont Avenue, Suite 300
Bethesda, Maryland 20814
Attn: General Counsel
Facsimile: 301-941-1450
E-mail: legalnotices@midcapfinancial.com

ANNEXES, EXHIBITS AND SCHEDULES

ANNEXES

Annex A	Commitment Annex

EXHIBITS

Exhibit A	[Reserved]
Exhibit B	Form of Compliance Certificate
Exhibit C	Borrowing Base Certificate
Exhibit D	Form of Notice of Borrowing
Exhibit E-1	Form of U.S. Tax Compliance Certificate
Exhibit E-2	Form of U.S. Tax Compliance Certificate
Exhibit E-3	Form of U.S. Tax Compliance Certificate
Exhibit E-4	Form of U.S. Tax Compliance Certificate
Exhibit F	[Reserved]
Exhibit G	Closing Checklist

SCHEDULES

Schedule 2.1	[Reserved]
Schedule 3.1	Existence, Organizational ID Numbers, Foreign Qualification, Prior Names
Schedule 3.4	Capitalization
Schedule 3.6	Litigation
Schedule 3.17	Material Contracts
Schedule 3.18	Environmental Compliance
Schedule 3.19	Intellectual Property
Schedule 4.9	Litigation, Governmental Proceedings and Other Notice Events
Schedule 5.1	Debt; Contingent Obligations
Schedule 5.2	Liens
Schedule 5.7	Permitted Investments
Schedule 5.8	Affiliate Transactions
Schedule 5.14	Deposit Accounts and Securities Accounts
Schedule 6.1	Minimum Net Revenue
Schedule 7.4	Post-Closing Obligations
Schedule 9.1	Collateral
Schedule 9.2(b)	Location of Collateral
Schedule 9.2(d)	Chattel Paper, Letter of Credit Rights, Commercial Tort Claims, Instruments, Documents, Investment Property

Annex A to Credit Agreement (Commitment Annex)

Lender	Revolving Loan Commitment Amount	Revolving Loan Commitment Percentage
MidCap Financial Trust	$ 5,000,000.00	100%
TOTALS	**$ 5,000,000.00**	**100%**

Exhibit 10.25

Pursuant to Regulation S-K, Item 601(a)(5), the schedules and exhibits to the Credit and Security Agreement (Term Loan) as referred to herein have not been filed. The Registrant agrees to furnish supplementally a copy of any omitted schedules or exhibits to the Securities and Exchange Commission upon request.

CREDIT AND SECURITY AGREEMENT (TERM LOAN)

dated as of March 26, 2021

by and among

ALPHA TEKNOVA, INC.,

and any additional borrower that hereafter becomes party hereto, each as Borrower, and collectively as Borrowers,

and

MIDCAP FINANCIAL TRUST,

as Agent and as a Lender,

and

THE ADDITIONAL LENDERS

FROM TIME TO TIME PARTY HERETO

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CREDIT AND SECURITY AGREEMENT (TERM LOAN)

This **CREDIT AND SECURITY AGREEMENT (TERM LOAN)** (as the same may be amended, supplemented, restated or otherwise modified from time to time, the "**Agreement**") is dated as of March 26, 2021 by and among **APLHA TEKNOVA, INC.**, a Delaware corporation, and each additional borrower that may hereafter be added to this Agreement (each individually as a "**Borrower**", and collectively with any entities that become party hereto as Borrower and each of their successors and permitted assigns, the "**Borrowers**"), **MIDCAP FINANCIAL TRUST,** a Delaware statutory trust, individually as a Lender, and as Agent, and the financial institutions or other entities from time to time parties hereto, each as a Lender.

RECITALS

Borrowers have requested that Lenders make available to Borrowers the financing facilities as described herein. Lenders are willing to extend such credit to Borrowers under the terms and conditions herein set forth.

AGREEMENT

NOW, THEREFORE, in consideration of the premises and the agreements, provisions and covenants herein contained, Borrowers, Lenders and Agent agree as follows:

ARTICLE 1 - DEFINITIONS

Section 1.1 Certain Defined Terms. The following terms have the following meanings:

"**Acceleration Event**" means the occurrence of an Event of Default (a) in respect of which Agent has declared all or any portion of the Obligations to be immediately due and payable pursuant to Section 10.2, (b) pursuant to Section 10.1(a), and in respect of which Agent has suspended or terminated the Term Loan Commitment pursuant to Section 10.2, and/or (c) pursuant to either Section 10.1(e) and/or Section 10.1(f).

"**Account Debtor**" means "account debtor", as defined in Article 9 of the UCC, and any other obligor in respect of an Account.

"**Accounts**" means, collectively, (a) any right to payment of a monetary obligation, whether or not earned by performance, (b) without duplication, any "account" (as defined in the UCC), any accounts receivable (whether in the form of payments for services rendered or goods sold, rents, license fees or otherwise), any "payment intangibles" (as defined in the UCC) and all other rights to payment and/or reimbursement of every kind and description, whether or not earned by performance, (c) all accounts, "general intangibles" (as defined in the UCC), Intellectual Property, rights, remedies, Guarantees, "supporting obligations" (as defined in the UCC), "letter-of-credit rights" (as defined in the UCC) and security interests in respect of the foregoing, all rights of enforcement and collection, all books and records evidencing or related to the foregoing, and all rights under the Financing Documents in respect of the foregoing, and (d) all proceeds of any of the foregoing.

"**Acquisition**" means any transaction or series of related transactions for the purpose of or resulting, directly or indirectly, in (a) the acquisition (including through licensing) of all or substantially all of the assets of a Person, or of any business, line of business or division or other unit of operation of a Person, (b) the acquisition of fifty percent (50%) or more of the Equity Interests of any Person, whether or not involving a merger or consolidation with such other Person, or otherwise causing any Person to become a

Subsidiary of a Borrower, (c) any merger or consolidation or any other combination with another Person or (d) the acquisition (including through licensing) of any product, product line or Intellectual Property of or from any other Person (but in each case excluding in-bound licenses and purchases of over-the-counter and other software that is commercially available to the public, open source licenses and enabling licenses in the Ordinary Course of Business).

"**Additional Titled Agents**" has the meaning set forth in Section 11.15.

"**Affected Financial Institution"** means (a) any EEA Financial Institution or (b) any UK Financial Institution.

"**Affiliate**" means, with respect to any Person, (a) any Person that directly or indirectly controls such Person, (b) any Person which is controlled by or is under common control with such controlling Person, and (c) each of such Person's (other than, with respect to any Lender, any Lender's) officers or directors (or Persons functioning in substantially similar roles). As used in this definition, the term "control" of a Person means the possession, directly or indirectly, of the power to vote twenty percent (20%) or more of any class of voting securities of such Person or to direct or cause the direction of the management or policies of a Person, whether through the ownership of voting securities, by contract or otherwise.

"**Affiliated Credit Agreement**" that certain Credit and Security Agreement (Revolving Loan) (as the same may be amended, restated, supplemented or otherwise modified from time to time), among the Affiliated Financing Agent, the lenders party thereto and Borrowers pursuant to which such Affiliated Financing Agent and lenders have extended a revolving credit facility to Borrowers.

"**Affiliated Financing Agent**" means the "Agent" under and as defined in the Affiliated Credit Agreement.

"**Affiliated Financing Documents**" means the "**Financing Documents**" as defined in the Affiliated Credit Agreement.

"**Affiliated Intercreditor Agreement**" means that certain Intercreditor Agreement dated as of the date hereof between Agent and the Affiliated Financing Agent, as the same may be amended, restated, supplemented or otherwise modified from time to time.

"**Affiliated Obligations**" means all "Obligations", as such term is defined in the Affiliated Financing Documents.

"**Agent**" means MCF, in its capacity as administrative agent for itself and for Lenders hereunder, as such capacity is established in, and subject to the provisions of, Article 11, and the successors and assigns of MCF in such capacity.

"**Anti-Terrorism Laws**" means any Laws relating to terrorism or money laundering, including, without limitation, Executive Order No. 13224 (effective September 24, 2001), the USA PATRIOT Act, the Laws comprising or implementing the Bank Secrecy Act and the Laws administered by OFAC.

"**Applicable Margin**" six and forty-five one-hundredths percent (6.45%).

"**Approved Fund**" means any (a) investment company, fund, trust, securitization vehicle or conduit that is (or will be) engaged in making, purchasing, holding or otherwise investing in commercial loans and similar extensions of credit in the ordinary course of business, or (b) any Person (other than a natural person) which temporarily warehouses loans for any Lender or any entity described in the preceding

clause (a) and that, with respect to each of the preceding clauses (a) and (b), is administered or managed by (i) a Lender, (ii) an Affiliate of a Lender, or (iii) a Person (other than a natural person) or an Affiliate of a Person (other than a natural person) that administers or manages a Lender.

"**Asset Disposition**" means any sale, lease, license, transfer, assignment or other consensual disposition (including by merger, allocation of assets (including allocation of assets to any series of a limited liability company), division, consolidation or amalgamation) by any Credit Party or any Subsidiary thereof of any asset of such Credit Party or such Subsidiary.

"**Assignment Agreement**" means an assignment agreement in form and substance acceptable to Agent.

"**Bail-In Action**" means the exercise of any Write-Down and Conversion Powers by the applicable Resolution Authority in respect of any liability of an Affected Financial Institution.

"**Bail-In Legislation**" means (a) with respect to any EEA Member Country implementing Article 55 of Directive 2014/59/EU of the European Parliament and of the Council of the European Union, the implementing law, regulation rule or requirement for such EEA Member Country from time to time which is described in the EU Bail-In Legislation Schedule and (b) with respect to the United Kingdom, Part I of the United Kingdom Banking Act 2009 (as amended from time to time) and any other law, regulation or rule applicable in the United Kingdom relating to the resolution of unsound or failing banks, investment firms or other financial institutions or their affiliates (other than through liquidation, administration or other insolvency proceedings).

"**Bankruptcy Code**" means Title 11 of the United States Code entitled "Bankruptcy", as the same may be amended, modified or supplemented from time to time, and any successor statute thereto.

"**Base LIBOR Rate**" means, for each Interest Period, the rate per annum, determined by Agent in accordance with its customary procedures, and utilizing such electronic or other quotation sources as it considers appropriate (rounded upwards, if necessary, to the next 1/100%), to be the rate at which Dollar deposits (for delivery on the first day of such Interest Period) in the amount of $1,000,000 are offered to major banks in the London interbank market on or about 11:00 a.m. (London time) two (2) Business Days prior to the commencement of such Interest Period, for a term comparable to such Interest Period, which determination shall be conclusive in the absence of manifest error; provided, however, if (a) the administrator responsible for determining and publishing such rate per annum, determined by Agent in accordance with its customary procedures, has made a public announcement identifying a date certain on or after which such rate shall no longer be provided or published, as the case may be; or (b) timely, adequate and reasonable means do not exist for ascertaining such rate and the circumstances giving rise to the Agent's inability to ascertain LIBOR are unlikely to be temporary as determined in Agent's reasonable discretion, then Agent may, upon prior written notice to Borrower Representative, choose, in consultation with Borrower, a reasonably comparable index or source together with corresponding adjustments to "Applicable Margin" or scale factor, spread adjustment or floor to such index that Agent, in its reasonable discretion, has determined is necessary to preserve (but, for the avoidance of doubt, not increase) the current all-in rate of interest (including, interest rate margins, any interest rate floors, but without regard to future fluctuations of such alternative index, it being acknowledged and agreed that neither Agent nor any Lender shall have any liability whatsoever from such future fluctuations) to use as the basis for Base LIBOR Rate.

"**Base Rate**" means a per annum rate of interest equal to the greater of (a) one and one half percent (1.50%) per annum and (b) (i) a per annum rate of interest equal to the rate of interest announced, from time to time, within Wells Fargo Bank, National Association ("**Wells Fargo**") at its principal office in San Francisco as its "prime rate," with the understanding that the "prime rate" is one of Wells Fargo's base rates

(not necessarily the lowest of such rates) and serves as the basis upon which effective rates of interest are calculated for those loans making reference thereto and is evidenced by the recording thereof after its announcement in such internal publications as Wells Fargo may designate; *provided, however,* that Agent may, upon prior written notice to Borrower, choose a reasonably comparable index or source to use as the basis for the Base Rate; *minus* (ii) the amount by which the average daily prime rate during the twelve-month period immediately preceding the first occurrence of an Eurodollar Disruption Event exceeded the average daily LIBOR Rate during such period.

"**BERT Lease**" means that certain Commercial Lease Agreement, dated as of June 21, 2017 (as amended by that certain Addendum to Commercial Lease Agreement, dated July 1, 2019), relating to the premises located at 2200 Bert Drive, Hollister, CA as more fully described therein, by and between Alpha Teknova, Inc. and Thomas E. Davis, LLC, as in effect on the Closing Date.

"**Blocked Person**" means any Person: (a) listed in the annex to, or is otherwise subject to the provisions of, Executive Order No. 13224, (b) owned or controlled by, or acting for or on behalf of, any Person that is listed in the annex to, or is otherwise subject to the provisions of, Executive Order No. 13224, (c) with which any Lender is prohibited from dealing or otherwise engaging in any transaction by any Anti-Terrorism Law, (d) that commits, threatens or conspires to commit or supports "terrorism" as defined in Executive Order No. 13224, or (e) that is named a "specially designated national" or "blocked person" on the most current list published by OFAC or other similar list or is named as a "listed person" or "listed entity" on other lists made under any Anti-Terrorism Law.

"**Borrower**" and "**Borrowers**" has the meaning set forth in the introductory paragraph hereto.

"**Borrower Representative**" means Alpha Teknova, Inc., in its capacity as Borrower Representative pursuant to the provisions of Section 2.9, or any successor Borrower Representative selected by Borrowers and approved by Agent.

"**Borrower Unrestricted Cash**" means, as of any date of determination, unrestricted cash and Cash Equivalents of the Borrowers that (a) are held in the name of a Borrower in a Deposit Account or Securities Account located in the United States that is subject to a Deposit Account Control Agreement or Securities Account Control Agreement, as applicable, in favor of Agent, (b) are not subject to any Lien (other than Permitted Liens), and (c) are not funds for the payment of a drawn or committed but unpaid draft, ACH or EFT transaction as of the applicable date of determination.

"**Borrowing Base**" has the meaning set forth in the Affiliated Credit Agreement.

"**Business Day**" means any day except a Saturday, Sunday or other day on which either the New York Stock Exchange is closed, or on which commercial banks in New York, New York are authorized by Law to close and, in the case of a Business Day which relates to a determination of the LIBOR Rate, a day on which dealings are carried on in the London interbank eurodollar market.

"**Capital Lease**" of any Person means any lease of any property by such Person as lessee which would, in accordance with GAAP, be required to be accounted for as a capital lease on the balance sheet of such Person.

"**Cash Equivalents**" means, as of any date of determination, any of the following: (a) marketable securities (i) issued or directly and unconditionally guaranteed as to interest and principal by the United States government, or (ii) issued by any agency of the United States the obligations of which are backed by the full faith and credit of the United States, in each case maturing within one (1) year after such date; (b) marketable direct obligations issued by any state of the United States or any political subdivision of any

such state or any public instrumentality thereof, in each case maturing within one (1) year after such date and having, at the time of the acquisition thereof, a rating of at least A-1 from S&P or at least P-1 from Moody's; (c) commercial paper maturing no more than one (1) year from the date of creation thereof and having, at the time of the acquisition thereof, a rating of at least A-1 from S&P or at least P-1 from Moody's, or carrying an equivalent rating by a nationally recognized rating agency, if both of the two named rating agencies cease publishing ratings of commercial paper issuers generally; (d) certificates of deposit or bankers' acceptances maturing within one (1) year after such date and issued or accepted by any Lender or by any commercial bank organized under the laws of the United States or any state thereof or the District of Columbia that (i) is at least "adequately capitalized" (as defined in the regulations of its primary federal banking regulator), and (ii) has Tier 1 capital (as defined in such regulations) of not less than $100,000,000; and (e) shares of any money market mutual fund that (i) has substantially all of its assets invested continuously in the types of investments referred to in clauses (a) and (b) above, (ii) has net assets of not less than $500,000,000, and (iii) has the highest rating obtainable from either S&P or Moody's.

"**CERCLA**" means the Comprehensive Environmental Response, Compensation and Liability Act of 1980, 42 U.S.C.A. § 9601 *et seq*., as the same may be amended from time to time.

"**Change in Control**" means an event or series of events by which: (a) prior to the consummation of a Qualifying IPO, THP and its controlled Affiliates cease to, directly or indirectly, own and control at least (i) fifty-one percent (51.0%) of the voting and economic interests of the Equity Interests of Alpha Teknova, Inc. and/or (ii) that percentage of the outstanding voting Equity Interests of Alpha Teknova, Inc. necessary at all times to elect a majority of the board of directors (or similar governing body) of Alpha Teknova, Inc. and to direct the management policies and decisions of Alpha Teknova, Inc.; (b) following the consummation of a Qualifying IPO, any "person" or "group" (as such terms are used in Sections 13(d) and 14(d) of the Securities Exchange Act of 1934) other than THP and its controlled Affiliates becomes the "beneficial owner" (as defined in Rules 13d-3 and 13d-5 under the Securities Exchange Act of 1934, except that a person or group shall be deemed to have "beneficial ownership" of all securities that such person or group has the right to acquire, whether such right is exercisable immediately or only after the passage of time (such right, an "option right")), directly or indirectly, of (i) forty percent (40%) or more of the combined voting power of all voting stock of Alpha Teknova, Inc., or any other Borrower (as applicable) on a fully-diluted basis (and taking into account all such securities that such person or group has the right to acquire pursuant to any option right) and/or (ii) that percentage of the outstanding voting Equity Interests of Alpha Teknova, Inc. necessary at all times to elect a majority of the board of directors (or similar governing body) of Alpha Teknova, Inc. and to direct the management policies and decisions of Alpha Teknova, Inc.; (c) during any period of twelve (12) consecutive months, a majority of the members of the board of directors or other equivalent governing body of Borrower cease to be composed of individuals (i) who were members of that board or equivalent governing body on the first day of such period, (ii) whose election or nomination to that board or equivalent governing body was approved by individuals referred to in clause (i) above constituting at the time of such election or nomination at least a majority of that board or equivalent governing body or (iii) whose election or nomination to that board or other equivalent governing body was approved by individuals referred to in clauses (i) and (ii) above constituting at the time of such election or nomination at least a majority of that board or equivalent governing body, in each case unless any such change of a majority of the members of the board of directors or other equivalent governing body of Borrower is caused by the same equity holder(s) who appointed the members of that board or equivalent governing body that existed on the first day of any such period; (d) Borrower ceases to own and control, directly or indirectly, all of the economic and voting rights associated with the outstanding securities of each of its Subsidiaries (except as otherwise permitted by this Agreement), or (e) the occurrence of a "Change of Control", "Fundamental Change", "Change in Control", "Deemed Liquidation Event" or terms of similar import under any document or instrument governing or relating to Debt of or Equity Interests of such Person, as such documents may be amended or otherwise modified from time to time in accordance with the terms of this Agreement.

Notwithstanding the foregoing, the consummation of a Qualifying IPO shall not constitute a "Change in Control".

"**Closing Date**" means the date of this Agreement.

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

"**Collateral**" means all property, other than Excluded Property, now existing or hereafter acquired, mortgaged or pledged to, or purported to be subjected to a Lien in favor of, Agent, for the benefit of Agent and Lenders, pursuant to this Agreement and the Security Documents, including, without limitation, all of the property described in Schedule 9.1 hereto.

"**Commitment Annex**" means Annex A to this Agreement.

"**Competitor**" means, at any time of determination, (a) any Person that is directly engaged in the same or substantially the same line of business as the Borrower or any of its material Subsidiaries and (b) each Person identified as a competitor on the list delivered to Agent by the Borrowers prior to the Closing Date. For the purposes of clarification, only a Person that is described in clause (a) above or a Person that either directly owns more than 50% of the voting securities of a Person described in clause (a) above or is wholly owned direct or indirect subsidiary of such a Person will be considered to be a Competitor for the purposes of this Agreement. Furthermore, notwithstanding anything herein to the contrary, under no circumstances will a Person that is primarily in the business of lending money or extending credit be considered a Competitor regardless of whether or not any of its Affiliates may be deemed to be a Competitor.

"**Compliance Certificate**" means a certificate, duly executed by a Responsible Officer of Borrower Representative, appropriately completed and substantially in the form of Exhibit B hereto.

"**Connection Income Taxes**" means Other Connection Taxes that are imposed on or measured by net income (however denominated) or that are franchise Taxes or branch profits Taxes.

"**Consolidated EBITDA**" has the meaning provided in the Tranche 3 EBITDA Certificate, appropriately completed and substantially in the form of Exhibit F hereto.

"**Consolidated Subsidiary**" means, at any date, any Subsidiary the accounts of which would be consolidated with those of "parent" Borrower (or any other Person, as the context may require hereunder) in its consolidated financial statements if such statements were prepared as of such date.

"**Contingent Obligation**" means, with respect to any Person, any direct or indirect liability of such Person: (a) with respect to any Debt of another Person (a "**Third Party Obligation**") if the purpose or intent of such Person incurring such liability, or the effect thereof, is to provide assurance to the obligee of such Third Party Obligation that such Third Party Obligation will be paid or discharged, or that any agreement relating thereto will be complied with, or that any holder of such Third Party Obligation will be protected, in whole or in part, against loss with respect thereto; (b) with respect to any undrawn portion of any letter of credit issued for the account of such Person or as to which such Person is otherwise liable for the reimbursement of any drawing; (c) under any Swap Contract, to the extent not yet due and payable; (d) to make take-or-pay or similar payments if required regardless of nonperformance by any other party or parties to an agreement; or (e) for any obligations of another Person pursuant to any Guarantee or pursuant to any agreement to purchase, repurchase or otherwise acquire any obligation or any property constituting security therefor, to provide funds for the payment or discharge of such obligation or to preserve the solvency, financial condition or level of income of another Person. The amount of any Contingent Obligation shall be equal to the amount of the obligation so Guaranteed or otherwise supported or, if not a fixed and determinable amount, the maximum amount so Guaranteed or otherwise supported.

"**Controlled Group**" means all members of a group of corporations and all members of a group of trades or businesses (whether or not incorporated) under common control which, together with the Credit Parties, are treated as a single employer under Section 414(b), (c), (m) or (o) of the Code or Section 4001(b) of ERISA and, solely for purposes of Section 412 and 436 of the Code, Section 414(m) or (o) of the Code.

"**Credit Card Cash Collateral Account**" means, collectively, each segregated Deposit Account from time to time identified to Agent in writing established by Borrower for the sole purpose of securing Borrower's obligations under clause (h) of the definition Permitted Debt and containing only such cash or Cash Equivalents that have been required to be pledged to secure such obligations of Borrower; *provided*, that the aggregate amount of cash or Cash Equivalents deposited in all such Credit Card Cash Collateral Account(s) does not, at any time, exceed $250,000 in the aggregate.

"**Credit Party**" means each Borrower and each Guarantor and "**Credit Parties**" means all such Persons, collectively.

"**Debt**" of a Person means at any date, without duplication, (a) all obligations of such Person for borrowed money, (b) all obligations of such Person evidenced by bonds, debentures, notes or other similar instruments, (c) all obligations of such Person to pay the deferred purchase price of property or services, except trade accounts payable arising and paid on a timely basis and in the Ordinary Course of Business, (d) all Capital Leases of such Person, (e) all non-contingent obligations of such Person to reimburse any bank or other Person in respect of amounts paid under a letter of credit, banker's acceptance or similar instrument, (f) all Disqualified Equity Interests, (g) all obligations secured by a Lien on any asset of such Person, whether or not such obligation is otherwise an obligation of such Person, (h) "earnouts", purchase price adjustments, profit sharing arrangements, deferred purchase money amounts and similar payment obligations or continuing obligations of any nature of such Person arising out of purchase and sale contracts entered into in connection with an Acquisition or any other material commercial or licensing transaction (*provided* that the amount of such indebtedness shall be deemed to be the amount that is required to be reflected on the balance sheet of such Person in accordance with GAAP), (i) all Debt of others Guaranteed by such Person, and (j) obligations in respect of litigation settlement agreements or similar arrangements. Without duplication of any of the foregoing, Debt of Borrowers shall include any and all Loans.

"**Default**" means any condition or event which with the giving of notice or lapse of time or both would, unless cured or waived, become an Event of Default.

"**Defaulted Lender**" means, so long as such failure shall remain in existence and uncured, any Lender which shall have failed to make any Loan or other credit accommodation, disbursement, settlement or reimbursement required pursuant to the terms of any Financing Document.

"**Defined Period**" means (a) for purposes of calculating Consolidated EBITDA for any given calendar month, the six (6) month period immediately preceding and ending on the last day of such calendar month, and (b) for purposes of calculating Net Revenue for any given calendar month, the immediately preceding twelve (12) month period ending on the last day of such calendar month.

"**Deposit Account**" means a "deposit account" (as defined in Article 9 of the UCC), an investment account, or other account in which funds are held or invested for credit to or for the benefit of any Credit Party.

"**Deposit Account Control Agreement**" means an agreement, in form and substance reasonably satisfactory to Agent, among Agent, any Borrower and a financial institution in which such Borrower maintains a Deposit Account, pursuant to which Agent obtains control (within the meaning of the UCC, as applicable) for the benefit of the Lenders over such Deposit Account and which agreement provides that (a) such financial institution shall comply with instructions originated by Agent directing disposition of the funds in such Deposit Account without further consent by the applicable Borrower, and (b) such financial institution shall agree that it shall have no Lien on, or right of setoff or recoupment against, such Deposit Account or the contents thereof, other than in respect of usual and customary service fees and returned items for which Agent has been given value, in each case expressly consented to by Agent, and containing such other terms and conditions as Agent may reasonably require.

"**Disqualified Equity Interests**" means, with respect to any Person, any Equity Interest in such Person that within less than 91 days after the Termination Date, either by its terms (or by the terms of any security or any other Equity Interest into which it is convertible or for which it is exchangeable) or upon the happening of any event or condition, (a) matures or is mandatorily redeemable (other than solely for Permitted Debt or other Equity Interests in such Person or of Alpha Teknova, Inc. that do not constitute Disqualified Equity Interests and cash in lieu of fractional shares of such Equity Interests), pursuant to a sinking fund obligation or otherwise, (b) is redeemable at the option of the holder thereof, in whole or in part (other than solely for Permitted Debt or other Equity Interests in such Person or of Alpha Teknova, Inc. that do not constitute Disqualified Equity Interests and cash in lieu of fractional shares of such Equity Interests), (c) provides for the scheduled payments of dividends or distributions in cash, or (d) is or becomes convertible into or exchangeable for Debt (other than Permitted Debt) or any other Equity Interest that would constitute Disqualified Equity Interests.

"**Distribution**" means as to any Person (a) any dividend or other distribution or payment (whether in cash, securities or other property) on, or in respect of, any Equity Interest in such Person (except those payable solely in its Equity Interests other than Disqualified Equity Interests), (b) any payment by such Person on account of (i) the purchase, redemption, retirement, defeasance, surrender, cancellation, termination or acquisition of any Equity Interests in such Person or any claim respecting the purchase or sale of any Equity Interest in such Person, or (ii) any option, warrant or other right to acquire any Equity Interests in such Person, (c) any management fees, salaries or other fees or compensation to any Person holding an Equity Interest in a Borrower or a Subsidiary of a Borrower (other than reasonable and customary (i) payments of salaries to individuals, (ii) directors fees, and (iii) advances and reimbursements to employees or directors, all in the Ordinary Course of Business), an Affiliate of a Borrower or an Affiliate of any Subsidiary of a Borrower, (d) any lease or rental payments to Affiliate or Subsidiary of a Borrower (except with respect to the BERT Lease, as the same is in effect on the Closing Date) or (e) repayments of or debt service on loans or other indebtedness (other than conversion to Equity Interests other than Disqualified Equity Interests) held by an Affiliate of a Borrower (other than any Credit Party) unless permitted under and made pursuant to a Subordination Agreement applicable to such loans or other indebtedness.

"**Dollars**" or "**$**" means the lawful currency of the United States of America.

"**EEA Financial Institution**" means (a) any credit institution or investment firm established in any EEA Member Country which is subject to the supervision of an EEA Resolution Authority, (b) any entity established in an EEA Member Country which is a parent of an institution described in clause (a) of this definition, or (c) any financial institution established in an EEA Member Country which is a subsidiary of an institution described in clauses (a) or (b) of this definition and is subject to consolidated supervision with its parent.

"**EEA Member Country**" means any of the member states of the European Union, Iceland, Liechtenstein, and Norway.

"**EEA Resolution Authority**" means any public administrative authority or any person entrusted with public administrative authority of any EEA Member Country (including any delegee) having responsibility for the resolution of any EEA Financial Institution.

"**Eligible Assignee**" means (a) a Lender, (b) an Affiliate of a Lender, (c) an Approved Fund, and (d) any other Person (other than a natural person) approved by Agent; *provided*, *however*, that notwithstanding the foregoing, (x) "**Eligible Assignee**" shall not include (i) any Credit Party or any of a Credit Party's Subsidiaries or (ii) any Competitor; *provided* that the restrictions on assignment set forth in this clause (ii) shall not apply if an Event of Default has occurred and is continuing under Section 10.1(a)(i) (Payment), 10.1(a)(ii) (solely with respect to a breach of Section 6 (financial covenants)), 10.1(e) & (f) (bankruptcy) or Section 10.1(o) (Material Adverse Effect), and (y) no proposed assignee intending to assume any unfunded portion of the Term Loan Commitment shall be an Eligible Assignee unless such proposed assignee either already holds a portion of such Term Loan Commitment, or has been approved as an Eligible Assignee by Agent.

"**Environmental Laws**" means any present and future federal, state and local laws, statutes, ordinances, rules, regulations, standards, policies and other governmental directives or requirements, as well as common law, pertaining to the environment, natural resources, pollution, health (including any environmental clean-up statutes and all regulations adopted by any local, state, federal or other Governmental Authority, and any statute, ordinance, code, order, decree, law rule or regulation all of which pertain to or impose liability or standards of conduct concerning medical waste or medical products, equipment or supplies), safety or clean-up that apply to any Borrower and relate to Hazardous Materials, including, without limitation, the Comprehensive Environmental Response, Compensation and Liability Act of 1980 (42 U.S.C. § 9601 *et seq.*), the Resource Conservation and Recovery Act of 1976 (42 U.S.C. § 6901 *et seq.*), the Federal Water Pollution Control Act (33 U.S.C. § 1251 *et seq.*), the Hazardous Materials Transportation Act (49 U.S.C. § 5101 *et seq.*), the Clean Air Act (42 U.S.C. § 7401 *et seq.*), the Federal Insecticide, Fungicide and Rodenticide Act (7 U.S.C. § 136 *et seq.*), the Emergency Planning and Community Right-to-Know Act (42 U.S.C. § 11001 *et seq.*), the Occupational Safety and Health Act (29 U.S.C. § 651 *et seq.*), the Residential Lead-Based Paint Hazard Reduction Act (42 U.S.C. § 4851 *et seq.*), any analogous state or local laws, any amendments thereto, and the regulations promulgated pursuant to said laws, together with all amendments from time to time to any of the foregoing and judicial interpretations thereof.

"**Equity Interests**" means, with respect to any Person, all shares of capital stock, partnership interests, membership interests in a limited liability company or other ownership in participation or equivalent interests (however designated, whether voting or non-voting) of such Person's equity capital (including any warrants, options or other purchase rights with respect to the foregoing), whether now outstanding or issued after the Closing Date.

"**ERISA**" means the Employee Retirement Income Security Act of 1974, as the same may be amended, modified or supplemented from time to time, and any successor statute thereto, and any and all rules or regulations promulgated from time to time thereunder.

"**ERISA Plan**" means any "employee benefit plan", as such term is defined in Section 3(3) of ERISA (other than a Multiemployer Plan), which any Credit Party or any Subsidiary maintains, sponsors or contributes to, or, in the case of an employee benefit plan which is subject to Section 412 of the Code or Title IV of ERISA, to which any Credit Party or any Subsidiary has any liability, including on account of any member of the Controlled Group, including any liability by reason of having been a substantial employer within the meaning of Section 4063 of ERISA, or by reason of being deemed to be a contributing sponsor under Section 4069 of ERISA.

"**EU Bail-In Legislation Schedule**" means the EU Bail-In Legislation Schedule published by the Loan Market Association (or any successor person), as in effect from time to time.

"**Eurodollar Disruption Event**" means the occurrence of any of the following: (a) any Lender shall have notified Agent of a determination by such Lender that it would be contrary to law or to the directive of any central bank or other Governmental Authority (whether or not having the force of law) to obtain dollars in the London interbank market to fund any Loan, (b) the inability of any Lender to obtain timely information for purposes of determining the LIBOR Rate, (c) any Lender shall have notified Agent of a determination by such Lender that the rate at which deposits of dollars are being offered to such Lender in the London interbank market does not accurately reflect the cost to such Lender of making, funding or maintaining any Loan or (d) any Lender shall have notified Agent of the inability of such Lender to obtain dollars in the London interbank market to make, fund or maintain any Loan.

"**Event of Default**" has the meaning set forth in Section 10.1.

"**Excluded Accounts**" has the meaning set forth in Section 5.14(b).

"**Excluded Property"** means, collectively:

(a) any lease, license, contract, permit, letter of credit, purchase money arrangement, instrument or agreement to which any Credit Party is a party or any of its rights or interests thereunder if and to the extent that the grant of such security interest shall constitute a result in (i) the abandonment, invalidation or unenforceability of any right, title or interest of any Credit Party therein or (ii) result in a breach or termination pursuant to the terms of, or default under, any such lease, license, contract, permit, letter of credit, purchase money arrangement, instrument or agreement;

(b) any governmental licenses or state or local franchises, charters and authorizations, to the extent that Agent may not validly possess a security interest in any such license, franchise, charter or authorization under applicable Law;

(c) any asset which is subject to a purchase money Lien or Capital Lease permitted hereunder to the extent the granting of a security interest in such asset is prohibited pursuant to the terms of the contract governing such purchase money Lien or Capital Lease; and

(d) any "intent-to-use" trademarks or service mark applications for which an amendment to allege use or statement of use has not been filed under 15 U.S.C. § 1051 Section 1(c) or Section 1(d), respectively or if filed, has not been deemed in conformance with 15 U.S.C. § 1051(a) or examined and accepted, respectively by the United States Patent and Trademark Office;

provided that (x) any such limitation described in the foregoing clauses (a) and (b) on the security interests granted hereunder shall apply only to the extent that any such prohibition could not be rendered ineffective pursuant to the UCC or any other applicable Law (including Sections 9-406, 9-407 and 9-408 of the UCC) or principles of equity, (y) in the event of the termination or elimination of any such prohibition or the requirement for any consent contained in such contract, agreement, permit, lease or license or in any applicable Law, to the extent sufficient to permit any such item to become Collateral hereunder, or upon the granting of any such consent, or waiving or terminating any requirement for such consent, a security interest in such contract, agreement, permit, lease, license, franchise, authorization or asset shall be automatically and simultaneously granted hereunder and shall be included as Collateral hereunder, and

(z) all rights to payment of money due or to become due pursuant to, and all products and proceeds (and rights to the proceeds) from the sale of, any Excluded Property shall be and at all times remain subject to the security interests created by this Agreement (unless such proceeds would independently constitute Excluded Property).

"**Excluded Taxes**" means any of the following Taxes imposed on or with respect to Agent, any Lender or any other recipient of any payment to be made by or on behalf of any obligation of the Credit Parties hereunder or the Obligations or required to be withheld or deducted from a payment to Agent, such Lender or such recipient (including any interest and penalties thereon): (a) Taxes to the extent imposed on or measured by Agent's, any Lender's or such recipient's net income (however denominated), branch profits Taxes, and franchise Taxes and similar Taxes, in each case, (i) imposed by the jurisdiction (or any political subdivision thereof) under which Agent, such Lender or such recipient is organized, has its principal office or conducts business with respect to entering into any of the Financing Documents or taking any action thereunder or (ii) that are Other Connection Taxes; (b) in the case of a Lender, United States withholding Taxes imposed on amounts payable to or for the account of such Lender with respect to an applicable interest in the Loans pursuant to a Law in effect on the date on which (i) such Lender becomes a party to this Agreement other than as a result of an assignment requested by a Credit Party under Section 2.8(i) or Section 11.17(c) or (ii) such Lender changes its lending office, except in each case to the extent that, pursuant to Section 2.8, amounts with respect to such Taxes were payable either to such Lender's assignor immediately before such Lender acquired the applicable interest in a Loan or Term Loan Commitment or to such Lender immediately before it changed its lending office; (c) Taxes attributable to Agent's, such Lender's or such recipient's failure to comply with Section 2.8(c); and (d) any U.S. federal withholding taxes imposed under FATCA.

"**FATCA**" means Sections 1471 through 1474 of the Code as of the date of this Agreement (or any amended or successor version that is substantively comparable and not materially more onerous to comply with), any current or future U.S. Treasury regulations or official interpretations thereof and any agreement entered into pursuant to the implementation of Section 1471(b)(1) of the Code, and any intergovernmental agreement, treaty or convention between the United States Internal Revenue Service, the U.S. Government and any governmental or taxation authority under any other jurisdiction implementing such sections of the Code.

"**FDA**" means the Food and Drug Administration of the United States of America, any comparable state or local Governmental Authority, any comparable Governmental Authority in any non-United States jurisdiction, and any successor agency of any of the foregoing.

"**Federal Funds Rate**" means, for any day, the rate of interest per annum (rounded upwards, if necessary, to the nearest whole multiple of 1/100 of 1%) equal to the weighted average of the rates on overnight Federal funds transactions with members of the Federal Reserve System, as published by the Federal Reserve Bank of New York on the Business Day next succeeding such day, *provided, however*, that (a) if such day is not a Business Day, the Federal Funds Rate for such day shall be such rate on such transactions on the next preceding Business Day, and (b) if no such rate is so published on such next preceding Business Day, the Federal Funds Rate for such day shall be the average rate quoted to Agent on such day on such transactions as determined by Agent in a commercially reasonable manner.

"**Fee Letter**" means each agreement between Agent and Borrower relating to fees payable to Agent and/or Lenders in connection with this Agreement.

"**Financing Documents**" means this Agreement, any Notes, the Security Documents, each Fee Letter, the Affiliated Intercreditor Agreement, each subordination or intercreditor agreement pursuant to which any Debt and/or any Liens securing such Debt is subordinated to all or any portion of the Obligations

and all other documents, instruments and agreements related to the Obligations and heretofore executed, executed concurrently herewith or executed at any time and from time to time hereafter, as any or all of the same may be amended, supplemented, restated or otherwise modified from time to time.

"**Foreign Lender**" has the meaning set forth in Section 2.8(c)(i).

"**GAAP**" means generally accepted accounting principles set forth from time to time in the opinions and pronouncements of the Accounting Principles Board and the American Institute of Certified Public Accountants and statements and pronouncements of the Financial Accounting Standards Board (or agencies with similar functions of comparable stature and authority within the United States accounting profession), which are applicable to the circumstances as of the date of determination.

"**General Intangible**" means any "general intangible" as defined in Article 9 of the UCC, and any personal property, including things in action, other than accounts, chattel paper, commercial tort claims, deposit accounts, documents, goods, instruments, investment property, letter-of-credit rights, letters of credit, money, and oil, gas or other minerals before extraction, but including payment intangibles and software.

"**Governmental Authority**" means any nation or government, any state, local or other political subdivision thereof, and any agency, department or Person exercising executive, legislative, judicial, regulatory or administrative functions of or pertaining to government and any corporation or other Person owned or controlled (through stock or capital ownership or otherwise) by any of the foregoing, whether domestic or foreign.

"**Guarantee**" by any Person means any obligation, contingent or otherwise, of such Person directly or indirectly guaranteeing any Debt or other obligation of any other Person and, without limiting the generality of the foregoing, any obligation, direct or indirect, contingent or otherwise, of such Person (a) to purchase or pay (or advance or supply funds for the purchase or payment of) such Debt or other obligation (whether arising by virtue of partnership arrangements, by agreement to keep-well, to purchase assets, goods, securities or services, to take-or-pay, or to maintain financial statement conditions or otherwise), or (b) entered into for the purpose of assuring in any other manner the obligee of such Debt or other obligation of the payment thereof or to protect such obligee against loss in respect thereof (in whole or in part), *provided*, *however*, that the term Guarantee shall not include endorsements for collection or deposit in the Ordinary Course of Business. The term "**Guarantee**" used as a verb has a corresponding meaning.

"**Guarantor**" means any Credit Party that has executed or delivered, or shall in the future execute or deliver, any Guarantee of any portion of the Obligations.

"**Hazardous Materials**" means petroleum and petroleum products and compounds containing them, including gasoline, diesel fuel and oil; explosives, flammable materials; radioactive materials; polychlorinated biphenyls and compounds containing them; lead and lead-based paint; asbestos or asbestos-containing materials; underground or above-ground storage tanks, whether empty or containing any substance; any substance the presence of which is prohibited by any Environmental Laws; toxic mold, any substance that requires special handling under Environmental Laws; and any other material or substance now or in the future defined as a "hazardous substance," "hazardous material," "hazardous waste," "toxic substance," "toxic pollutant," "contaminant," "pollutant" or other words of similar import within the meaning of any Environmental Law, including: (a) any "hazardous substance" defined as such in (or for purposes of) CERCLA, or any so-called "superfund" or "superlien" Law, including the judicial interpretation thereof; (b) any "pollutant or contaminant" as defined in 42 U.S.C.A. § 9601(33); (c) any material now defined as "hazardous waste" pursuant to 40 C.F.R. Part 260; (d) any petroleum or petroleum by-products, including crude oil or any fraction thereof; (e) natural gas, natural gas liquids, liquefied natural

gas, or synthetic gas usable for fuel; (f) any "hazardous chemical" as defined pursuant to 29 C.F.R. Part 1910; (g) any toxic or harmful substances, wastes, materials, pollutants or contaminants (including, without limitation, asbestos, polychlorinated biphenyls, flammable explosives, radioactive materials, infectious substances, materials containing lead-based paint or raw materials which include hazardous constituents); and (h) any other toxic substance or contaminant that is subject to any Environmental Laws or other past or present requirement of any Governmental Authority.

"**Hazardous Materials Contamination**" means contamination (whether now existing or hereafter occurring) of the improvements, buildings, facilities, personalty, soil, groundwater, air or other elements on or of the relevant property by Hazardous Materials, or any derivatives thereof, or on or of any other property as a result of Hazardous Materials, or any derivatives thereof, generated on, emanating from or disposed of in connection with the relevant property.

"**Healthcare Laws**" means all applicable Laws relating to the procurement, development, provision, clinical and non-clinical evaluation or investigation, product approval or clearance, manufacture, production, analysis, distribution, dispensing, importation, exportation, use, handling, quality, reimbursement, sale, labeling, advertising, promotion, or postmarket requirements of any drug, medical device, clinical laboratory service, food, dietary supplement, or other product (including, without limitation, any ingredient or component of, or accessory to, the foregoing products) subject to regulation under the Federal Food, Drug and Cosmetic Act, as amended, 21 U.S.C. Section 301, Clinical Laboratory Improvement Amendments of 1988 (42 U.S.C. §263a et seq) and its implementing regulations (42 C.F.R. Part 493), as enforced by CMS, and similar state or foreign laws, controlled substances laws, pharmacy laws, consumer product safety laws, Medicare, Medicaid, TRICARE, HIPAA, the Patient Protection and Affordable Care Act (P.L. 111-1468), all federal and state fraud and abuse laws, including, without limitation, the federal Anti-Kickback Statute (42 U.S.C. §1320a-7b(6)), the Stark Law (42 U.S.C. §1395nn), the civil False Claims Act (31 U.S.C. §3729 et seq.) and all laws, policies, procedures, requirements and regulations pursuant to which Permits are issued, in each case, as the same may be amended from time to time.

"**Indemnified Taxes**" means (a) Taxes, other than Excluded Taxes, imposed on or with respect to any payment made by or on account of any obligation of Borrowers or any other Credit Party under any Financing Documents and (b) to the extent not otherwise described in (a), Other Taxes.

"**Instrument**" means "instrument", as defined in Article 9 of the UCC.

"**Intellectual Property**" means all copyright rights, copyright applications, copyright registrations and like protections in each work of authorship and derivative work, whether published or unpublished, any patents, patent applications and like protections, including improvements, divisions, continuations, renewals, reissues, extensions, and continuations-in-part of the same, trademarks, trade names, service marks, mask works, rights of use of any name, domain names, or any other similar rights, any applications therefor, whether registered or not, know-how, operating manuals, trade secret rights, clinical and non-clinical data, rights to unpatented inventions, and any claims for damage by way of any past, present, or future infringement of any of the foregoing.

"**Interest Period**" means any period commencing on the first day of a calendar month and ending on the last day of such calendar month.

"**Inventory**" means "inventory" as defined in Article 9 of the UCC.

"**Investment**" means, with respect to any Person, directly or indirectly, (a) to purchase or acquire any stock or stock equivalents, or any obligations or other securities of, or any interest in, any Person,

including the establishment or creation of a Subsidiary, (b) to make or otherwise consummate any Acquisition, or (c) make, purchase or hold any advance, loan, extension of credit or capital contribution to or in, or any other investment in, any Person. The amount of any Investment shall be the original cost of such Investment plus the cost of all additions thereto, without any adjustments for increases or decreases in value, or write-ups, write-downs or write-offs with respect thereto.

"**IRS**" has the meaning set forth in Section 2.8(c)(i).

"**Joinder Requirements**" has the meaning set forth in Section 4.11(c).

"**Laws**" means any and all federal, state, provincial, territorial, local and foreign statutes, laws, judicial decisions, regulations, ordinances, rules, judgments, orders, decrees, codes, injunctions, permits, governmental agreements and governmental restrictions, whether now or hereafter in effect, which are applicable to any Credit Party in any particular circumstance. "**Laws**" includes, without limitation, Healthcare Laws and Environmental Laws.

"**L/C Cash Collateral Accounts**" means, collectively, each segregated Deposit Account from time to time identified to Agent in writing established by Borrower for the sole purpose of securing Borrower's obligations under clause (h) of the definition Permitted Contingent Obligations and containing only such cash or Cash Equivalents that have been required to be pledged to secure such obligations of Borrower; *provided*, that the aggregate amount of cash or Cash Equivalents deposited in all such L/C Cash Collateral Account(s) does not, at any time, exceed $250,000 in the aggregate.

"**Lender**" means each of (a) MCF, in its capacity as a lender hereunder, (b) each other Person party hereto in its capacity as a lender hereunder, (c) each other Person that becomes a party hereto as Lender pursuant to Section 11.17, and (d) the respective successors of all of the foregoing, and "**Lenders**" means all of the foregoing.

"**LIBOR Rate**" means, for each Loan, a per annum rate of interest equal to the greater of (a) one and one half percent (1.50%) and (b) the rate determined by Agent (rounded upwards, if necessary, to the next 1/100th%) by *dividing* (i) the Base LIBOR Rate for the Interest Period, *by* (ii) the sum of one *minus* the daily average during such Interest Period of the aggregate maximum reserve requirement (expressed as a decimal) then imposed under Regulation D of the Board of Governors of the Federal Reserve System (or any successor thereto) for "Eurocurrency Liabilities" (as defined therein).

"**Lien**" means, with respect to any asset, any mortgage, lien, pledge, charge, security interest or encumbrance of any kind, in respect of such asset. For the purposes of this Agreement and the other Financing Documents, any Borrower or any Subsidiary shall be deemed to own subject to a Lien any asset which it has acquired or holds subject to the interest of a vendor or lessor under any conditional sale agreement, Capital Lease or other title retention agreement relating to such asset.

"**Litigation**" means any action, suit or proceeding before any court, mediator, arbitrator or Governmental Authority.

"**Loan Account**" has the meaning set forth in Section 2.6(b).

"**Loan(s)**" means the Term Loan and each and every advance under the Term Loan**.** All references herein to the "making" of a Loan or words of similar import mean, with respect to the Term Loan, the making of any advance in respect of a Term Loan.

"**Margin Stock**" means "margin stock" as such term is defined in Regulation T, U, or X of the Board of Governors of the Federal Reserve System.

"**Material Adverse Effect**" means with respect to any event, act, condition or occurrence of whatever nature (including any adverse determination in any litigation, arbitration, or governmental investigation or proceeding), whether singly or in conjunction with any other event or events, act or acts, condition or conditions, occurrence or occurrences, whether or not related, a material adverse change in, or a material adverse effect upon, any of (a) the condition (financial or otherwise), operations, business or properties of the Credit Parties taken as a whole, (b) the rights and remedies of Agent or Lenders under any Financing Document, or the ability of any Credit Party to perform any of its obligations under any Financing Document to which it is a party, (c) the legality, validity or enforceability of any Financing Document, (d) the existence, perfection or priority of any security interest granted to Agent or the Lenders in any Financing Document, except solely as a result of any action or inaction of Agent or any Lender (provided that such action or inaction is not caused by a Credit Party's failure to comply with the terms of the Financing Documents), (e) the value of any material Collateral, or (f) a material impairment of the prospect of repayment of any portion of the Obligations.

"**Material Contracts**" means (a) the agreements listed on Schedule 3.17 and (b) any other agreement or contract to which such Credit Party or its Subsidiaries is a party the termination of which could reasonably be expected to result in a Material Adverse Effect.

"**Material Intangible Assets**" means all of (a) Intellectual Property owned by the Credit Parties or their Subsidiaries and (b) license or sublicense agreements or other agreements with respect to rights in Intellectual Property not owned by a Credit Party or a Subsidiary thereof, in each case, that are material to the condition (financial or other), business or operations of Credit Parties and their Subsidiaries (taken as a whole) as determined by Agent in its reasonable discretion.

"**Maturity Date**" means March 1, 2026.

"**Maximum Lawful Rate**" has the meaning set forth in Section 2.7.

"**MCF**" means MidCap Financial Trust, a Delaware statutory trust, and its successors and assigns.

"**Minimum Net Revenue Threshold**" means, for each Defined Period, the minimum amount set forth on Schedule 6.1 for such Defined Period.

"**Monthly Cash Burn Amount**" means, with respect to Borrowers and their Consolidated Subsidiaries, an amount equal to (a) the Borrowers' and their Consolidated Subsidiaries change in cash and Cash Equivalents, without giving effect to any increase resulting from the proceeds of financings, the sale or issuance of Equity Interests or any other extraordinary receipts, for either (i) the immediately preceding six (6) month period as determined as of the last day of the month immediately preceding the proposed consummation of the applicable Permitted Acquisition and based upon the financial statements delivered to Agent in accordance with this Agreement for such period, or (ii) the immediately succeeding six (6) month period based upon the Transaction Projections delivered with respect to such proposed Permitted Acquisition, using whichever calculation as between clause (i) and clause (ii) demonstrates a higher burn rate (or, in other words, more cash used), in both cases, *divided* by (b) six (6).

"**Multiemployer Plan**" means a multiemployer plan within the meaning of Section 4001(a)(3) of ERISA to which any Borrower or any other member of the Controlled Group (or any Person who in the last five years was a member of the Controlled Group) is making or accruing an obligation to make contributions or has within the preceding five plan years (as determined on the applicable date of determination) made contributions.

"**Net Revenue**" means, for any applicable Defined Period, the consolidated revenue of Borrowers and its Subsidiaries, as determined in accordance with GAAP, generated during such Defined Period through the commercial sale of Products and services by Borrowers or their Subsidiaries to third parties, in all cases, in the Ordinary Course of Business.

"**Notes**" has the meaning set forth in Section 2.3.

"**Notice of Borrowing**" means a notice of a Responsible Officer of Borrower Representative, appropriately completed and substantially in the form of Exhibit D hereto.

"**Obligations**" means all obligations, liabilities and indebtedness (monetary (including, without limitation, the payment of interest and other amounts arising after the commencement of any case with respect to any Credit Party under the Bankruptcy Code or any similar statute which would accrue and become due but for the commencement of such case, whether or not such amounts are allowed or allowable in whole or in part in such case) or otherwise) of each Credit Party under this Agreement or any other Financing Document, in each case howsoever created, arising or evidenced, whether direct or indirect, absolute or contingent, now or hereafter existing, or due or to become due.

"**OFAC**" means the U.S. Department of Treasury Office of Foreign Assets Control.

"**OFAC Lists**" means, collectively, the Specially Designated Nationals and Blocked Persons List maintained by OFAC pursuant to Executive Order No. 13224, 66 Fed. Reg. 49079 (Sept. 25, 2001) and/or any other list of terrorists or other restricted Persons maintained pursuant to any of the rules and regulations of OFAC or pursuant to any other applicable Executive Orders.

"**Ordinary Course of Business**" means, in respect of any transaction involving any Credit Party or any Subsidiary, the ordinary course of business of such Credit Party or Subsidiary, as conducted by such Credit Party or Subsidiary in accordance with past practices.

"**Organizational Documents**" means, with respect to any Person other than a natural person, the documents by which such Person was organized (such as a certificate of incorporation, articles of incorporation, certificate of limited partnership or articles of organization, and including, without limitation, any certificates of designation for preferred stock or other forms of preferred equity) and which relate to the internal governance of such Person (such as by-laws, a partnership agreement or an operating agreement, joint venture agreement, limited liability company agreement or members agreement), including any and all shareholder agreements or voting agreements relating to the capital stock or other Equity Interests of such Person.

"**Other Connection Taxes**" means taxes imposed as a result of a present or former connection between Agent or any Lender and the jurisdiction imposing such tax (other than connections arising from Agent or such Lender having executed, delivered, become a party to, performed its obligations under, received payments under, engaged in any other transaction pursuant to or enforced any Financing Document, or sold or assigned an interest in any Loans or any Financing Document).

"**Other Taxes**" means all present or future stamp, court or documentary, intangible, recording, filing or similar taxes that arise from any payment made under, from the execution, delivery, performance, enforcement or registration of, from the receipt or perfection of a security interest under, or otherwise with respect to, any Financing Document, except any such taxes that are Other Connection Taxes imposed with respect to an assignment (other than an assignment made pursuant to Section 2.8(i)).

"**Participant Register**" has the meaning set forth in Section 11.17(a)(iii).

"**Payment Account**" means the account specified on the signature pages hereof into which all payments by or on behalf of each Borrower to Agent under the Financing Documents shall be made, or such other account as Agent shall from time to time specify by notice to Borrower Representative.

"**PBGC**" means the Pension Benefit Guaranty Corporation and any Person succeeding to any or all of its functions under ERISA.

"**Pension Plan**" means any ERISA Plan that is subject to Section 412 of the Code or Title IV of ERISA.

"**Perfection Certificate**" means the Perfection Certificate delivered to Agent as of the Closing Date, together with any amendments thereto required under this Agreement.

"**Permit**" means all licenses, certificates, accreditations, product clearances or approvals, provider numbers or provider authorizations, supplier numbers, marketing authorizations, drug or device authorizations and approvals, other authorizations, franchises, qualifications, accreditations, registrations, permits, consents and approvals of a Credit Party issued or required under Laws applicable to the business of Borrowers or any of their Subsidiaries or necessary in the manufacturing, importing, exporting, possession, ownership, warehousing, marketing, promoting, sale, labeling, furnishing, distribution or delivery of goods or services under Laws applicable to the business of Borrower or any of its Subsidiaries.

"Permitted Acquisition" means any Acquisition by a Borrower, in each case, to the extent that each of the following conditions shall have been satisfied:

(a) the Borrower Representative shall have delivered to Agent at least ten (10) Business Days (or such shorter period as may be agreed by Agent) prior to the closing of the proposed Acquisition: (i) a description of the proposed Acquisition; (ii) to the extent available in the case of an Acquisition for cash consideration in excess of $1,000,000, a due diligence package (including, to the extent available, a quality of earnings report); and (iii) copies of the respective agreements, documents or instruments pursuant to which such Acquisition is to be consummated (or substantially final drafts thereof), any schedules to such agreements, documents or instruments and all other material ancillary agreements, instruments and documents to be executed or delivered in connection therewith, and, to the extent required to be completed prior to the closing of such Acquisition under the related acquisition agreement and reasonably requested by Agent, all material regulatory and third party approvals and copies of any environmental assessments, if applicable;

(b) the Credit Parties (including any new Subsidiary to the extent required by Section 4.11) shall execute and deliver the agreements, instruments and other documents to the extent required the terms of this Agreement, including, without limitation, by Section 4.11 hereof, including such agreements, instruments and other documents (including those governed by foreign law) necessary to ensure that Agent receives a first priority perfected Lien in all entities and assets acquired in connection with the Acquisition to the extent required by this Agreement;

(c) at the time of such Acquisition and after giving effect thereto, no Event of Default has occurred and is continuing;

(d) the Acquisition would not result in a Change in Control and each Borrower remains a surviving legal entity after such Acquisition;

(e) with respect to any Acquisition involving an in-license to a Credit Party, all such in-licenses or agreements related thereto shall constitute "Collateral" and Agent to have the ability in the event of a liquidation of any Collateral to dispose of such Collateral in accordance with Agent's rights and remedies under this Agreement and the other Financing Documents;

(f) all transactions in connection with such Acquisition shall be consummated in all material respects in accordance with applicable Laws;

(g) the assets acquired in such Acquisition are for use in the same, similar, related or complementary lines of business as the Credit Parties are currently engaged or a similar, related or complementary line of business reasonably related, ancillary or supplemental thereto or incidental thereto or reasonably expansive thereof;

(h) if required, such Acquisition shall have been approved by the board of directors (or other similar body) and/or the stockholders or other equity holders of any Person being acquired in such Acquisition;

(i) no Debt or Liens are assumed or created (other than Permitted Liens and Permitted Debt) in connection with such Acquisition;

(j) Agent shall have received a certificate of a Responsible Officer of the Borrower Representative demonstrating, on a pro forma basis after giving effect to the consummation of such Acquisition, that Credit Parties are in compliance with the financial covenants set forth in Article 6 hereof;

(k) unless Agent shall otherwise consent in writing (in its sole discretion), (x) if the Acquisition is an equity purchase or merger, the target and its Subsidiaries must have as their jurisdiction of formation a state within the United States or the District of Columbia, and (y) if the Acquisition is an asset purchase, not less than 90% of the fair market value of all of the assets so acquired shall be located within (or in the case of Registered Intellectual Property, registered in) the United States; *provided, however,* that this clause (k) shall not be deemed to prohibit Acquisitions of a target having a jurisdiction of organization of Germany or the Netherlands or an asset purchase of assets located in Germany or the Netherlands unless Agent shall determine (in its reasonable discretion) that Agent is unable to obtain Guarantee from the target or to perfect its security interest in the material assets of the target or the material assets acquired by the Credit Parties in connection with such Acquisition under the laws of Germany or the Netherlands (as applicable);

(l) the consideration payable by the Credit Parties and their Subsidiaries in connection with such Acquisition shall consist solely of (x) noncash Equity Interests (other than Disqualified Equity Interest) in Alpha Teknova, Inc. and/or (y) cash and Cash Equivalents not to exceed in the aggregate the cap set forth in clause (m) below;

(m) the sum of all cash amounts (including Cash Equivalents) paid or payable in connection with all Permitted Acquisitions (including all Debt, liabilities and Contingent Obligations (in each case to the extent otherwise permitted hereunder) incurred or assumed and the maximum amount of any royalties, earn-outs or comparable payment obligation in connection therewith, regardless of when due or payable and whether or not reflected on a consolidated balance sheet of Borrowers) (all such consideration, the "**Acquisition Consideration**") shall not exceed $10,000,000 in the aggregate during the term of this Agreement;

(n) prior to the consummation of each such Acquisition, Borrowers have provided a certificate (and such other evidence as Agent may reasonably require) demonstrating to Agent's reasonable satisfaction that, following the consummation of such Acquisition and after giving pro forma effect to the payment of all Acquisition Consideration in connection therewith (including all deferred Acquisition Consideration as if such amounts were payable upon the closing of such Acquisition), Borrowers will have Borrower Unrestricted Cash in an amount equal to or greater than the greater of (x) $20,000,000 and (y) an amount equal to positive value of the product of (I) 12 *multiplied* by (II) the Monthly Cash Burn Amount; *provided*, *however*, that Borrower shall not be required to comply with the requirements of this clause (n) with respect to Acquisitions to the extent the aggregate amount of Acquisition Consideration paid or payable in connection with such Acquisitions (collectively) does not exceed $2,000,000; and

(o) Agent has received, prior to the consummation of such Acquisition, updated financial projections, in form and substance reasonably satisfactory to Agent, for the immediately succeeding four (4) quarters following the proposed consummation of the Acquisition beginning with the quarter during which the Acquisition is to be consummated (the "**Transaction Projections**.")

"**Permitted Asset Dispositions**" means the following Asset Dispositions, *provided*, *however*, that at the time of such Asset Disposition, no Default or Event of Default exists or would result from such Asset Disposition:

(a) dispositions of Inventory in the Ordinary Course of Business and not pursuant to any bulk sale;

(b) dispositions of furniture, fixtures and equipment in the Ordinary Course of Business that the applicable Credit Party or Subsidiary determines in good faith is no longer used or useful in the business of such Credit Party and its Subsidiaries;

(c) expiration, forfeiture, invalidation, cancellation, abandonment or lapse (including, without limitation, the narrowing of claims) of Intellectual Property (other than Material Intangible Assets) that is, in the reasonable good faith judgment of a Credit Party, no longer useful in the conduct of the business of the Credit Parties or any of their Subsidiaries;

(d) the granting of Permitted Licenses and the use of cash and Cash Equivalents to make Permitted Investments;

(e) (i) Asset Dispositions by any Borrower to another Borrower, and (ii) Asset Dispositions by any Guarantor or other Subsidiary to a Borrower or another Credit Party;

(f) sales, forgiveness or discounting, on a non-recourse basis and in the Ordinary Course of Business, of past due Accounts in connection with the settlement of delinquent Accounts or in connection with the bankruptcy or reorganization of suppliers or customers in accordance with the applicable terms of this Agreement;

(g) to the extent constituting an Asset Disposition, the use of cash and Cash Equivalents to make Permitted Investments, Permitted Investments made pursuant to clause (k) of the definition thereof, or the granting of Permitted Liens;

(h) dispositions consisting of the use or payment of cash or Cash Equivalents in the Ordinary Course of Business and in a manner that is not prohibited by the terms of this Agreement or the other Financing Documents;

(i) dispositions of tangible personal property (and not, for the avoidance of doubt, any Intellectual Property or other intangible assets) so long as (i) the assets subject to such Asset Dispositions are sold for fair value, as determined by the Borrowers in good faith, (ii) at least 50% of the consideration therefor is cash or Cash Equivalents and (ii) the aggregate amount of such Asset Dispositions in any twelve (12) month period does not exceed $500,000;

(j) Asset Dispositions (i) by any Borrower to any other Borrower and (ii) by any Guarantor to any Borrower; and

(k) other dispositions approved by Agent from time to time in its sole discretion.

"**Permitted Contest**" means, with respect to any tax obligation or other obligation allegedly or potentially owing from any Credit Party or its Subsidiary to any governmental tax authority or other third party, a contest maintained in good faith by appropriate proceedings promptly instituted and diligently conducted and with respect to which such reserve or other appropriate provision, if any, as shall be required in conformity with GAAP shall have been made on the books and records and financial statements of the applicable Credit Party(ies); *provided*, *however*, that (a) compliance with the obligation that is the subject of such contest is effectively stayed during such challenge; (b) Credit Parties' and their Subsidiaries' title to, and its right to use, the Collateral is not adversely affected thereby and Agent's Lien and priority on the Collateral are not adversely affected, altered or impaired thereby; (c) the Collateral or any part thereof or any interest therein shall not be in any danger of being sold, forfeited or lost by reason of such contest by Credit Parties or their Subsidiaries; and (d) upon a final determination of such contest, Credit Parties and their Subsidiaries shall promptly comply with the requirements thereof.

"**Permitted Contingent Obligations**" means

(a) Contingent Obligations arising in respect of the Debt under the Financing Documents or the Affiliated Financing Documents;

(b) Contingent Obligations resulting from endorsements for collection or deposit in the Ordinary Course of Business;

(c) Contingent Obligations outstanding on the date of this Agreement and set forth on Schedule 5.1 (but not including any refinancings, extensions, increases or amendments to the indebtedness underlying such Contingent Obligations other than extensions of the maturity thereof without any other change in terms);

(d) Contingent Obligations incurred in the Ordinary Course of Business with respect to surety and appeal bonds, performance bonds and other similar obligations not to exceed $250,000 in the aggregate at any time outstanding;

(e) Contingent Obligations arising under indemnity agreements with title insurers to cause such title insurers to issue to Agent mortgagee title insurance policies;

(f) Contingent Obligations arising with respect to customary indemnification obligations in favor of purchasers in connection with dispositions of personal property assets permitted under Section 5.6, or in connection with any other commercial agreement entered into by a Borrower or a Subsidiary thereof in the Ordinary Course of Business;

(g) so long as there exists no Event of Default both immediately before and immediately after giving effect to any such transaction, Contingent Obligations existing or arising under any Swap Contract, *provided*, *however*, that such obligations are (or were) entered into by Borrower or a Subsidiary thereof in the Ordinary Course of Business for the purpose of directly mitigating risks associated with liabilities, commitments, investments, assets, or property held or reasonably anticipated by such Person and not for purposes of speculation;

(h) Contingent Obligations existing or arising in connection with any letter of credit for the primary purpose of securing a lease of real property in the Ordinary Course of Business, provided that the aggregate amount of all such letter of credit reimbursement obligations does not at any time exceed $500,000 outstanding;

(i) unsecured Contingent Obligations arising with respect to customary indemnification obligations, adjustment of purchase price or similar obligations of any Credit Party, to the extent such Contingent Obligations arise in connection with a Permitted Acquisition and such obligations do not exceed the lesser of (i) an amount equal to (x) $2,000,000 minus (y) the amount of any Debt outstanding pursuant to clause (l) of the definition of Permitted Debt and (ii) the cap on Acquisition Consideration set forth in clause (m) or clause (n) of the definition of Permitted Acquisition after taking into account all other Acquisition Consideration paid or payable by Borrowers during the term of this Agreement; *provided* that no payment with respect to such obligations shall be made unless no Event of Default has occurred and is continuing or would result from the making of such payments; and

(j) other Contingent Obligations not permitted by clauses (a) through (i) above, not to exceed $500,000 in the aggregate at any time outstanding.

"**Permitted Debt**" means:

(a) Borrowers' and its Subsidiaries' Debt to Agent and each Lender under this Agreement and the other Financing Documents;

(b) Debt incurred as a result of endorsing negotiable instruments received in the Ordinary Course of Business;

(c) purchase money Debt and Capital Leases not to exceed $1,000,000 in the aggregate at any time (whether in the form of a loan or a lease) used solely to acquire equipment and secured only by such equipment and any Permitted Refinancing thereof;

(d) Debt existing on the date of this Agreement and described on Schedule 5.1 (but not including any refinancings, extensions, increases or amendments to such Debt other than extensions of the maturity thereof without any other change in terms);

(e) so long as there exists no Event of Default both immediately before and immediately after giving effect to any such transaction, Debt existing or arising under any Swap Contract, provided, however, that such obligations are (or were) entered into by Borrower or an Affiliate in the Ordinary Course of Business for the purpose of directly mitigating risks associated with liabilities, commitments, investments, assets, or property held or reasonably anticipated by such Person and not for purposes of speculation;

(f) Debt not to exceed $250,000 in the aggregate at any time outstanding owed to any Person providing property, casualty, liability, or other insurance to the Credit Parties, including to finance insurance premiums , so long as the amount of such Debt is not in excess of the amount of the unpaid cost of, and shall be incurred only to defer the cost of, such insurance for the policy year in which such Debt is incurred and such Debt is outstanding only during such policy year;

(g) Debt consisting of unsecured intercompany loans and advances incurred by (1) any Borrower owing to any other Borrower or (2) any Borrower or any Guarantor owing to any Guarantor; *provided* that any such Debt owed by a Credit Party shall, at the request of Agent, be subordinated to the payment in full of the Obligations pursuant to documentation in form and substance reasonably satisfactory to Agent;

(h) Debt secured solely by cash collateral held in a Credit Card Cash Collateral Account, in an aggregate amount not to exceed $250,000 at any time outstanding, in respect of credit cards, credit card processing services, debit cards, stored value cards, purchase cards (including so-called "procurement cards" or "P-cards") or other similar cash management or merchant services, in each case, incurred in the Ordinary Course of Business;

(i) trade accounts payable arising in the Ordinary Course of Business;

(j) Debt of the Credit Parties incurred under the Affiliated Financing Documents;

(k) to the extent also constituting Permitted Debt (without duplication), Permitted Contingent Obligations;

(l) unsecured earn-out obligations and other similar contingent purchase price obligations constituting Acquisition Consideration and incurred in connection with a Permitted Acquisition (and not including any seller notes or other non-contingent Debt unless otherwise constituting Permitted Debt), in an amount not to exceed the lesser of (i) an amount equal to (x) $2,000,000 minus (y) the amount of any Contingent Obligations outstanding pursuant to clause (i) of the definition of Permitted Contingent Obligations and (ii) the cap on Acquisition Consideration set forth in clause (m) or clause (n) of the definition of Permitted Acquisition after taking into account all other Acquisition Consideration paid or payable by Borrowers during the term of this Agreement; *provided* that no payment with respect to such obligations shall be made unless no Event of Default has occurred and is continuing or would result from the making of such payments;

(m) Subordinated Debt;

(n) unsecured Debt assumed in connection with a Permitted Acquisition up to $500,000; *provided* that such Debt exists at the time such Person becomes a Credit Party or the assets subject to such Debt were acquired and is not created or incurred in connection with or in contemplation thereof;

(o) unsecured obligations in respect of litigation settlement agreements or similar arrangements in an aggregate amount not exceeding $250,000 outstanding at any time; and

(p) other unsecured Debt not to exceed $500,000 in the aggregate at any time at any time outstanding.

"**Permitted Distributions**" means the following Distributions: (a) Distributions by any Subsidiary of a Credit Party to its direct parent; (b) dividends payable solely in common stock (other than Disqualified Equity Interests); (c) repurchases of stock of current or former employees, directors or consultants pursuant to stock purchase agreements so long as an Event of Default does not exist at the time of such repurchase and would not exist after giving effect to such repurchase, provided, however, that such repurchase does not exceed Two Hundred Fifty Thousand Dollars ($250,000) in the aggregate per fiscal year, (d) distributions of Equity Interests (other than Disqualified Equity Interests) upon the conversion or exchange of Equity Interest (including options and warrants) or Subordinated Debt (and payments in respect of fractional shares), (e) payments in lieu of fractional shares of equity securities arising out of stock dividends, splits, combinations or conversions in an aggregate amount not to exceed One Hundred Thousand Dollars ($100,000) during the term of this Agreement; (f) the issuance of its Equity Interests (other than Disqualified Equity Interest) upon the exercise of warrants or options to purchase Equity Interests of Alpha Teknova, Inc.; *provided* that no cash payments are made in connection therewith except for de minimis cash payable in lieu of fractional shares; (g) the distribution of rights pursuant to a stockholder rights plan or redemption of such rights for no or nominal consideration (including, for the avoidance of doubt, cash consideration); *provided* that such redemption is in accordance with the terms of such plan; (h) Distributions in connection with the retention of Equity Interests in payment of withholding taxes in connection with equity-based compensation plans in an aggregate amount not to exceed $250,000 in any twelve (12) month period; and (i) payments or distributions to dissenting stockholders pursuant to applicable Law in connection with any Permitted Acquisition, provided that such amounts when taken together with the aggregate Acquisition Consideration paid or payable for all Permitted Acquisitions shall not exceed the amounts permitted by clause (m) of the definition of Permitted Acquisition.

"**Permitted Investments**" means:

(a) Investments shown on Schedule 5.7 and existing on the Closing Date;

(b) to the extent constituting an Investment, the holding by a Person of cash and Cash Equivalents owned by such Person;

(c) Investments consisting of the endorsement of negotiable instruments for deposit or collection or similar transactions in the Ordinary Course of Business;

(d) Investments consisting of (i) travel advances and employee relocation loans and other employee loans and advances in the Ordinary Course of Business, and (ii) loans to employees, officers or directors relating to the purchase of equity securities of Borrowers or their Subsidiaries pursuant to employee stock purchase plans or agreements approved by Borrowers' Board of Directors (or other governing body), but the aggregate of all such loans and advances outstanding pursuant to this clause (d) may not exceed $250,000 at any time;

(e) Investments (including debt obligations) received in connection with the bankruptcy or reorganization of customers or suppliers and in settlement of delinquent obligations of, and other disputes with, customers or suppliers arising in the Ordinary Course of Business;

(f) Investments consisting of notes receivable of, or prepaid royalties and other credit extensions, to customers and suppliers who are not Affiliates, in the Ordinary Course of Business, *provided, however*, that this clause (f) shall not apply to Investments of any Credit Party in any Subsidiary;

(g) Investments consisting of Deposit Accounts or Securities Accounts;

(h) Investments by any Borrower in (1) any other Borrower, or (2) any other Credit Party organized under the laws of the United States or any State thereof that has provided a Guarantee of the Obligations of the Borrowers which Guarantee is secured by a Lien granted by such Subsidiary to Agent in all or substantially all of its property of the type described in Schedule 9.1 hereto and otherwise made in compliance with Section 4.11(c);

(i) so long as no Event of Default exists or results therefrom, the granting of Permitted Licenses;

(j) Investments constituting Permitted Acquisitions;

(k) so long as no Event of Default exists at the time of such Investment or after giving effect to such Investment, Investments of cash and Cash Equivalents, in an aggregate amount not to exceed $750,000, by Borrower to purchase the undeveloped land located at 2200 Bert Drive, Hollister, CA 95023 on commercially reasonable terms; *provided* that Agent shall receive a mortgage and such other documents as are reasonably necessary or desirable in order for Agent to obtain a first priority perfected security interest (subject to Permitted Liens) in respect of the acquired real property by the date that is forty-five (45) days after the purchase by Borrower thereof;

(l) (i) Non-cash Investments by Borrowers and their Subsidiaries in joint ventures or strategic alliances in the Ordinary Course of Business consisting of the non-exclusive licensing of technology, the development of technology or the providing of technical support; *provided* that no Asset Dispositions are made by Borrowers or their Subsidiaries in connection with such Investments other than Permitted Asset Dispositions and (ii) Investments of cash and Cash Equivalents in joint ventures and strategic alliance in an aggregate amount not to exceed $500,000 in any fiscal year; and

(m) so long as no Event of Default exists at the time of such Investment or after giving effect to such Investment, other Investments of cash and Cash Equivalents in an amount not exceeding Two Hundred Fifty Thousand Dollars ($250,000) in the aggregate at any time outstanding.

"**Permitted License**" means:

(a) any non-exclusive license or sublicense of rights to Intellectual Property (other than any source code licenses or sublicenses thereto) of Borrower or its Subsidiaries so long as all such licenses (i) are granted in the Ordinary Course of Business, (ii) do not result in a legal transfer of title to the licensed property, and (iii) have been granted in exchange for fair consideration;

(b) any exclusive license or sublicense of rights to Intellectual Property (other than any source code licenses or sublicenses thereto thereto) of Borrower or its Subsidiaries so long as such licenses or sublicenses (i) are granted to third parties in the Ordinary Course of Business, (ii) do not result in a legal transfer of title to the licensed property, (iii) have been granted in exchange for fair consideration, (iv) are exclusive solely as to discrete geographical areas outside of the United States (and are not exclusive in any other respect), (v) Borrowers or such Subsidiary has given Agent at least ten (10) days' written notice prior to entering in such license, and (vi) no Event of Default has occurred and is continuing at the time such license or sublicense is granted or would arise from the granting of such license or sublicense; and

(c) any exclusive license or sublicense of rights to Intellectual Property of Borrower or its Subsidiaries so long as such Permitted Licenses have been approved in advance in writing by Agent, in its sole discretion.

"**Permitted Liens**" means:

(a) deposits or pledges of cash arising in the Ordinary Course of Business to secure obligations under workmen's compensation, social security or similar laws, or under unemployment insurance (but excluding Liens arising under ERISA or, with respect to any Pension Plan or Multiemployer Plan, the Code) pertaining to a Borrower's or its Subsidiary's employees, if any;

(b) deposits or pledges of cash and Cash Equivalents in the Ordinary Course of Business to secure leases and other obligations of like nature arising in the Ordinary Course of Business;

(c) carrier's, warehousemen's, mechanic's, workmen's, landlord's, materialmen's or other like Liens on Collateral arising in the Ordinary Course of Business with respect to obligations which are not due, or which are being contested pursuant to a Permitted Contest;

(d) Liens, other than on Collateral that is part of the Borrowing Base, for taxes or other governmental charges not at the time delinquent or thereafter payable without penalty or the subject of a Permitted Contest;

(e) attachments, stay or appeal bonds, judgments and other similar Liens on Collateral for sums not exceeding $250,000 in the aggregate arising in connection with court proceedings; *provided*, *however*, that the execution or other enforcement of such Liens is effectively stayed and the claims secured thereby are the subject of a Permitted Contest;

(f) Liens with respect to real estate, easements, rights of way, restrictions, minor defects or irregularities of title, none of which, individually or in the aggregate, materially interfere with the benefits of the security intended to be provided by the Security Documents, materially affect the value or marketability of the Collateral, impair the use or operation of the Collateral for the use currently being made thereof or impair Borrowers' ability to pay the Obligations in a timely manner or impair the use of the Collateral or the ordinary conduct of the business of any Borrower or any Subsidiary and which, in the case of any real estate that is part of the Collateral, are set forth as exceptions to or subordinate matters in the title insurance policy accepted by Agent insuring the lien of the Security Documents;

(g) Liens and encumbrances in favor of Agent under the Financing Documents;

(h) Liens existing on the date hereof and set forth on Schedule 5.2 and Liens granted in a Permitted Refinancing of the obligations or liabilities secured by such Liens;

(i) any Lien on any equipment securing Debt permitted under clause (c) of the definition of Permitted Debt, *provided*, *however*, that such Lien attaches concurrently with or within one hundred twenty (120) days after the acquisition thereof and Liens incurred in a Permitted Refinancing of such Debt secured by such Liens;

(j) Liens that are rights of set-off, bankers' liens or similar non-consensual Liens relating to deposit or securities accounts in favor of banks, other depositary institutions and securities intermediaries solely to secure payment of fees and similar costs and expenses and arising in the Ordinary Course of Business;

(k) purported Liens evidenced by the filing of precautionary UCC financing statements relating solely to operating leases or consignments of personal property entered into the Ordinary Course of Business;

(l) Liens granted in the Ordinary Course of Business on the unearned portion of insurance premiums securing the financing of insurance premiums to the extent the financing is permitted clause (f) of the definition of Permitted Debt;

(m) Liens in favor of customs and revenue authorities arising as a matter of Law to secure payment of customs duties in connection with the importation of goods in the Ordinary Course of Business;

(n) Leases or subleases of real property granted in the Ordinary Course of Business;

(o) Liens solely in respect of the Credit Card Cash Collateral Accounts and amounts deposited therein to the extent securing obligations permitted pursuant to clause (h) of the definition of Permitted Debt;

(p) Liens solely in respect of the L/C Cash Collateral Accounts and amounts deposited therein to the extent securing obligations permitted pursuant to clause (h) of the definition of Permitted Contingent Obligations;

(q) Liens, deposits and pledges encumbering cash, Cash Equivalents with a value not to exceed Two Hundred Fifty Thousand Dollars ($250,000) in the aggregate at any time, to secure the performance of bids, tenders, contracts (other than contracts for the payment of money), public or statutory obligations, surety, indemnity, performance or other similar bonds or other similar obligations arising in the Ordinary Course of Business;

(r) Liens and encumbrances in favor of the holders of the Affiliated Financing Documents; and

(s) to the extent constituting a Lien, the granting of a Permitted License.

"**Permitted Modifications**" means (a) such amendments or other modifications to a Borrower's or Subsidiary's Organizational Documents as are required under this Agreement or by applicable Law, and (b) such amendments or modifications to a Borrower's or Subsidiary's Organizational Documents (other than those involving a change in the name of a Borrower or Subsidiary or involving a reorganization of a Borrower or Subsidiary under the laws of a different jurisdiction) that would not adversely affect the rights and interests of Agent or Lenders in any material respect.

"**Permitted Refinancing**" means Debt constituting a refinancing, extension or renewal of Debt; provided that the refinanced, extended, or renewed Debt (a) has an aggregate outstanding principal amount not greater than the aggregate principal amount of the Debt being refinanced or extended (plus any reasonable and customary interest, fees, premiums and costs and expenses) (b) has a weighted average maturity (measured as of the date of such refinancing or extension) and maturity no shorter than that of the Debt being refinanced or extended, (c) is not entered into as part of a sale leaseback transaction, (d) is not

secured by a Lien on any assets other than the collateral securing the Debt being refinanced or extended, (e) the obligors of which are the same as the obligors of the Debt being refinanced or extended and (f) is otherwise on terms no less favorable to Credit Parties and their Subsidiaries, taken as a whole, than those of the Debt being refinanced or extended.

"**Person**" means any natural person, corporation, limited liability company, professional association, limited partnership, general partnership, joint stock company, joint venture, association, company, trust, bank, trust company, land trust, business trust or other organization, whether or not a legal entity, and any Governmental Authority.

"**Prepayment Fee**" has the meaning set forth in Section 2.2.

"**Pro Rata Share**" means (a) with respect to a Lender's obligation to make advances in respect of a Term Loan and such Lender's right to receive payments of principal and interest with respect to the Term Loans, the Term Loan Commitment Percentage of such Lender in respect of such Term Loan, and (b) for all other purposes (including, without limitation, the indemnification obligations arising under Section 11.6) with respect to any Lender, the percentage obtained by *dividing* (i) the Term Loan Commitment Amount of such Lender (or, in the event the Term Loan Commitment shall have been terminated, such Lender's then outstanding principal advances of such Lender under the Term Loan), *by* (ii) the sum of the Term Loan Commitment (or, in the event the Term Loan Commitment shall have been terminated, the then outstanding principal advances of such Lenders under the Term Loan) of all Lenders.

"**Products**" means, from time to time, any products currently manufactured, sold, developed, tested or marketed by any Borrower or any of its Subsidiaries.

"**Qualifying IPO**" means the issuance and sale by Alpha Teknova, Inc. of its common stock in an underwritten public offering (other than a public offering pursuant to a registration statement on Form S-8) pursuant to an effective registration statement (whether alone or in connection with a secondary public offering) filed with the SEC in accordance with the Securities Act of 1933, as amended, following which Alpha Teknova, Inc.'s common stock is listed on a nationally-recognized stock exchange in the United States.

"**Registered Intellectual Property**" means any patent, registered trademark or servicemark, registered copyright, registered mask work, or any pending application for any of the foregoing.

"**Required Lenders**" means at any time Lenders holding (a) fifty percent (50%) or more of the sum of the applicable Term Loan Commitment (taken as a whole), or (b) if the Term Loan Commitments have been terminated or expired, fifty percent (50%) or more of the then aggregate outstanding principal balance of the applicable tranche of Term Loans.

"**Resolution Authority**" means an EEA Resolution Authority or, with respect to any UK Financial Institution, a UK Resolution Authority.

"**Responsible Officer**" means any of the President, Chief Executive Officer, Chief Financial Officer, General Counsel or any other officer of the applicable Borrower requested by the Borrower and acceptable to Agent.

"**Revolving Loans**" has the meaning set forth in the Affiliated Credit Agreement.

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

"**Securities Account**" means a "securities account" (as defined in Article 9 of the UCC), an investment account, or other account in which investment property or securities are held or invested for credit to or for the benefit of any Borrower.

"**Securities Account Control Agreement**" means an agreement, in form and substance satisfactory to Agent, among Agent, any applicable Borrower and each securities intermediary in which such Borrower maintains a Securities Account pursuant to which Agent shall obtain "control" (as defined in Article 9 of the UCC) over such Securities Account.

"**Security Document**" means this Agreement and each other agreement, document or instrument executed concurrently herewith or at any time hereafter pursuant to which one or more Credit Parties or any other Person either (a) Guarantees payment or performance of all or any portion of the Obligations, and/or (b) provides, as security for all or any portion of the Obligations, a Lien on any of its assets in favor of Agent for its own benefit and the benefit of the Lenders, as any or all of the same may be amended, supplemented, restated or otherwise modified from time to time.

"**Solvent**" means, with respect to any Person, that such Person (a) owns and will own assets the fair saleable value of which are (i) greater than the total amount of its debts and liabilities (including subordinated and Contingent Obligations), and (ii) greater than the amount that will be required to pay the probable liabilities of its then existing debts as they become absolute and matured considering all financing alternatives and potential asset sales reasonably available to it; (b) has capital that is not unreasonably small in relation to its business as presently conducted or after giving effect to any contemplated transaction; and (c) does not intend to incur and does not believe that it will incur debts beyond its ability to pay such debts as they become due.

"**Stated Rate**" has the meaning set forth in Section 2.7.

"**Subordinated Debt**" means any Debt of Borrowers incurred pursuant to the terms of the Subordinated Debt Documents and with the prior written consent of Agent, all of which documents must be in form and substance reasonably acceptable to Agent in its sole discretion. As of the Closing Date, there is no Subordinated Debt.

"**Subordinated Debt Documents**" means any documents evidencing and/or securing Debt governed by a Subordination Agreement, all of which documents must be in form and substance acceptable to Agent in its sole discretion. As of the Closing Date, there are no Subordinated Debt Documents.

"**Subordination Agreement**" means each agreement between Agent and another creditor of the Credit Parties, as the same may be amended, supplemented, restated or otherwise modified from time to time in accordance with the terms thereof, pursuant to which the Debt owing from any Credit Party and/or the Liens securing such Debt granted by any Credit Party to such creditor are subordinated in any way to the Obligations and the Liens created under the Security Documents, the terms and provisions of such Subordination Agreements to have been agreed to by and be acceptable to Agent in the exercise of its sole discretion.

"**Subsidiary**" means, with respect to any Person, (a) any corporation (or any foreign equivalent thereof) of which an aggregate of more than fifty percent (50%) of the outstanding capital stock having ordinary voting power to elect a majority of the board of directors of such corporation (irrespective of whether, at the time, capital stock of any other class or classes of such corporation shall have or might have voting power by reason of the happening of any contingency) is at the time, directly or indirectly, owned legally or beneficially by such Person or one or more Subsidiaries of such Person, or with respect to which any such Person has the right to vote or designate the vote of more than fifty percent (50%) of such capital

stock whether by proxy, agreement, operation of law or otherwise, and (b) any partnership or limited liability company (or any foreign equivalent thereof) in which such Person and/or one or more Subsidiaries of such Person shall have an interest (whether in the form of voting or participation in profits or capital contribution) of more than fifty percent (50%) or of which any such Person is a general partner or may exercise the powers of a general partner. Unless the context otherwise requires, each reference to a Subsidiary shall be a reference to a Subsidiary of a Borrower.

"**Swap Contract**" means any "swap agreement", as defined in Section 101 of the Bankruptcy Code, that is obtained by Borrower to provide protection against fluctuations in interest or currency exchange rates, but only if Agent provides its prior written consent to the entry into such "swap agreement".

"**Taxes**" means all present or future taxes, levies, imposts, duties, deductions, withholdings (including backup withholding), assessments, fees or other charges imposed by any Governmental Authority, including any interest, additions to tax or penalties applicable thereto.

"**Termination Date**" means the earliest to occur of (a) the Maturity Date, (b) any date on which the maturity of the Loans is accelerated pursuant to Section 10.2, or (c) the termination date stated in any notice of termination of this Agreement provided by Borrowers or Agent or Required Lenders in accordance with Section 2.12.

"**Term Loan**" means, collectively, the Term Loan Tranche 1, Term Loan Tranche 2 and Term Loan Tranche 3.

"**Term Loan Commitment**" means the sum of each Lender's Term Loan Commitment Amount.

"**Term Loan Commitment Amount**" means, with respect to each Lender, the sum of such Lender's Term Loan Tranche 1 Commitment Amount, Term Loan Tranche 2 Commitment Amount and Term Loan Tranche 3 Commitment Amount.

"**Term Loan Commitment Percentage**" means, as to any Lender with respect to each of such Lender's Term Loan Commitments, (a) on the Closing Date, with respect to each tranche of the Term Loan, the applicable percentage set forth opposite such Lender's name on the Commitment Annex under the column "Term Loan Tranche 1 Commitment Percentage," "Term Loan Tranche 2 Commitment Percentage" and "Term Loan Tranche 3 Commitment Percentage" (if such Lender's name is not so set forth thereon, then, on the Closing Date, such percentage for such Lender shall be deemed to be zero), and (b) on any date following the Closing Date, as applicable to each tranche of Term Loan, the percentage equal to (i) the Term Loan Tranche 1 Commitment of such Lender on such date *divided by* the aggregate Term Loan Tranche 1 Commitments on such date, (ii) the Term Loan Tranche 2 Commitment of such Lender of such date *divided* by the aggregate Term Loan Tranche 2 Commitments on such date, or (iii) the Term Loan Tranche 3 Commitment of such Lender on such date *divided by* the aggregate Term Loan Tranche 3 Commitments on such date.

"**Term Loan Tranche 1**" has the meaning set forth in Section 2.1(a)(i)(A).

"**Term Loan Tranche 1 Commitment Amount**" means, with respect to each Lender, the amount set forth opposite such Lender's name on Annex A hereto under the caption "Term Loan Tranche 1 Commitment Amount", as amended from time to time to reflect any permitted and effective assignments and as such amount may be reduced or terminated pursuant to this Agreement.

"**Term Loan Tranche 1 Commitments**" means the sum of each Lender's Term Loan Tranche 1 Commitment Amount.

"**Term Loan Tranche 2**" has the meaning set forth in Section 2.1(a)(i)(B).

"**Term Loan Tranche 2 Activation Date**" means September 30, 2021 unless the Term Loan Tranche 2 Commitment Termination Date occurs prior thereto.

"**Term Loan Tranche 2 Commitment Amount**" means, with respect to each Lender, the amount set forth opposite such Lender's name on Annex A hereto under the caption "Term Loan Tranche 2 Commitment Amount", as amended from time to time to reflect any permitted and effective assignments and as such amount may be reduced or terminated pursuant to this Agreement.

"**Term Loan Tranche 2 Commitment Termination Date**" means the earlier of (a) December 31, 2021 and (b) the date on which Agent provides notice to the Credit Parties, following the occurrence of an Event of Default (which has not been waived or cured as of the date such notice is given), that the Term Loan Tranche 2 Commitments have been terminated.

"**Term Loan Tranche 2 Commitments**" means the sum of each Lender's Term Loan Tranche 2 Commitment Amount.

"**Term Loan Tranche 3**" has the meaning set forth in Section 2.1(a)(i)(C).

"**Term Loan Tranche 3 Activation Date**" means January 1, 2022 unless the Term Loan Tranche 3 Commitment Termination Date occurs prior thereto.

"**Term Loan Tranche 3 Commitment Amount**" means, with respect to each Lender, the amount set forth opposite such Lender's name on Annex A hereto under the caption "Term Loan Tranche 3 Commitment Amount", as amended from time to time to reflect any permitted and effective assignments and as such amount may be reduced or terminated pursuant to this Agreement.

"**Term Loan Tranche 3 Commitment Termination Date**" means the earlier of (a) September 30, 2022 and (b) the date on which Agent provides notice to the Credit Parties, following the occurrence of an Event of Default (which has not been waived or cured as of the date such notice is given), that the Term Loan Tranche 3 Commitments have been terminated.

"**Term Loan Tranche 3 Commitments**" means the sum of each Lender's Term Loan Tranche 3 Commitment Amount.

"**THP**" means, collectively, Telegraph Hill Partners IV, L.P. and Telegraph IV Affiliates LLC.

"**Tranche 3 EBITDA Certificate**" means a certificate, duly executed by a Responsible Officer of Borrower Representative, appropriately completed and substantially in the form of Exhibit F hereto.

"**UCC**" means the Uniform Commercial Code of the State of New York or of any other state the laws of which are required to be applied in connection with the perfection of security interests in any Collateral.

"**UK Financial Institution**" means any BRRD Undertaking (as such term is defined under the PRA Rulebook (as amended form time to time) promulgated by the United Kingdom Prudential Regulation Authority) or any person falling within IFPRU 11.6 of the FCA Handbook (as amended from time to time) promulgated by the United Kingdom Financial Conduct Authority, which includes certain credit institutions and investment firms, and certain affiliates of such credit institutions or investment firms.

"**UK Resolution Authority**" means the Bank of England or any other public administrative authority having responsibility for the resolution of any UK Financial Institution.

"**United States**" means the United States of America.

"**U.S. Tax Compliance Certificate**" has the meaning set forth in Section 2.8(c)(i).

"**Withholding Agent**" means any Borrower or Agent.

"**Write-Down and Conversion Powers**" (a) with respect to any EEA Resolution Authority, the write-down and conversion powers of such EEA Resolution Authority from time to time under the Bail-In Legislation for the applicable EEA Member Country, which write-down and conversion powers are described in the EU Bail-In Legislation Schedule, and (b) with respect to the United Kingdom, any powers of the applicable Resolution Authority under the Bail-In Legislation to cancel, reduce, modify or change the form of a liability of any UK Financial Institution or any contract or instrument under which that liability arises, to convert all or part of that liability into shares, securities or obligations of that person or any other person, to provide that any such contract or instrument is to have effect as if a right had been exercised under it or to suspend any obligation in respect of that liability or any of the powers under that Bail-In Legislation that are related to or ancillary to any of those powers.

Section 1.2 Accounting Terms and Determinations. Unless otherwise specified herein, all accounting terms used herein shall be interpreted, all accounting determinations hereunder (including, without limitation, determinations made pursuant to the exhibits hereto) shall be made, and all financial statements required to be delivered hereunder shall be prepared on a consolidated basis in accordance with GAAP applied on a basis consistent with the most recent audited consolidated financial statements of each Borrower and its Consolidated Subsidiaries delivered to Agent and each of the Lenders on or prior to the Closing Date, except with respect to unaudited financial statements (i) for non-compliance with FAS 123R, and (ii) for the absence of footnotes and subject to year-end audit adjustments; provided that (x) all obligations of any Person that are or would have been treated as operating leases for purposes of GAAP prior to the issuance by the Financial Accounting Standards Board on February 25, 2016 of an Accounting Standards Update (the "ASU") shall continue to be accounted for as operating leases for purposes of all financial definitions, calculations and covenants for purposes of this Agreement (whether or not such operating lease obligations were in effect on such date), notwithstanding the fact that such obligations are required in accordance with the ASU (on a prospective or retroactive basis or otherwise) to be treated as capitalized lease obligations in accordance with GAAP. If at any time any change in GAAP would affect the computation of any financial ratio or financial requirement set forth in any Financing Document, and either Borrowers or the Required Lenders shall so request, Agent, the Lenders and Borrowers shall negotiate in good faith to amend such ratio or requirement to preserve the original intent thereof in light of such change in GAAP (subject to the approval of the Required Lenders); *provided*, *however*, that until so amended, (a) such ratio or requirement shall continue to be computed in accordance with GAAP prior to such change therein and (b) Borrowers shall provide to Agent and the Lenders financial statements and other documents required under this Agreement which include a reconciliation between calculations of such ratio or requirement made before and after giving effect to such change in GAAP. Notwithstanding any other provision contained herein, all terms of an accounting or financial nature used herein shall be construed, and all computations of amounts and ratios referred to herein shall be made, without giving effect to any election under Statement of Financial Accounting Standards 159 (or any other Financial Accounting Standard having a similar result or effect) to value any Debt or other liabilities of any Credit Party or any Subsidiary of any Credit Party at "fair value", as defined therein.

Section 1.3 Other Definitional and Interpretive Provisions. References in this Agreement to "Articles", "Sections", "Annexes", "Exhibits", or "Schedules" shall be to Articles, Sections, Annexes,

Exhibits or Schedules of or to this Agreement unless otherwise specifically provided. Any term defined herein may be used in the singular or plural. "Include", "includes" and "including" shall be deemed to be followed by "without limitation". Except as otherwise specified or limited herein, references to any Person include the successors and assigns of such Person. References "from" or "through" any date mean, unless otherwise specified, "from and including" or "through and including", respectively. References to any statute or act shall include all related current regulations and all amendments and any successor statutes, acts and regulations. All amounts used for purposes of financial calculations required to be made herein shall be without duplication. References to any statute or act, without additional reference, shall be deemed to refer to federal statutes and acts of the United States. References to any agreement, instrument or document shall include all schedules, exhibits, annexes and other attachments thereto. References to capitalized terms that are not defined herein, but are defined in the UCC, shall have the meanings given them in the UCC. All references herein to times of day shall be references to daylight or standard time, as applicable. All references herein to a merger, transfer, consolidation, amalgamation, assignment, sale or transfer, or analogous term, will be construed to mean also a division of or by a limited liability company, as if it were a merger, transfer, consolidation, amalgamation, assignment, sale or transfer, or similar term, as applicable. Any series of limited liability company shall be considered a separate Person.

Section 1.4 Settlement and Funding Mechanics. Unless otherwise specified herein, the settlement of all payments and fundings hereunder between or among the parties hereto shall be made in lawful money of the United States and in immediately available funds.

Section 1.5 Time is of the Essence. Time is of the essence in Borrower's and each other Credit Party's performance under this Agreement and all other Financing Documents.

Section 1.6 Time of Day. Unless otherwise specified, all references herein to times of day shall be references to Eastern time (daylight savings or standard, as applicable).

ARTICLE 2 - LOANS

Section 2.1 Loans.

(a) Term Loans.

(i) Term Loan Amounts.

(A) On the terms and subject to the conditions set forth herein and in the other Financing Documents, each Lender with a Term Loan Tranche 1 Commitment Amount severally hereby agrees to make to Borrowers a Term Loan on the Closing Date in an original aggregate principal amount equal to the Term Loan Tranche 1 Commitments (the "**Term Loan Tranche 1**"). Each such Lender's obligation to fund the Term Loan Tranche 1 shall be limited to such Lender's Term Loan Tranche 1 Commitment Percentage, and no Lender shall have any obligation to fund any portion of any Term Loan required to be funded by any other Lender, but not so funded.

(B) On the terms and subject to the conditions set forth herein and in the other Financing Documents, each Lender with a Term Loan Tranche 2 Commitment Amount severally hereby agrees to make to Borrowers a Term Loan on a Business Day occurring on or after the Term Loan Tranche 2 Activation Date and on or prior to the Term Loan Tranche 2 Commitment Termination Date (the "**Term Loan Tranche 2 Funding Date**") in an original aggregate principal amount equal to the Term Loan Tranche 2 Commitments (the "**Term Loan Tranche 2**"). Each such Lender's obligation to fund the

Term Loan Tranche 2 shall be limited to such Lender's Term Loan Tranche 2 Commitment Percentage, and no Lender shall have any obligation to fund any portion of any Term Loan required to be funded by any other Lender, but not so funded. Unless previously terminated, upon the Term Loan Tranche 2 Commitment Termination Date, the Term Loan Tranche 2 Commitments shall thereupon automatically be terminated and the Term Loan Tranche 2 Commitment Amount of each Lender as of such date shall be reduced by such Lender's Pro Rata Share of such total reduction in the Term Loan Commitments. Without limiting the foregoing, until the Term Loan Tranche 2 Activation Date has occurred, no Borrower shall be entitled to request and no Lender shall be required to advance any principal amount in respect of the Term Loan Tranche 2.

(C) On the terms and subject to the conditions set forth herein and in the other Financing Documents, each Lender with a Term Loan Tranche 3 Commitment Amount severally hereby agrees to make to Borrowers a Term Loan on a Business Day occurring on or after the Term Loan Tranche 3 Activation Date and on or prior to the Term Loan Tranche 3 Commitment Termination Date (the "**Term Loan Tranche 3 Funding Date**") in an original aggregate principal amount equal to the Term Loan Tranche 3 Commitments (the "**Term Loan Tranche 3**"). Each such Lender's obligation to fund the Term Loan Tranche 3 shall be limited to such Lender's Term Loan Tranche 3 Commitment Percentage, and no Lender shall have any obligation to fund any portion of any Term Loan required to be funded by any other Lender, but not so funded. Unless previously terminated, upon the Term Loan Tranche 3 Commitment Termination Date, the Term Loan Tranche 3 Commitments shall thereupon automatically be terminated and the Term Loan Tranche 3 Commitment Amount of each Lender as of such date shall be reduced by such Lender's Pro Rata Share of such total reduction in the Term Loan Commitments. Without limiting the foregoing, until the Term Loan Tranche 3 Activation Date has occurred, no Borrower shall be entitled to request and no Lender shall be required to advance any principal amount in respect of the Term Loan Tranche 3.

(D) No Borrower shall have any right to reborrow any portion of the Term Loan that is repaid or prepaid from time to time. Borrowers shall deliver to Agent a Notice of Borrowing with respect to each proposed Term Loan advance, such Notice of Borrowing to be delivered, (i) in the case of a Term Loan Tranche 1 borrowing, no later than 12:00 P.M. (Eastern time) on the Closing Date or (ii) in the case of a Term Loan Tranche 2 or Term Loan Tranche 3 borrowing, no later than 1:00 P.M. (Eastern time) ten (10) Business Days (or such shorter period as may be agreed by Agent and the Lenders) prior to such proposed borrowing.

(ii) Scheduled Repayments; Mandatory Prepayments; Optional Prepayments.

(A) There shall become due and payable, and Borrowers shall repay each Term Loan through, scheduled principal payments as set forth on Schedule 2.1 attached hereto. Notwithstanding the payment schedule set forth above, the outstanding principal amount of each Term Loan shall become immediately due and payable in full on the Termination Date.

(B) There shall become due and payable and Borrowers shall prepay the Term Loan in the following amounts and at the following times:

(i) Unless Agent shall otherwise consent in writing, subject to Borrower's option to apply casualty proceeds in accordance with the last

sentence of this Section 2.1(a)(ii), within five (5) Business Days of the date on which any Credit Party (or Agent as loss payee or assignee) receives any casualty proceeds in excess of $500,000 with respect to assets upon which Agent maintained a Lien, an amount equal to one hundred percent (100%) of such proceeds (net of out-of-pocket expenses and repayment of secured debt permitted under clause (c) of the definition of Permitted Debt and encumbering the property that suffered such casualty), or such lesser portion of such proceeds as Agent shall elect to apply to the Obligations;

(ii) an amount equal to any interest that is deemed to be in excess of the Maximum Lawful Rate (as defined below) and is required to be applied to the reduction of the principal balance of the Loans by any Lender as provided for in Section 2.7; and

(iii) without limiting Section 5.6(b), unless Agent shall otherwise consent in writing, within five (5) Business Days of receipt by any Credit Party of the proceeds of any Asset Disposition that is not made in the Ordinary Course of Business greater than $1,000,000, an amount equal to one hundred percent (100%) of the net cash proceeds of such Asset Disposition (net of out of pocket expenses and repayment of secured debt permitted under clause (c) of the definition of Permitted Debt and encumbering such asset and any and all fees, costs, expenses and taxes incurred in connection with such Asset Disposition), or such lesser portion as Agent shall elect to apply to the Obligations.

Notwithstanding the foregoing and so long as no Event of Default or Default then exists: (1) any such casualty proceeds in excess of $500,000 may be used by Borrowers within one hundred eighty (180) days from the receipt of such proceeds to replace or repair any assets in respect of which such proceeds were paid so long as such proceeds are deposited into a Deposit Account that is subject to a Deposit Account Control Agreement promptly upon receipt by such Borrower; and (2) proceeds of personal property Asset Dispositions that are not made in the Ordinary Course of Business may be used by Borrowers within one hundred eighty (180) days from the receipt of such proceeds to purchase new or replacement assets of comparable value, provided, however, that such proceeds are deposited into a Deposit Account that is subject to a Deposit Account Control Agreement promptly upon receipt by such Borrower. All sums held by Agent pending reinvestment as described in subsections (1) and (2) above shall be deemed additional collateral for the Obligations and may be commingled with the general funds of Agent.

(C) Borrowers may from time to time, with at least five (5) Business Days prior irrevocable written notice (which notice may be conditioned on the closing of a refinancing or other applicable transaction) to Agent, prepay the Term Loans in whole by tranche but not in part (other than mandatory partial prepayments required under this Agreement); *provided*, that such prepayment shall be accompanied by all prepayment fees or other fees required hereunder and any fees required under the Fee Letter or any Financing Document in connection with such prepayments.

(iii) All Prepayments. Except as this Agreement may specifically provide otherwise, all prepayments of the Term Loan shall be applied by Agent to the Obligations in inverse order of maturity. The monthly payments required under Schedule 2.1 shall continue in the same amount (for so long as the Term Loan and/or (if applicable) any advance thereunder shall remain outstanding) notwithstanding any partial prepayment, whether mandatory or optional, of the Term Loan. Notwithstanding anything to the contrary contained in the foregoing, in the event that there have been multiple advances under the Term Loan each of which such advances has a separate

amortization schedule of principal payments under Schedule 2.1 attached hereto, each prepayment of the Term Loan shall be applied by Agent to reduce and prepay the principal balance of the earliest-made advance then outstanding in the inverse order of maturity of the scheduled payments with respect to such advance until such earliest-made advance is paid in full (and to the extent the total amount of any such partial prepayment shall exceed the outstanding principal balance of such earliest-made advance, the remainder of such prepayment shall be applied successively to the remaining advances under the Term Loan in the direct order of the respective advance dates in the manner provided for in this sentence).

(iv) LIBOR Rate.

(A) Except as provided in subsection (C) below, the Term Loan shall accrue interest at the LIBOR Rate *plus* the Applicable Margin.

(B) The LIBOR Rate may be adjusted by Agent with respect to any Lender on a prospective basis to take into account any additional or increased costs to such Lender of maintaining or obtaining any eurodollar deposits or increased costs, in each case, due to changes in applicable Law occurring subsequent to the commencement of the then applicable Interest Period, including changes in tax laws (except changes of general applicability in corporate income tax laws) and changes in the reserve requirements imposed by the Board of Governors of the Federal Reserve System (or any successor), which additional or increased costs would increase the cost of funding loans bearing interest based upon the LIBOR Rate; *provided*, *however*, that notwithstanding anything in this Agreement to the contrary, (i) the Dodd-Frank Wall Street Reform and Consumer Protection Act and all requests, rules, guidelines or directives thereunder or issued in connection therewith and (ii) all requests, rules, guidelines or directives promulgated by the Bank for International Settlements, the Basel Committee on Banking Supervision (or any successor or similar authority) or the United States or foreign regulatory authorities, in each case pursuant to Basel III, shall in each case be deemed to be a "change in applicable Law", regardless of the date enacted, adopted or issued. In any such event, the affected Lender shall give Borrowers and Agent notice of such a determination and adjustment and Agent promptly shall transmit the notice to each other Lender and, upon its receipt of the notice from the affected Lender, Borrowers may, by notice to such affected Lender (I) require such Lender to furnish to Borrowers a statement setting forth the basis for adjusting such LIBOR Rate and the method for determining the amount of such adjustment, or (II) repay the Loans bearing interest based upon the LIBOR Rate with respect to which such adjustment is made.

(C) In the event that any change in market conditions or any law, regulation, treaty, or directive, or any change therein or in the interpretation of application thereof, shall at any time after the date hereof, in the reasonable opinion of any Lender, make it unlawful or impractical for such Lender to maintain Loans bearing interest based upon the LIBOR Rate or to continue such maintaining, or to determine or charge interest rates at the LIBOR Rate, such Lender shall give notice of such changed circumstances to Agent and Borrowers and Agent promptly shall transmit the notice to each other Lender, (I) in the case of the pro rata share of the Term Loan held by such Lender and then outstanding, the date specified in such Lender's notice shall be deemed to be the last day of the Interest Period of such portion of the Term Loan, and interest upon such portion thereafter shall accrue interest at the Base Rate *plus* the Applicable Margin, and (II) such portion of the Term Loan shall continue to accrue interest at the Base Rate *plus* the Applicable Margin until such Lender determines that it would no longer be unlawful or impractical to maintain such Term Loan at the LIBOR Rate.

(D) Anything to the contrary contained herein notwithstanding, neither Agent nor any Lender is required actually to acquire eurodollar deposits to fund or otherwise match fund any Obligation as to which interest accrues based on the LIBOR Rate.

(b) Reserved.

Section 2.2 Interest, Interest Calculations and Certain Fees.

(a) Interest. From and following the Closing Date, except as expressly set forth in this Agreement, Loans and the other Obligations shall bear interest at the sum of the LIBOR Rate *plus* the Applicable Margin. Interest on the Loans shall be paid monthly in arrears on the first (1st) day of each month and on the maturity of such Loans, whether by acceleration or otherwise. Interest on all other Obligations shall be payable upon demand.

(b) Reserved.

(c) Fee Letter. In addition to the other fees set forth herein, the Borrowers agree to pay Agent the fees set forth in the Fee Letter.

(d) Reserved.

(e) Reserved.

(f) Origination Fee. Contemporaneous with Borrowers execution of this Agreement, Borrowers shall pay Agent, for the pro rata benefit of all Lenders committed to make Term Loans on the Closing Date, a fee in an amount equal to $110,000. All fees payable pursuant to this paragraph shall be deemed fully earned when due and payable and, once paid, shall be non-refundable.

(g) Reserved.

(h) Prepayment Fee. If any advance under the Term Loan is prepaid at any time, in whole or in part, for any reason (whether by voluntary or mandatory prepayment by Borrower, by reason of the occurrence of an Event of Default or otherwise, or if the Term Loan shall become accelerated (including any automatic acceleration due to the occurrence of an Event of Default described in Section 10.1(f)) or otherwise) and due and payable in full, Borrowers shall pay to Agent, for the benefit of all Lenders committed to make Term Loan advances, as compensation for the costs of such Lenders making funds available to Borrowers under this Agreement, a prepayment fee (the "**Prepayment Fee**") calculated in accordance with this subsection. The Prepayment Fee shall be equal to an amount determined by *multiplying* the amount being prepaid (or required to be prepaid, if such amount is greater) *by* the following applicable percentage amount: (x) three percent (3.0%) for the first year following the Closing Date, (y) two percent (2.0%) for the second year following the Closing Date, and (z) one percent (1.0%) thereafter. The Prepayment Fee shall not apply to or be assessed upon any prepayment made by Borrowers if such payments were (x) required by Agent to be made pursuant to Section 2.1(a)(ii)(B) subpart (i) (relating to casualty proceeds), or subpart (ii) (relating to payments exceeding the Maximum Lawful Rate) or (y) made due to the Term Loans being paid in full as a result of a refinancing of the Term Loans in full prior to the Maturity Date by Agent or an Affiliate of Agent. All fees payable pursuant to this paragraph shall be deemed fully-earned and non-refundable as of the Closing Date.

(i) Audit Fees. Subject to the limitations set forth in Section 4.6, Borrowers shall pay to Agent, for its own account and not for the benefit of any other Lenders, all reasonable out-of-pocket fees and expenses in connection with audits and inspections of Borrowers' books and records, audits, valuations or appraisals of the Collateral, audits of Borrowers' compliance with applicable Laws and such other matters as Agent shall deem appropriate, which shall be due and payable after the audit or inspection has occurred on the first Business Day of the month following the date of issuance by Agent of a written request for payment thereof to Borrowers; *provided*, that, in the absence of a Default or an Event of Default, Borrowers shall not be obligated to reimburse Agent for more than (i) two (2) Inventory appraisals per calendar year and (ii) two (2) collateral audits per calendar year conducted, in each case, by Agent or its designee in accordance with Section 4.6.

(j) Wire Fees. Borrowers shall pay to Agent, for its own account and not for the account of any other Lenders, on written demand, fees for incoming and outgoing wires made for the account of Borrowers, such fees to be based on Agent's then current wire fee schedule (available upon written request of the Borrowers).

(k) Late Charges. If payments of principal (other than a final installment of principal upon the Termination Date), interest due on the Obligations, or any other amounts due hereunder or under the other Financing Documents are not timely made and remain overdue for a period of five (5) Business Days, Borrowers, without notice or demand by Agent, promptly shall pay to Agent, for its own account and not for the benefit of any other Lenders, as additional compensation to Agent in administering the Obligations, an amount equal to two percent (2.0%) of each delinquent payment.

(l) Computation of Interest and Related Fees. All interest and fees under each Financing Document shall be calculated on the basis of a three hundred sixty (360) day year for the actual number of days elapsed. The date of funding of a Loan shall be included in the calculation of interest. The date of payment of a Loan shall be excluded from the calculation of interest. If a Loan is repaid on the same day that it is made, one (1) day's interest shall be charged.

(m) Automated Clearing House Payments. If Agent (or its designated servicer or trustee on behalf of a securitization vehicle) so elects, monthly payments of principal, interest, fees, expenses or any other amounts due and owing from Borrower to Agent hereunder shall be paid to Agent by Automated Clearing House debit of immediately available funds from the financial institution account designated by Borrower Representative in the Automated Clearing House debit authorization executed by Borrowers or Borrower Representative in connection with this Agreement, and shall be effective upon receipt. Borrowers shall execute any and all forms and documentation necessary from time to time to effectuate such automatic debiting. In no event shall any such payments be refunded to Borrowers.

Section 2.3 Notes. The portion of the Loans made by each Lender shall be evidenced, if so requested by such Lender, by one or more promissory notes executed by Borrowers on a joint and several basis (each, a "Note") in an original principal amount equal to such Lender's Term Loan Commitments.

Section 2.4 Reserved.

Section 2.5 Reserved.

Section 2.6 General Provisions Regarding Payment; Loan Account.

(a) All payments to be made by each Borrower under any Financing Document, including payments of principal and interest made hereunder and pursuant to any other Financing Document, and all fees, expenses, indemnities and reimbursements, shall be made without set-off,

recoupment or counterclaim. If any payment hereunder becomes due and payable on a day other than a Business Day, such payment shall be extended to the next succeeding Business Day and, with respect to payments of principal, interest thereon shall be payable at the then applicable rate during such extension (it being understood and agreed that, solely for purposes of calculating financial covenants and computations contained herein and determining compliance therewith, if payment is made, in full, on any such extended due date, such payment shall be deemed to have been paid on the original due date without giving effect to any extension thereto). Any payments received in the Payment Account before 12:00 Noon (Eastern time) on any date shall be deemed received by Agent on such date, and any payments received in the Payment Account at or after 12:00 Noon (Eastern time) on any date shall be deemed received by Agent on the next succeeding Business Day.

(b) Agent shall maintain a loan account (the "**Loan Account**") on its books to record Loans and other extensions of credit made by the Lenders hereunder or under any other Financing Document, and all payments thereon made by each Borrower. All entries in the Loan Account shall be made in accordance with Agent's customary accounting practices as in effect from time to time. The balance in the Loan Account, as recorded in Agent's books and records at any time shall be conclusive and binding evidence of the amounts due and owing to Agent by each Borrower absent manifest error; *provided*, *however*, that any failure to so record or any error in so recording shall not limit or otherwise affect any Borrower's duty to pay all amounts owing hereunder or under any other Financing Document. Agent shall endeavor to provide Borrowers with a monthly statement regarding the Loan Account (but neither Agent nor any Lender shall have any liability if Agent shall fail to provide any such statement). Unless any Borrower notifies Agent of any objection to any such statement (specifically describing the basis for such objection) within ninety (90) days after the date of receipt thereof, it shall be deemed final, binding and conclusive upon Borrowers in all respects as to all matters reflected therein.

Section 2.7 Maximum Interest. In no event shall the interest charged with respect to the Loans or any other Obligations of any Borrower under any Financing Document exceed the maximum amount permitted under the laws of the State of New York or of any other applicable jurisdiction. Notwithstanding anything to the contrary herein or elsewhere, if at any time the rate of interest payable hereunder or under any Note or other Financing Document (the "**Stated Rate**") would exceed the highest rate of interest permitted under any applicable law to be charged (the "**Maximum Lawful Rate**"), then for so long as the Maximum Lawful Rate would be so exceeded, the rate of interest payable shall be equal to the Maximum Lawful Rate; *provided*, *however*, that if at any time thereafter the Stated Rate is less than the Maximum Lawful Rate, each Borrower shall, to the extent permitted by law, continue to pay interest at the Maximum Lawful Rate until such time as the total interest received is equal to the total interest which would have been received had the Stated Rate been (but for the operation of this provision) the interest rate payable. Thereafter, the interest rate payable shall be the Stated Rate unless and until the Stated Rate again would exceed the Maximum Lawful Rate, in which event this provision shall again apply. In no event shall the total interest received by any Lender exceed the amount which it could lawfully have received had the interest been calculated for the full term hereof at the Maximum Lawful Rate. If, notwithstanding the prior sentence, any Lender has received interest hereunder in excess of the Maximum Lawful Rate, such excess amount shall be applied to the reduction of the principal balance of the Loans or to other amounts (other than interest) payable hereunder, and if no such principal or other amounts are then outstanding, such excess or part thereof remaining shall be paid to Borrowers. In computing interest payable with reference to the Maximum Lawful Rate applicable to any Lender, such interest shall be calculated at a daily rate equal to the Maximum Lawful Rate *divided by* the number of days in the year in which such calculation is made.

Section 2.8 Taxes; Capital Adequacy.

(a) All payments of principal and interest on the Loans and all other amounts payable hereunder shall be made free and clear of and without deduction for any present or future Taxes, except as

required by applicable Law. If any applicable Law (as determined in the good faith discretion of an applicable Withholding Agent) requires the deduction or withholding of any Tax from any such payment by a Withholding Agent, then the applicable Withholding Agent shall be entitled to make such deduction or withholding and shall timely pay the full amount deducted or withheld to the relevant Governmental Authority in accordance with applicable Law and if any such withholding or deduction is in respect of an Indemnified Tax, then the Borrowers shall pay such additional amount or amounts as is necessary to ensure that the net amount actually received by the applicable recipient will equal the full amount such recipient would have received had no such withholding or deduction been required (including, without limitation, such withholdings and deductions applicable to additional sums payable under this Section 2.8). After payment of any Tax by a Borrower to a Governmental Authority pursuant to this Section 2.8, such Borrower shall promptly forward to Agent the original or a certified copy of an official receipt, a copy of the return reporting such payment, or other documentation satisfactory to Agent evidencing such payment to such authority. Borrowers shall timely pay to the relevant Governmental Authority in accordance with applicable Law, or at the option of Agent timely reimburse Agent for the payment of, any Other Taxes.

(b) The Borrowers shall indemnify Agent and Lenders, within ten (10) days after demand thereof, for the full amount of any Indemnified Taxes (including Indemnified Taxes imposed or asserted on or attributable to amounts payable under this Section 2.8) payable or paid by Agent or any Lender or required to be withheld or deducted from a payment to Agent or any Lender and any expenses arising therefrom or with respect thereto, whether or not such Indemnified Taxes and Other Taxes were correctly or legally imposed or asserted by the relevant Governmental Authority. A certificate in reasonable detail as to the amount of such payment or liability delivered to Borrowers by a Lender (with a copy to Agent), or by Agent on its own behalf or on behalf of a Lender, shall be conclusive absent manifest error.

(c) Any Lender that is entitled to an exemption from or reduction of withholding Tax with respect to payments made under any Financing Document shall deliver to Borrower Representative and Agent, at the time or times prescribed by applicable Law or reasonably requested by Borrower Representative or Agent, such properly completed and executed documentation reasonably requested by Borrower Representative or Agent as will permit such payments to be made without withholding or at a reduced rate of withholding. In addition, any Lender, if reasonably requested by Borrower Representative or Agent, shall deliver such other documentation prescribed by applicable Law or reasonably requested by Borrowers or Agent as will enable Borrowers or Agent to determine whether or not such Lender is subject to backup withholding or information reporting requirements. Notwithstanding anything to the contrary in the preceding two sentences, the completion, execution and submission of such documentation (other than such documentation set forth in Sections 2.8(c)(i), 2.8(c)(ii) and 2.8(e) below) shall not be required if in such Lender's reasonable judgment such completion, execution or submission would subject such Lender to any material unreimbursed cost or expense or would materially prejudice the legal or commercial position of such Lender.

(i) Each Lender that is not a "United States person" (as such term is defined in Section 7701(a)(30) of the Code) for U.S. federal income tax purposes and is a party hereto on the Closing Date or purports to become an assignee of an interest pursuant to Section 11.17(a) after the Closing Date (unless such Lender was already a Lender hereunder immediately prior to such assignment) (each such Lender a "**Foreign Lender**") shall, to the extent permitted by Law, execute and deliver to Borrower Representative and Agent (in such number of copies as shall be requested by the recipient) on or prior to the date on which such Foreign Lender becomes a Lender under this Agreement (and from time to time thereafter upon the reasonable request of the Borrower Representative or Agent) whichever of the following is applicable: (A) in the case of a Foreign Lender claiming the benefits of an income tax treaty to which the United States is a party, (x) with respect to payments of interest under any Financing Document, two (2) properly completed and

executed originals of United States Internal Revenue Service ("**IRS**") Forms W-8BEN or W-8BEN-E (or successor form) establishing an exemption from, or reduction of, U.S. federal withholding tax pursuant to the "interest" article of such tax treaty and (y) with respect to any other applicable payments under any Financing Documents, two (2) properly completed and executed originals of IRS Forms W-8BEN or W-8BEN-E (or successor form) establishing an exemption from, or reduction of, U.S. federal withholding tax pursuant to the "business profits" or "other income" article of such tax treaty; (B) two (2) executed originals of IRS Form W-8ECI (or successor form); (C) in the case of a Foreign Lender claiming the benefits of the exemption for portfolio interest under Section 881(c) of the Code, (x) a certificate substantially in the form of Exhibit E-1 to the effect that such Foreign Lender is not a "bank" within the meaning of Section 881(c)(3)(A) of the Code, a "10 percent shareholder" of any Borrower within the meaning of Section 881(c)(3)(B) of the Code, or a "controlled foreign corporation" described in Section 881(c)(3)(C) of the Code (a "**U.S. Tax Compliance Certificate**") and (y) two (2) executed originals of IRS Forms W-8BEN or W-8BEN-E (or successor form); (D) to the extent a Foreign Lender is not the beneficial owner, two (2) executed originals of IRS Form W-8IMY, accompanied by IRS Form W-8ECI, IRS Form W-8BEN or W-8BEN-E (or successor form), a U.S. Tax Compliance Certificate substantially in the form of Exhibit E-2 or Exhibit E-3, IRS Form W-9 (or successor form), and/or other certification documents from each beneficial owner, as applicable; *provided* that if the Foreign Lender is a partnership and one or more direct or indirect partners of such Foreign Lender are claiming the portfolio interest exemption, such Foreign Lender may provide a U.S. Tax Compliance Certificate substantially in the form of Exhibit E-4 on behalf of each such direct and indirect partner; or (E) other applicable forms, certificates or documents prescribed by the IRS. Each Lender agrees that if any form or certification it previously delivered expires or becomes obsolete or inaccurate in any respect, it shall update such form or certification or promptly notify Borrower Representative and Agent in writing of its legal inability to do so. In addition, to the extent permitted by applicable Law, such forms shall be delivered by each Foreign Lender upon the obsolescence or invalidity of any form previously delivered by such Foreign Lender. Each Foreign Lender shall promptly notify Borrower Representative at any time it determines that it is no longer in a position to provide any previously delivered certificate to Borrower Representative (or any other form of certification adopted by the U.S. taxing authorities for such purpose).

(ii) Each Lender that is a "United States person" (as such term is defined in Section 7701(a)(30) of the Code) for U.S. federal income tax purposes and is a party hereto on the Closing Date or purports to become an assignee of an interest pursuant to Section 11.17(a) after the Closing Date (unless such Lender was already a Lender hereunder immediately prior to such assignment) shall, to the extent permitted by Law, provide to Borrower Representative and Agent on or prior to the date on which such Lender becomes a Lender under this Agreement (and from time to time thereafter upon the reasonable request of the Borrower Representative or Agent), a properly completed and executed IRS Form W-9 or any successor form certifying as to such Lender's entitlement to an exemption from U.S. backup withholding and other applicable forms, certificates or documents prescribed by the IRS or reasonably requested by Borrower Representative or Agent. Each such Lender shall promptly notify Borrowers at any time it determines that any certificate previously delivered to Borrower Representative (or any other form of certification adopted by the U.S. governmental authorities for such purposes) is no longer valid.

(iii) Any Foreign Lender shall, to the extent it is legally entitled to do so, deliver to Borrower Representative and Agent (in such number of copies as shall be requested by the recipient) on or prior to the date on which such Foreign Lender becomes a Lender under this Agreement (and from time to time thereafter upon the reasonable request of the Borrower Representative or Agent), executed copies of any other form prescribed by applicable Law as a

basis for claiming exemption from or a reduction in U.S. Federal withholding Tax, duly completed, together with such supplementary documentation as may be prescribed by applicable law to permit Borrowers or Agent to determine the withholding or deduction required to be made.

(d) If any Lender determines, in its reasonable discretion, that it has received a refund in respect of any Taxes as to which it has been indemnified by any Borrower pursuant to this Section 2.8 (including by the payment of additional amounts pursuant to this Section 2.8), then it shall promptly pay an amount equal to such refund to Borrowers, net of all reasonable out-of-pocket expenses of such Lender or of Agent with respect thereto, including any Taxes; *provided*, *however*, that Borrowers, upon the written request of such Lender or Agent, agree to repay any amount paid over to Borrowers to such Lender or to Agent (plus any related penalties, interest or other charges imposed by the relevant Governmental Authority) in the event such Lender or Agent is required, for any reason, to repay such refund to such Governmental Authority. Notwithstanding anything to the contrary in this Section 2.8, in no event will the indemnified party be required to pay any amount to an indemnifying party pursuant to this Section 2.8(d) the payment of which would place the indemnified party in a less favorable net after-Tax position than the indemnified party would have been in if the Tax subject to indemnification and giving rise to such refund had not been deducted, withheld or otherwise imposed and the indemnification payments or additional amounts with respect to such Tax had never been paid. This Section 2.8 shall not be construed to require any indemnified party to make available its Tax returns (or any other information relating to its Taxes that it deems confidential) to the indemnifying party or any other Person.

(e) If a payment made to a Lender under any Financing Document would be subject to U.S. federal withholding tax imposed by FATCA if such Lender were to fail to comply with the applicable reporting requirements of FATCA (including those contained in Section 1471(b) or 1472(b) of the Code, as applicable), such Lender shall deliver to Borrower Representative and Agent at the time or times prescribed by Law and at such time or times reasonably requested by Borrower Representative or Agent such documentation prescribed by applicable Law (including as prescribed by Section 1471(b)(3)(C)(i) of the Code) and such additional documentation reasonably requested by Borrower Representative or Agent as may be necessary for Borrowers and Agent to comply with their obligations under FATCA and to determine that such Lender has complied with such Lender's obligations under FATCA or to determine the amount to deduct and withhold from such payment. Solely for purposes of this clause (e), "FATCA" shall include any amendments made to FATCA after the date of this Agreement.

(f) Each Lender shall severally indemnify Agent, within ten (10) days after demand therefor, for (i) any Indemnified Taxes attributable to such Lender (but only to the extent that any Credit Party has not already indemnified Agent for such Indemnified Taxes and without limiting the obligation of the Credit Parties to do so), (ii) any Taxes attributable to such Lender's failure to comply with the provisions of Section 11.17 relating to the maintenance of a Participant Register and (iii) any Excluded Taxes attributable to such Lender, in each case, that are payable or paid by Agent in connection with any Financing Document, and any reasonable expenses arising therefrom or with respect thereto, whether or not such Taxes were correctly or legally imposed or asserted by the relevant Governmental Authority. A certificate as to the amount of such payment or liability delivered to any Lender by Agent shall be conclusive absent manifest error. Each Lender hereby authorizes Agent to set off and apply any and all amounts at any time owing to such Lender under any Financing Document or otherwise payable by Agent to such Lender from any other source against any amount due to Agent under this paragraph (f).

(g) Each party's obligations under Section 2.8(a) through (f) shall survive the resignation or replacement of Agent or any assignment of rights by, or the replacement of, a Lender, and the repayment, satisfaction or discharge of all Obligations hereunder.

(h) If any Lender shall determine in its commercially reasonable judgment that the adoption or taking effect of, or any change in, any applicable Law regarding capital adequacy, in each instance, after the Closing Date, or any change after the Closing Date in the interpretation, administration or application thereof by any Governmental Authority, central bank or comparable agency charged with the interpretation, administration or application thereof, or the compliance by any Lender or any Person controlling such Lender with any request, guideline or directive regarding capital adequacy (whether or not having the force of Law) of any such Governmental Authority, central bank or comparable agency adopted or otherwise taking effect after the Closing Date, has or would have the effect of reducing the rate of return on such Lender's or such controlling Person's capital as a consequence of such Lender's obligations hereunder to a level below that which such Lender or such controlling Person could have achieved but for such adoption, taking effect, change, interpretation, administration, application or compliance (taking into consideration such Lender's or such controlling Person's policies with respect to capital adequacy) then from time to time, upon written demand by such Lender (which demand shall be accompanied by a certificate setting forth the basis for such demand and a calculation of the amount thereof in reasonable detail, a copy of which shall be furnished to Agent), Borrowers shall promptly pay to such Lender such additional amount as will compensate such Lender or such controlling Person for such reduction, so long as such amounts have accrued on or after the day which is two hundred seventy (270) days prior to the date on which such Lender first made demand therefor; *provided* that notwithstanding anything in this Agreement to the contrary, (i) the Dodd-Frank Wall Street Reform and Consumer Protection Act and all requests, rules, guidelines or directives thereunder or issued in connection therewith and (ii) all requests, rules, guidelines or directives promulgated by the Bank for International Settlements, the Basel Committee on Banking Supervision (or any successor or similar authority) or the United States or foreign regulatory authorities, in each case pursuant to Basel III, shall in each case be deemed to be a "change in applicable Law", regardless of the date enacted, adopted or issued; *provided; further;* that this Section 2.8(h) shall apply only to Taxes that are not (A) Indemnified Taxes, (B) Taxes described in clauses (b) through (d) of the definition of Excluded Taxes, or (c) Connection Income Taxes.

(i) If any Lender requires compensation under either Section 2.1(a)(iv) or Section 2.8(h), or requires Borrowers to pay any additional amount to any Lender or any Governmental Authority for the account of any Lender pursuant to Section 2.8, then, upon the written request of Borrower Representative, such Lender shall use reasonable efforts to designate a different lending office for funding or booking its Loans hereunder or to assign its rights and obligations hereunder (subject to the provisions of Section 11.17) to another of its offices, branches or affiliates, if, in the reasonable judgment of such Lender, such designation or assignment (i) would eliminate or materially reduce amounts payable pursuant to any such Section, as the case may be, in the future, (ii) would not subject such Lender to any unreimbursed cost or expense and (iii) would not otherwise be disadvantageous to such Lender (as determined in its sole good faith discretion). Without limitation of the provisions of Section 12.14, each Borrower hereby agrees to pay all reasonable and documented, out-of-pocket costs and expenses incurred by any Lender in connection with any such designation or assignment.

Section 2.9 Appointment of Borrower Representative.

(a) Each Borrower hereby irrevocably appoints and constitutes Borrower Representative as its agent and attorney-in-fact to request and receive Loans in the name or on behalf of such Borrower and any other Borrowers, deliver Notices of Borrowing, give instructions with respect to the disbursement of the proceeds of the Loans, giving and receiving all other notices and consents hereunder or under any of the other Financing Documents and taking all other actions (including in respect of compliance with covenants) in the name or on behalf of any Borrower or Borrowers pursuant to this Agreement and the other Financing Documents. Agent and Lenders may disburse the Loans to such bank account of Borrower Representative or a Borrower or otherwise make such Loans to a Borrower, in each case as Borrower Representative may designate or direct, without notice to any other Borrower. Notwithstanding anything to the contrary contained herein, Agent may at any time and from time to time require that Loans to or for the account of any Borrower be disbursed directly to an operating account of such Borrower.

(b) Borrower Representative hereby accepts the appointment by Borrowers to act as the agent and attorney-in-fact of Borrowers pursuant to this Section 2.9. Borrower Representative shall ensure that the disbursement of any Loans that are at any time requested by or to be remitted to or for the account of a Borrower, shall be remitted or issued to or for the account of such Borrower.

(c) Each Borrower hereby irrevocably appoints and constitutes Borrower Representative as its agent to receive statements on account and all other notices from Agent, Lenders with respect to the Obligations or otherwise under or in connection with this Agreement and the other Financing Documents.

(d) Any notice, election, representation, warranty, agreement or undertaking made or delivered by or on behalf of any Borrower by Borrower Representative shall be deemed for all purposes to have been made or delivered by such Borrower, as the case may be, and shall be binding upon and enforceable against such Borrower to the same extent as if made or delivered directly by such Borrower.

(e) No resignation by or termination of the appointment of Borrower Representative as agent and attorney-in-fact as aforesaid shall be effective, except after ten (10) Business Days' prior written notice to Agent. If the Borrower Representative resigns under this Agreement, Borrowers shall be entitled to appoint a successor Borrower Representative (which shall be a Borrower and shall be reasonably acceptable to Agent as such successor). Upon the acceptance of its appointment as successor Borrower Representative hereunder, such successor Borrower Representative shall succeed to all the rights, powers and duties of the retiring Borrower Representative and the term "Borrower Representative" means such successor Borrower Representative for all purposes of this Agreement and the other Financing Documents, and the retiring or terminated Borrower Representative's appointment, powers and duties as Borrower Representative shall be thereupon terminated.

Section 2.10 Joint and Several Liability; Rights of Contribution; Subordination and Subrogation.

(a) Borrowers are defined collectively to include all Persons named as one of the Borrowers herein; *provided*, *however*, that any references herein to "any Borrower", "each Borrower" or similar references, shall be construed as a reference to each individual Person named as one of the Borrowers herein. Each Person so named shall be jointly and severally liable for all of the obligations of Borrowers under this Agreement. Each Borrower, individually, expressly understands, agrees and acknowledges, that the credit facilities would not be made available on the terms herein in the absence of the collective credit of all of the Persons named as the Borrowers herein, the joint and several liability of all such Persons, and the cross-collateralization of the collateral of all such Persons. Accordingly, each Borrower individually acknowledges that the benefit to each of the Persons named as one of the Borrowers as a whole constitutes reasonably equivalent value, regardless of the amount of the credit facilities actually borrowed by, advanced to, or the amount of collateral provided by, any individual Borrower. In addition, each entity named as one of the Borrowers herein hereby acknowledges and agrees that all of the representations, warranties, covenants, obligations, conditions, agreements and other terms contained in this Agreement shall be applicable to and shall be binding upon and measured and enforceable individually against each Person named as one of the Borrowers herein as well as all such Persons when taken together. By way of illustration, but without limiting the generality of the foregoing, the terms of Section 10.1 of this Agreement are to be applied to each individual Person named as one of the Borrowers herein (as well as to all such Persons taken as a whole), such that the occurrence of any of the events described in

Section 10.1 of this Agreement as to any Person named as one of the Borrowers herein shall constitute an Event of Default even if such event has not occurred as to any other Persons named as the Borrowers or as to all such Persons taken as a whole.

(b) Notwithstanding any provisions of this Agreement to the contrary, it is intended that the joint and several nature of the liability of each Borrower for the Obligations and the Liens granted by Borrowers to secure the Obligations not constitute a Fraudulent Conveyance (as defined below). Consequently, Agent, Lenders and each Borrower agree that if the liability of a Borrower for the Obligations or any Liens granted by such Borrower securing the Obligations would, but for the application of this sentence, constitute a Fraudulent Conveyance, the liability of such Borrower and the Liens securing such liability shall be valid and enforceable only to the maximum extent that would not cause such liability or such Lien to constitute a Fraudulent Conveyance, and the liability of such Borrower and this Agreement shall automatically be deemed to have been amended accordingly. For purposes hereof, the term "**Fraudulent Conveyance**" means a fraudulent conveyance under Section 548 of Chapter 11 of Title II of the Bankruptcy Code or a fraudulent conveyance or fraudulent transfer under the applicable provisions of any fraudulent conveyance or fraudulent transfer law or similar law of any state, nation or other governmental unit, as in effect from time to time.

(c) Agent is hereby authorized, without notice or demand (except as otherwise specifically required under this Agreement) and without affecting the liability of any Borrower hereunder, at any time and from time to time, to (i) renew, extend or otherwise increase the time for payment of the Obligations; (ii) with the written agreement of any Borrower, change the terms relating to the Obligations or otherwise modify, amend or change the terms of any Note or other agreement, document or instrument now or hereafter executed by any Borrower and delivered to Agent for any Lender; (iii) accept partial payments of the Obligations; (iv) take and hold any Collateral for the payment of the Obligations or for the payment of any guaranties of the Obligations and exchange, enforce, waive and release any such Collateral; (v) apply any such Collateral and direct the order or manner of sale thereof as Agent, in its reasonable discretion, may determine; and (vi) settle, release, compromise, collect or otherwise liquidate the Obligations and any Collateral therefor in any manner, all guarantor and surety defenses being hereby waived by each Borrower. Except as specifically provided in this Agreement or any of the other Financing Documents, Agent shall have the exclusive right to determine the time and manner of application of any payments or credits, whether received from any Borrower or any other source, and such determination shall be binding on all Borrowers. All such payments and credits may be applied, reversed and reapplied, in whole or in part, to any of the Obligations that Agent shall determine, in its reasonable discretion, without affecting the validity or enforceability of the Obligations of any other Borrower.

(d) Each Borrower hereby agrees that, except as hereinafter provided, its obligations hereunder shall be unconditional, irrespective of (i) the absence of any attempt to collect the Obligations from any obligor or other action to enforce the same; (ii) the waiver or consent by Agent with respect to any provision of any instrument evidencing the Obligations, or any part thereof, or any other agreement heretofore, now or hereafter executed by a Borrower and delivered to Agent; (iii) failure by Agent to take any steps to perfect and maintain its security interest in, or to preserve its rights to, any security or collateral for the Obligations; (iv) the institution of any proceeding under the Bankruptcy Code or any similar proceeding, by or against a Borrower or Agent's election in any such proceeding of the application of Section 1111(b)(2) of the Bankruptcy Code; (v) any borrowing or grant of a security interest by a Borrower as debtor-in-possession, under Section 364 of the Bankruptcy Code; (vi) the disallowance, under Section 502 of the Bankruptcy Code, of all or any portion of Agent's claim(s) for repayment of any of the Obligations; or (vii) any other circumstance other than payment in full of the Obligations which might otherwise constitute a legal or equitable discharge or defense of a guarantor or surety.

(e) Borrowers hereby agree, as between themselves, that to the extent that Agent, on behalf of Lenders, shall have received from any Borrower any Recovery Amount (as defined below), then the paying Borrower shall have a right of contribution against each other Borrower in an amount equal to such other Borrower's contributive share of such Recovery Amount; *provided, however*, that in the event any Borrower suffers a Deficiency Amount (as defined below), then the Borrower suffering the Deficiency Amount shall be entitled to seek and receive contribution from and against the other Borrowers in an amount equal to the Deficiency Amount; and *provided, further*, that in no event shall the aggregate amounts so reimbursed by reason of the contribution of any Borrower equal or exceed an amount that would, if paid, constitute or result in Fraudulent Conveyance. Until all Obligations have been paid and satisfied in full (other than inchoate indemnification obligations for which no claim has yet been made), no payment made by or for the account of a Borrower including, without limitation, (i) a payment made by such Borrower on behalf of the liabilities of any other Borrower, or (ii) a payment made by any other Guarantor under any Guarantee, shall entitle such Borrower, by subrogation or otherwise, to any payment from such other Borrower or from or out of such other Borrower's property. The right of each Borrower to receive any contribution under this Section 2.10(e) or by subrogation or otherwise from any other Borrower shall be subordinate in right of payment to the Obligations and such Borrower shall not exercise any right or remedy against such other Borrower or any property of such other Borrower by reason of any performance of such Borrower of its joint and several obligations hereunder, until the Obligations (other than inchoate indemnification obligations for which no claim has yet been made) have been indefeasibly paid and satisfied in full, and no Borrower shall exercise any right or remedy with respect to this Section 2.10(e) until the Obligations (other than inchoate indemnification obligations for which no claim has yet been made) have been indefeasibly paid and satisfied in full. As used in this Section 2.10(e), the term "**Recovery Amount**" means the amount of proceeds received by or credited to Agent from the exercise of any remedy of the Lenders under this Agreement or the other Financing Documents, including, without limitation, the sale of any Collateral. As used in this Section 2.10(e), the term "**Deficiency Amount**" means any amount that is less than the entire amount a Borrower is entitled to receive by way of contribution or subrogation from, but that has not been paid by, the other Borrowers in respect of any Recovery Amount attributable to the Borrower entitled to contribution, until the Deficiency Amount has been reduced to Zero Dollars ($0) through contributions and reimbursements made under the terms of this Section 2.10(e) or otherwise.

Section 2.11 Reserved.

Section 2.12 Termination; Restriction on Termination.

(a) Termination by Lenders. In addition to the rights set forth in Section 10.2, Agent may, and at the direction of Required Lenders shall, terminate this Agreement without notice upon or after the occurrence and during the continuance of an Event of Default.

(b) Termination by Borrowers. Upon at least five (5) Business Day' prior written notice and pursuant to payoff documentation in form and substance reasonably satisfactory to Agent and Lenders, Borrowers may, at its option, terminate this Agreement; *provided, however,* that no such termination shall be effective until Borrowers have complied with Section 2.12(d) and the Obligations are paid in full (other than inchoate indemnification obligations for which no claim has yet been made). Any notice of termination given by Borrowers shall be irrevocable unless all Lenders otherwise agree in writing and no Lender shall have any obligation to make any Loans on or after the termination date stated in such notice. Borrowers may elect to terminate this Agreement in its entirety only. No section of this Agreement or type of Loan available hereunder may be terminated singly.

(c) [Reserved].

(d) Effectiveness of Termination. All of the Obligations shall be immediately due and payable upon the Termination Date. All undertakings, agreements, covenants, warranties and representations of Borrowers contained in the Financing Documents shall survive any such termination and Agent shall retain its Liens in the Collateral and Agent and each Lender shall retain all of its rights and remedies under the Financing Documents notwithstanding such termination until all Obligations have been discharged or paid, in full, in immediately available funds, including, without limitation, all Obligations under Section 2.2 and the terms of any Fee Letter resulting from such termination (in each case, other than inchoate indemnification obligations for which no claim has yet been made). Notwithstanding the foregoing or the payment in full of the Obligations, Agent shall not be required to terminate its Liens in the Collateral unless, with respect to any loss or damage Agent may incur as a result of dishonored checks or other items of payment received by Agent from Borrower or any Account Debtor and applied to the Obligations, Agent shall, at its option, (a) have received a written agreement reasonably satisfactory to Agent, executed by Borrowers and by any Person whose loans or other advances to Borrowers are used in whole or in part to satisfy the Obligations, indemnifying Agent and each Lender from any such loss or damage or (b) have retained cash Collateral or other Collateral for such period of time as Agent, in its discretion, may deem necessary to protect Agent and each Lender from any such loss or damage. Upon the payment in full, in cash in immediately available funds, of all Obligations and the termination of the Term Loan Commitments, as Borrower may reasonably request, Agent shall, at Borrower's sole cost and expense, execute and deliver such documents evidencing the release and termination of the security interest in the Collateral granted under this Agreement and the other Financing Documents pursuant to and in accordance with the terms of any applicable payoff documentation.

ARTICLE 3 - REPRESENTATIONS AND WARRANTIES

To induce Agent and Lenders to enter into this Agreement and to make the Loans and other credit accommodations contemplated hereby, each Borrower hereby represents and warrants to Agent and each Lender that:

Section 3.1 Existence and Power. Each Credit Party (a) is an entity as specified on Schedule 3.1, (b) is duly organized, validly existing and in good standing under the laws of the jurisdiction of its organization and other jurisdictions specified on Schedule 3.1 and no other jurisdiction, (c) has the same legal name as it appears in such Credit Party's Organizational Documents and an organizational identification number (if any), in each case as specified on Schedule 3.1, (d) has all powers to own its assets and has powers and all Permits necessary in the operation of its business as presently conducted or as proposed to be conducted, except where the failure to have such Permits would not reasonably be expected to have a Material Adverse Effect, and (e) is qualified to do business as a foreign entity in each jurisdiction in which it is required to be so qualified, which jurisdictions as of the Closing Date are specified on Schedule 3.1, except in the case of this clause (e) where the failure to be so qualified would not reasonably be expected to have a Material Adverse Effect. Except as set forth on Schedule 3.1, no Credit Party (x) has had, over the five (5) year period preceding the Closing Date, any name other than its current name, or (y) was incorporated or organized under the laws of any jurisdiction other than its current jurisdiction of incorporation or organization.

Section 3.2 Organization and Governmental Authorization; No Contravention. The execution, delivery and performance by each Credit Party of the Financing Documents to which it is a party (a) are within its powers, (b) have been duly authorized by all necessary action pursuant to its Organizational Documents, (c) require no further action by or in respect of, or filing with, any Governmental Authority other than (i) recordings, filings and other perfection actions in connection with the Liens granted to Agent under this Agreement or any Security Document and (ii) those obtained or made on or prior to the Closing Date and (d) do not violate, conflict with or cause a breach or a default under (i) any Law applicable to any Credit Party, (ii) any of the Organizational Documents of any Credit Party, or (iii) any agreement or instrument binding upon it, except for such violations, conflicts, breaches or defaults as would not, with respect to this clause (iii), reasonably be expected to have a Material Adverse Effect.

Section 3.3 Binding Effect. Each of the Financing Documents to which any Credit Party is a party constitutes a valid and binding agreement or instrument of such Credit Party, enforceable against such Credit Party in accordance with its respective terms, except as the enforceability thereof may be limited by bankruptcy, insolvency or other similar laws relating to the enforcement of creditors' rights generally and by general equitable principles. Each Financing Document has been duly executed and delivered by each Credit Party party thereto.

Section 3.4 Capitalization. The authorized equity securities of each of the Credit Parties as of the Closing Date are as set forth on Schedule 3.4. All issued and outstanding equity securities of each of the Credit Parties are duly authorized and validly issued, fully paid, nonassessable, free and clear of all Liens other than those in favor of Agent for the benefit of Agent and Lenders, and such equity securities were issued in compliance with all applicable Laws. The identity of the holders of the equity securities of each of the Credit Parties and the percentage of their fully-diluted ownership of the equity securities of each of the Credit Parties as of the Closing Date is set forth on Schedule 3.4. No shares of the capital stock or other Equity Interests of any Credit Party, other than as described above, are issued and outstanding as of the Closing Date. Except as set forth on Schedule 3.4, as of the Closing Date there are no preemptive or other outstanding rights, options, warrants, conversion rights or similar agreements or understandings for the purchase or acquisition from any Credit Party of any equity securities of any such entity.

Section 3.5 Financial Information. All information delivered to Agent and pertaining to the financial condition of any Credit Party fairly in all material respects presents the financial position of such Credit Party as of such date and for such period then ended in conformity with GAAP (and as to unaudited financial statements, subject to normal year-end adjustments and the absence of footnote disclosures). Since December 31, 2019, there has been (a) no material adverse change in the business, operations, properties, or condition (financial or otherwise) of any Credit Party and (b) no fact, event or circumstance that could reasonably be expected to result in a Material Adverse Effect.

Section 3.6 Litigation. Except as set forth on Schedule 3.6 as of the Closing Date, and except as hereafter disclosed to Agent in writing, there is no Litigation pending against, or to such Borrower's knowledge threatened in writing against, any Credit Party or any of their Subsidiaries, which, if adversely determined, could reasonably be expected to result in any judgment or liability of more than Two Hundred Fifty Thousand Dollars ($250,000). There is no Litigation pending in which an adverse decision could reasonably be expected to have a Material Adverse Effect or which in any manner draws into question the validity of any of the Financing Documents.

Section 3.7 Ownership of Property. Each Borrower and each of its Subsidiaries is the lawful sole owner of, has good and marketable title to and is in lawful possession of, or has valid leasehold interests in, all material properties, accounts and other assets (real or personal, tangible, intangible or mixed) purported or reported to be owned or leased (as the case may be) by such Person.

Section 3.8 No Default. No Event of Default, or to such Borrower's knowledge, Default, has occurred and is continuing. No Credit Party is in breach or default under or with respect to any contract, agreement, lease or other instrument to which it is a party or by which its property is bound or affected, which breach or default could reasonably be expected to have a Material Adverse Effect.

Section 3.9 Labor Matters. As of the Closing Date, there are no strikes or other labor disputes pending or, to any Borrower's knowledge, threatened in writing against any Credit Party, which could reasonably be expected to have a Material Adverse Effect. Hours worked and payments made to the

employees of the Credit Parties have not been in material violation of the Fair Labor Standards Act or any other applicable Law dealing with such matters. All payments due from the Credit Parties, or for which any claim may be made against any of them, on account of wages and employee and retiree health and welfare insurance and other benefits have been paid or accrued as a liability on their books, as the case may be. The consummation of the transactions contemplated by the Financing Documents will not give rise to a right of termination or right of renegotiation on the part of any union under any collective bargaining agreement to which it is a party or by which it is bound, the result of which could reasonably be expected to have a Material Adverse Effect.

Section 3.10 Investment Company Act. No Credit Party is an "investment company" or a company "controlled" by an "investment company" or a "subsidiary" of an "investment company," all within the meaning of the Investment Company Act of 1940.

Section 3.11 Margin Regulations.

(a) The Credit Parties and their Subsidiaries do not own any stock, partnership interest or other equity securities, except for Permitted Investments. Without limiting the foregoing, the Credit Parties and their Subsidiaries do not own or hold any Margin Stock.

(b) None of the proceeds from the Loans have been or will be used, directly or indirectly, for the purpose of purchasing or carrying any "margin stock" (as defined in Regulation U of the Federal Reserve Board), for the purpose of reducing or retiring any indebtedness which was originally incurred to purchase or carry any "margin stock" or for any other purpose which might cause any of the Loans to be considered a "purpose credit" within the meaning of Regulation T, U or X of the Federal Reserve Board.

Section 3.12 Compliance With Laws; Anti-Terrorism Laws.

(a) Each Credit Party is in compliance with the requirements of all applicable Laws, except for such Laws the noncompliance with which could not reasonably be expected to have a Material Adverse Effect.

(b) None of the Credit Parties and, to the knowledge of the Credit Parties, none of their Affiliates (i) is in violation of any Anti-Terrorism Law, (ii) engages in or conspires to engage in any transaction that evades or avoids, or has the purpose of evading or avoiding, or attempts to violate, any of the prohibitions set forth in any Anti-Terrorism Law, (iii) is a Blocked Person, or is controlled by a Blocked Person, (iv) is acting or will act for or on behalf of a Blocked Person, (v) is associated with, or will become associated with, a Blocked Person or (vi) is providing, or will provide, material, financial or technical support or other services to or in support of acts of terrorism of a Blocked Person. No Credit Party nor, to the knowledge of any Credit Party, any of its Affiliates or agents acting or benefiting in any capacity in connection with the transactions contemplated by this Agreement, (A) conducts any business or engages in making or receiving any contribution of funds, goods or services to or for the benefit of any Blocked Person, or (B) deals in, or otherwise engages in any transaction relating to, any property or interest in property blocked pursuant to Executive Order No. 13224, any similar executive order or other Anti-Terrorism Law.

Section 3.13 Taxes. All federal, state, and local income and all other material tax returns, reports and statements required to be filed by or on behalf of each Credit Party have been filed with the appropriate Governmental Authorities in all jurisdictions in which such returns, reports and statements are required to be filed and, except to the extent subject to a Permitted Contest, all federal, income and other material Taxes (including real property Taxes) and other charges shown to be due and payable in respect thereof have been timely paid prior to the date on which any fine, penalty, interest, late charge or loss may be added thereto for nonpayment thereof.

Section 3.14 Compliance with ERISA.

(a) Each ERISA Plan (and the related trusts and funding agreements) complies in form and in operation with, has been administered in compliance with, and the terms of each ERISA Plan satisfy, the applicable requirements of ERISA and the Code in all material respects. Each ERISA Plan which is intended to be qualified under Section 401(a) of the Code is so qualified, and the United States Internal Revenue Service has issued a favorable determination letter with respect to each such ERISA Plan which may be relied on currently. No Credit Party has incurred liability for any material excise tax under any of Sections 4971 through 5000 of the Code.

(b) Except as would not reasonably be expected, individually or in the aggregate, to have a Material Adverse Effect, each Borrower and each Subsidiary is in compliance with the applicable provisions of ERISA and the provision of the Code relating to ERISA Plans and the regulations and published interpretations therein. During the thirty-six (36) month period prior to the Closing Date or the making of any Loan (i) no steps have been taken to terminate any Pension Plan, and (ii) no contribution failure has occurred with respect to any Pension Plan sufficient to give rise to a Lien under Section 303(k) of ERISA or Section 430(k) of the Code and no event has occurred that would give rise to a Lien under Section 4068 of ERISA. No condition exists or event or transaction has occurred with respect to any Pension Plan which would result in the incurrence by any Credit Party of any material liability, fine or penalty. No Credit Party has incurred liability to the PBGC (other than for current premiums) with respect to any employee Pension Plan. All contributions (if any) have been made on a timely basis to any Multiemployer Plan that are required to be made by any Credit Party or any other member of the Controlled Group under the terms of the plan or of any collective bargaining agreement or by applicable Law; no Credit Party nor any member of the Controlled Group has withdrawn or partially withdrawn from any Multiemployer Plan, incurred any withdrawal liability with respect to any such plan or received notice of any claim or demand for withdrawal liability or partial withdrawal liability from any such plan, and no condition has occurred which, if continued, would result in a withdrawal or partial withdrawal from any such plan, and no Credit Party nor any member of the Controlled Group has received any notice that any Multiemployer Plan is in reorganization, that increased contributions may be required to avoid a reduction in plan benefits or the imposition of any excise tax, that any such plan is or has been funded at a rate less than that required under Section 412 of the Code, that any such plan is or may be terminated, or that any such plan is or may become insolvent.

Section 3.15 Consummation of Financing Documents; Brokers. Except for fees payable to Agent and/or Lenders, no broker, finder or other intermediary has brought about the obtaining, making or closing of the transactions contemplated by the Financing Documents, and no Credit Party has or will have any obligation to any Person in respect of any finder's or brokerage fees, commissions or other expenses in connection herewith or therewith.

Section 3.16 [Reserved].

Section 3.17 Material Contracts. Except for the Financing Documents and the agreements set forth on Schedule 3.17, as of the Closing Date there are no Material Contracts. The consummation of the transactions contemplated by the Financing Documents will not give rise to a right of termination in favor of any party to any Material Contract (other than any Credit Party), except for such Material Contracts the noncompliance with which would not reasonably be expected to have a Material Adverse Effect.

Section 3.18 Compliance with Environmental Requirements; No Hazardous Materials. Except in each case as set forth on Schedule 3.18:

(a) no notice, notification, demand, request for information, citation, summons, complaint or order has been issued, no complaint has been filed, no penalty has been assessed and no investigation or review is pending, or to such Borrower's knowledge, threatened in writing by any Governmental Authority or other Person with respect to any (i) alleged violation by any Credit Party of any Environmental Law, (ii) alleged failure by any Credit Party to have any Permits required in connection with the conduct of its business or to comply with the terms and conditions thereof, (iii) any generation, treatment, storage, recycling, transportation or disposal of any Hazardous Materials, or (iv) release of Hazardous Materials, in each case except where the failure to obtain such document could not reasonably be expected to have a Material Adverse Effect; and

(b) no property now owned or leased by any Credit Party and, to the knowledge of each Borrower, no such property previously owned or leased by any Credit Party, to which any Credit Party has, directly or indirectly, transported or arranged for the transportation of any Hazardous Materials in violation of any applicable Law, is listed or, to such Borrower's knowledge, proposed for listing, on the National Priorities List promulgated pursuant to CERCLA, or CERCLIS (as defined in CERCLA) or any similar state list or is the subject of federal, state or local enforcement actions or, to the knowledge of such Borrower, other investigations which may lead to claims against any Credit Party for clean-up costs, remedial work, damage to natural resources or personal injury claims, including, without limitation, claims under CERCLA, which claims could reasonably be expected to have a Material Adverse Effect.

For purposes of this Section 3.18, each Credit Party shall be deemed to include any business or business entity (including a corporation) that is, in whole or in part, a predecessor of such Credit Party.

Section 3.19 Intellectual Property and License Agreements. A list of all Registered Intellectual Property of each Credit Party and all material in-bound license or sublicense agreements and exclusive out-bound license or sublicense agreements (but in each case excluding in-bound licenses of over-the-counter and other software that is commercially available to the public, open source licenses and enabling licenses in the Ordinary Course of Business), as of the Closing Date and, as updated pursuant to Section 4.15, is set forth on Schedule 3.19. Schedule 3.19 shall be prepared by Borrower in the form provided by Agent and contain all information required in such form. Except for Permitted Licenses and Permitted Liens arising by operation of law, each Credit Party is the sole owner of its material Intellectual Property free and clear of any Liens. Each granted material patent owned by any Credit Party is valid and enforceable in all material respects and no part of the Material Intangible Assets has been judged invalid or unenforceable, in whole or in part, and to the best of Borrower's knowledge, no claim has been made that any part of the Material Intangible Assets violates the rights of any third party in any material respect.

Section 3.20 Solvency. After giving effect to the Loan advance and the liabilities and obligations of each Borrower under the Financing Documents, each Borrower and each additional Credit Party is Solvent.

Section 3.21 Full Disclosure. None of the written information (financial or otherwise) furnished by or on behalf of any Credit Party to Agent or any Lender in connection with the consummation of the transactions contemplated by the Financing Documents, contains any untrue statement of a material fact or omits to state a material fact necessary to make the statements contained herein or therein not misleading in light of the circumstances under which such statements were made. All financial projections delivered to Agent and the Lenders by Borrowers (or their agents) have been prepared on the basis of the assumptions stated therein. Such projections represent each Borrower's best estimate of such Borrower's future financial performance and such assumptions are believed by such Borrower to be fair and reasonable in light of

current business conditions; *provided*, *however*, that Borrowers can give no assurance that such projections will be attained. Agent and each Lender acknowledges and agrees that all financial performance projections delivered to Agent represent Borrowers' best good faith estimate of future financial performance and are based on assumptions believed by Borrowers to be fair and reasonable in light of current market conditions, it being acknowledged and agreed by Agent and Lenders that projections as to future events are not to be viewed as facts and that the actual results during the period or periods covered by such projections may differ from the projected results.

Section 3.22 Subsidiaries. Borrowers do not own any stock, partnership interests, limited liability company interests or other equity securities or Subsidiaries except for Permitted Investments.

Section 3.23 Healthcare Laws.

(a) None of the Borrowers or any Subsidiary thereof are in violation of any Healthcare Law, except where any such violation would not reasonably be expected to have a Material Adverse Effect.

(b) No Borrower or any Subsidiary thereof receives any material payments directly (including through any third party payment processor) from Medicare, Medicaid, or TRICARE.

Section 3.24 Senior Indebtedness Status. The Obligations of each Credit Party under this Agreement and each of the other Financing Documents ranks and shall continue to rank at least senior in priority of payment to all Debt that is contractually subordinated to the Obligations of each such Person under this Agreement and is designated as "Senior Indebtedness" (or an equivalent term) under all instruments and documents, now or in the future, relating to all Debt that is contractually subordinated to the Obligations under this Agreement of each such Person.

Section 3.25 Accuracy of Schedules. All information set forth in the Schedules to this Agreement is true, accurate and complete as of the Closing Date. All information set forth in the Perfection Certificate is true, accurate and complete as of the Closing Date and any other subsequent date in which Borrower is requested to update such certificate.

ARTICLE 4 - AFFIRMATIVE COVENANTS

Each Borrower agrees that:

Section 4.1 Financial Statements and Other Reports and Notices. Each Borrower will deliver to Agent:

(a) as soon as available, but no later than thirty (30) days after the last day of each month, a company prepared consolidated (and upon Agent's reasonable request consolidating) balance sheet, cash flow and income statement (including year-to-date results) covering Borrowers' and its Consolidated Subsidiaries' consolidated and consolidating operations during the period, prepared under GAAP (subject to normal year-end adjustments and the absence of footnote disclosures), consistently applied, setting forth in comparative form the corresponding figures as at the end of the corresponding calendar month of the previous fiscal year and the projected figures for such period based upon the projections required hereunder, all in reasonable detail, certified by a Responsible Officer and in a form reasonably acceptable to Agent;

(b) upon Agent's reasonable written request, together with the financial reporting package described in (a) above, evidence of payment and satisfaction of all payroll, withholding and similar taxes due and owing by all Borrowers with respect to the payroll period(s) occurring during such month;

(c) as soon as available, but no later than one hundred fifty (150) days after the last day of Borrower's fiscal year, audited consolidated (and upon Agent's reasonable written request consolidating) financial statements prepared under GAAP, consistently applied, together with an unqualified opinion (other than a going concern qualification based solely on a determination that any Borrower has less than 12 months liquidity) on the financial statements from an independent certified public accounting firm acceptable to Agent in its reasonable discretion;

(d) in the event that such Credit Party is or becomes subject to the reporting requirements under the Securities Exchange Act of 1934, within ten (10) days of delivery or filing thereof, upon request, copies of all statements, reports and notices made available to Borrower's security holders or to any holders of Subordinated Debt and copies of all reports and other filings made by Borrower with any stock exchange on which any securities of any Borrower are traded and/or the SEC;

(e) [reserved];

(f) prompt written notice of an event that materially and adversely affects the value of any Material Intangible Assets;

(g) within ninety (90) days after the start of each fiscal year, projections for the forthcoming two fiscal years, on a quarterly basis for the current year and on an annual basis for the subsequent year;

(h) promptly (but in any event within ten (10) days of any request therefor) such readily available other budgets, sales projections, operating plans and other financial information and information, reports or statements regarding the Borrowers, their business and the Collateral as Agent may from time to time reasonably request;

(i) together with each delivery of financial statements pursuant to clause (a) above, deliver to Agent, a duly completed Compliance Certificate signed by a Responsible Officer setting forth calculations showing monthly cash and Cash Equivalents of (i) Borrowers and (ii) Borrowers and their Consolidated Subsidiaries, and compliance with the financial covenants set forth in this Agreement;

(j) [reserved];

(k) [reserved];

(l) written notice to Agent promptly, but in any event within ten (10) Business Days of a Responsible Officer of a Borrower receiving written notice or otherwise becoming aware that:

(i) any material Permit has been revoked or withdrawn;

(ii) any Governmental Authority, including without limitation the FDA, has commenced against a Credit Party or a Subsidiary thereof, any action to enjoin a Credit Party or a Subsidiary thereof from conducting their businesses at any facility owned or used by them or for any material civil penalty, injunction, seizure or criminal action; or

(iii) receipt by a Borrower or any Subsidiary thereof from the FDA a warning letter, Form FDA-483, "Untitled Letter," other material correspondence or material notice setting forth alleged violations of laws and regulations enforced by the FDA, or any comparable material correspondence from any state or local authority responsible for regulating drug or medical device products and establishments, or any comparable material correspondence from any foreign counterpart of the FDA;

(m) promptly after the request by any Lender, all documentation and other information that such Lender reasonably requests in writing in order to comply with its ongoing obligations under applicable "know your customer" and anti-money laundering rules and regulations, including, without limitation, the USA PATRIOT Act; and

(n) promptly, but in any event within five (5) Business Days, after any Responsible Officer of any Borrower obtains knowledge of the occurrence of any event or change (including, without limitation, any notice of any violation of applicable Healthcare Laws) that has resulted or could reasonably be expected to result in, either in any case or in the aggregate, a Material Adverse Effect, a certificate of a Responsible Officer specifying the nature and period of existence of any such event or change, or specifying the notice given or action taken by such holder or Person and the nature of such event or change, and what action the applicable Credit Party or Subsidiary has taken, is taking or proposes to take with respect thereto.

Section 4.2 Payment and Performance of Obligations. Each Borrower (a) will pay and discharge, and cause each Subsidiary to pay and discharge, on a timely basis as and when due, all of their respective obligations and liabilities, except for such obligations and/or liabilities (i) that may be the subject of a Permitted Contest, and (ii) the nonpayment or nondischarge of which could not reasonably be expected to have a Material Adverse Effect or result in a Lien against any Collateral, except for Permitted Liens, (b) without limiting anything contained in the foregoing clause (a), (i) pay all amounts due and owing in respect of all federal Taxes (including without limitation, payroll and withholdings tax liabilities) and (ii) pay all material amounts due and owing in respect of all foreign and state Taxes and other local Taxes (including without limitation, payroll and withholdings tax liabilities), in each case, on a timely basis as and when due, and in any case prior to the date on which any fine, penalty, interest, late charge or loss may be added thereto for nonpayment thereof, in each case, except for such Taxes that may be the subject of a Permitted Contest; provided that for purposes of this Section 4.2(b)(ii) any tax assessment, deposit or contribution shall be considered "material" if it exceeds Two Hundred Fifty Thousand Dollars ($250,000), (c) will maintain, and cause each Subsidiary to maintain, in accordance with GAAP, appropriate reserves for the accrual of all of their respective obligations and liabilities, and (d) will not breach or permit any Subsidiary to breach, or permit to exist any default under, the terms of any lease, commitment, contract, instrument or obligation to which it is a party, or by which its properties or assets are bound, except for such breaches or defaults which could not reasonably be expected to have a Material Adverse Effect.

Section 4.3 Maintenance of Existence. Each Borrower will preserve, renew and keep in full force and effect and in good standing, and will cause each Subsidiary to preserve, renew and keep in full force and effect and in good standing, (a) their respective existence and (b) their respective rights, privileges and franchises necessary or desirable in the normal conduct of business, unless, solely in the case of this clause (b), a failure to do so could not reasonably be expected to have a Material Adverse Effect.

Section 4.4 Maintenance of Property; Insurance.

(a) Each Borrower will keep, and will cause each Subsidiary to keep, all property useful and necessary in its business in good working order and condition, ordinary wear and tear excepted. If all or any part of the Collateral useful or necessary in its business, or upon which any Borrowing Base is calculated, becomes damaged or destroyed, if repair is commercially reasonable each Borrower will, and will cause each Subsidiary to, promptly and completely repair and/or restore the affected Collateral in a good and workmanlike manner, regardless of whether Agent agrees to disburse sums (other than insurance proceeds with respect to such loss required to be disbursed to Borrower under this Agreement) to pay costs of the work of repair or reconstruction.

(b) Upon completion of any Permitted Contest, Borrowers shall, and will cause each Subsidiary to, promptly pay the amount due, if any, and deliver to Agent proof of the completion of the contest and payment of the amount due, if any, following which Agent shall return the security, if any, deposited with Agent pursuant to the definition of Permitted Contest.

(c) Each Borrower will maintain (i) casualty insurance on all real and personal property on an all risks basis (including the perils of flood, windstorm, and, subject to Section 7.4, quake), covering the repair and replacement cost of all such property and coverage, business interruption and rent loss coverages with extended period of indemnity (for the period required by Agent from time to time) and indemnity for extra expense, in each case without application of coinsurance and with agreed amount endorsements, (ii) general and professional liability insurance (including products/completed operations liability coverage), and (iii) such other insurance coverage, in each case against loss or damage of the kinds customarily insured against by Persons engaged in the same or similar business, of such types and in such amounts as are customarily carried under similar circumstances by such other Persons; *provided*, *however*, that, (x) in no event shall such insurance be in amounts or with coverage less than, or with carriers with qualifications inferior to, any of the insurance or carriers in existence as of the Closing Date (or required to be in existence after the Closing Date under a Financing Document) and (y) in the event the capital stock of Alpha Teknova, Inc. is traded on either the NASDAQ or New York Stock Exchange, then no Borrower will be required to obtain or maintain earth quake insurance. All such insurance shall be provided by insurers having an A.M. Best policyholders rating reasonably acceptable to Agent.

(d) On or prior to the Closing Date, and at all times thereafter, each Borrower will cause Agent to be named as an additional insured, assignee and lender loss payee (which shall include, as applicable, identification as mortgagee), as applicable, on each insurance policy required to be maintained pursuant to this Section 4.4 pursuant to endorsements in form and substance reasonably acceptable to Agent. Borrowers shall deliver to Agent and the Lenders (i) on the Closing Date, a certificate from Borrowers' insurance broker dated such date showing the amount of coverage as of such date, and that such policies will include effective waivers (whether under the terms of any such policy or otherwise) by the insurer of all claims for insurance premiums against all loss payees and additional insureds and all rights of subrogation against all loss payees and additional insureds, and that if all or any part of such policy is canceled, terminated or expires, the insurer will forthwith give notice thereof to each additional insured, assignee and loss payee and that no cancellation, material reduction in amount or material change in coverage thereof shall be effective until at least thirty (30) days (or ten (10) days for nonpayment of premium) after receipt by each additional insured, assignee and loss payee of written notice thereof, (ii) on an annual basis, and upon the request of any Lender through Agent from time to time full information as to the insurance carried, (iii) within five (5) days of receipt of notice from any insurer, a copy of any notice of cancellation, nonrenewal or material change in coverage from that existing on the date of this Agreement, (iv) forthwith, notice of any cancellation or nonrenewal of coverage by any Borrower, and (v) at least fifteen (15) days prior to expiration of any policy of insurance, evidence of renewal of such insurance upon the terms and conditions herein required.

(e) In the event any Borrower fails to provide Agent with evidence of the insurance coverage required by this Agreement, Agent may purchase insurance at Borrowers' expense to protect Agent's interests in the Collateral. This insurance may, but need not, protect such Borrower's interests. The coverage purchased by Agent may not pay any claim made by such Borrower or any claim that is made against such Borrower in connection with the Collateral. Such Borrower may later cancel any insurance purchased by Agent, but only after providing Agent with evidence that such Borrower has obtained insurance as required by this Agreement. If Agent purchases insurance for the Collateral,

Borrowers will be responsible for the costs of that insurance to the fullest extent provided by law, including interest and other charges imposed by Agent in connection with the placement of the insurance, until the effective date of the cancellation or expiration of the insurance. The costs of the insurance may be added to the Obligations. The costs of the insurance may be more than the cost of insurance such Borrower is able to obtain on its own.

Section 4.5 Compliance with Laws and Material Contracts. Each Borrower will comply, and cause each Subsidiary to comply, with the requirements of all applicable Laws (including all Healthcare Laws) and Material Contracts, except to the extent that failure to so comply could not reasonably be expected to (a) have a Material Adverse Effect, or (b) result in any Lien upon either (i) a material portion of the assets of any such Person in favor of any Governmental Authority , or (ii) any Collateral which is part of the Borrowing Base (other than, in each case, any Permitted Lien).

Section 4.6 Inspection of Property, Books and Records. Each Borrower will keep, and will cause each Subsidiary to keep, proper books of record substantially in accordance with GAAP in which full, true and correct entries shall be made of all dealings and transactions in relation to its business and activities; and will permit, and will cause each Subsidiary to permit, during normal business hours at the sole cost of the applicable Borrower or any applicable Subsidiary, representatives of Agent to visit and inspect any of their respective properties, to examine and make abstracts or copies from any of their respective books and records, to conduct a collateral audit and analysis of their respective operations and the Collateral, to evaluate and make physical verifications and appraisals of the Inventory and other Collateral in any manner and through any medium that Agent considers advisable, to verify the amount and age of the Accounts, the identity and credit of the respective Account Debtors, to review the billing practices of Borrowers and to discuss their respective affairs, finances and accounts with their respective officers, employees and independent public accountants as often as may reasonably be desired. In the absence of a Default or an Event of Default which is continuing (i) such inspections and audits shall be conducted no more often than two (2) times every twelve (12) months, and (ii) Agent exercising any rights pursuant to this Section 4.6 shall give the applicable Borrower or any applicable Subsidiary commercially reasonable prior notice of such exercise. No notice shall be required during the existence and during the continuance of any Default or any time during which Agent reasonably believes a Default exists.

Section 4.7 Use of Proceeds. Borrowers shall use the proceeds of the Term Loan solely for (a) transaction fees incurred in connection with the Financing Documents, (b) for working capital needs and for operating expenditures and capital expenditures of Borrowers and their Subsidiaries, and (c) for Permitted Acquisitions. No portion of the proceeds of the Loans will be used for family, personal, agricultural or household use.

Section 4.8 Reserved.

Section 4.9 Notices of Material Contracts, Litigation and Defaults.

(a) (i) Borrowers shall promptly (but in any event within ten (10) Business Days) provide written notice to Agent after any Borrower or Subsidiary receives or delivers any notice of termination or default or similar notice in connection with any Material Contract, and (ii) Borrower shall provide, together with the next quarterly Compliance Certificate required to be delivered under this Agreement, written notice to Agent after any Borrower or Subsidiary (1) executes and delivers any material amendment, consent, waiver or other modification to any Material Contract or (2) enters into new Material Contract and shall, upon request of Agent, promptly provide Agent a copy thereof.

(b) Borrowers shall promptly (but in any event within ten (10) Business Days) provide written notice to Agent (i) of any litigation or governmental proceedings pending or threatened

(in writing) against Borrowers or other Credit Party which, if adversely determined, would reasonably be expected to have a Material Adverse Effect with respect to Borrowers or any other Credit Party or which in any manner calls into question the validity or enforceability of any Financing Document, (ii) of any strikes or other labor disputes pending or, to any Borrower's knowledge, threatened against any Credit Party, in each case that would reasonably be expected to result in a Material Adverse Effect, (iii) if there is any infringement or claim of infringement by any other Person with respect to any Intellectual Property rights of any Credit Party that could reasonably be expected to have a Material Adverse Effect, and (iv) of all returns, recoveries, disputes and claims that would reasonably be expected to result in liability of more than Five Hundred Thousand Dollars ($500,000). Borrowers represent and warrant that Schedule 4.9 sets forth a complete list of all material matters existing as of the Closing Date for which notice could be required under this Section 4.9.

(c) Borrowers shall promptly (but in any event within five (5) Business Days) provide written notice to Agent upon any Responsible Officer becoming aware of the existence of any Default or Event of Default.

(d) Borrower shall, and shall cause each Credit Party, to provide such further information (including copies of such documentation) as Agent or any Lender shall reasonably request in writing with respect to any of the events or notices described in clauses (a) and (b) above. From the date hereof and continuing through the termination of this Agreement, Borrower shall, and shall cause each Credit Party to, make available to Agent, without expense to Agent, each Credit Party's officers, employees and agents and books, to the extent that Agent may deem them reasonably necessary to prosecute or defend any third-party suit or proceeding instituted by or against Agent with respect to any Collateral or relating to a Credit Party.

Section 4.10 Hazardous Materials; Remediation.

(a) If any release or disposal of Hazardous Materials that could reasonably be expected to result in a Material Adverse Effect shall occur or shall have occurred on any real property or any other assets of any Borrower or any other Credit Party, such Borrower will to the extent Borrower or any other Credit Party is liable for remediation costs, cause, or direct the applicable Credit Party to cause, the prompt containment and removal of such Hazardous Materials and the remediation of such real property or other assets as is necessary to comply with all applicable Environmental Laws and Healthcare Laws and to preserve the value of such real property or other assets. Without limiting the generality of the foregoing, each Borrower shall, and shall cause each other Credit Party to, comply with each applicable Environmental Law and Healthcare Law requiring the performance at any real property by any Borrower or any other Credit Party of activities in response to the release or threatened release of a Hazardous Material.

(b) Borrowers will provide Agent within thirty (30) days after written demand therefor with a bond, letter of credit or similar financial assurance evidencing to the reasonable satisfaction of Agent that sufficient funds are available to pay the cost of removing, treating and disposing of any Hazardous Materials or Hazardous Materials Contamination and discharging any assessment which may be established on any property as a result thereof for which any Credit Party is liable for remediation costs, such demand to be made, if at all, upon Agent's reasonable business determination that the failure to remove, treat or dispose of any Hazardous Materials or Hazardous Materials Contamination, or the failure to discharge any such assessment could reasonably be expected to have a Material Adverse Effect.

Section 4.11 Further Assurances.

(a) Each Borrower will, and will cause each Subsidiary to, at its own cost and expense, promptly and duly take, execute, acknowledge and deliver all such further acts, documents and assurances as may from time to time be necessary or as Agent or the Required Lenders may from time to time reasonably request in order to carry out the intent and purposes of the Financing Documents and the transactions contemplated thereby, including all such actions to (i) establish, create, preserve, protect and perfect a first priority Lien (subject only to the Affiliated Intercreditor Agreement and to Permitted Liens) in favor of Agent for itself and for the benefit of the Lenders on the Collateral (including Collateral acquired after the date hereof and including pursuant to any foreign law governed security documents), and (ii) unless Agent shall agree otherwise in writing, cause all Subsidiaries of Borrowers to be jointly and severally obligated with the other Borrowers under all covenants and obligations under this Agreement, including the obligation to repay the Obligations.

(b) Upon receipt of an affidavit of an authorized representative of Agent or a Lender as to the loss, theft, destruction or mutilation of any Note or any other Financing Document which is not of public record, and, in the case of any such mutilation, upon surrender and cancellation of such Note or other applicable Financing Document, Borrowers will issue, in lieu thereof, a replacement Note or other applicable Financing Document, dated the date of such lost, stolen, destroyed or mutilated Note or other Financing Document in the same principal amount thereof and otherwise of like tenor.

(c) Borrower shall provide Agent with at least ten (10) Business Days (or such shorter period as Agent may accept in its sole discretion) prior written notice of the creation (or to the extent permitted under this Agreement, acquisition) of a new Subsidiary. Upon the formation (or to the extent permitted under this Agreement, acquisition) of a new Subsidiary, Borrowers shall (i) pledge, have pledged or cause or have caused to be pledged to Agent pursuant to a pledge agreement in form and substance satisfactory to Agent, all of the outstanding shares of Equity Interests or other Equity Interests of such new Subsidiary owned directly or indirectly by any Borrower, along with undated stock or equivalent powers for such certificates, executed in blank; (ii) unless Agent shall agree otherwise in writing, cause the new Subsidiary to take such other actions (including entering into or joining any Security Documents) as are necessary or advisable in the reasonable opinion of Agent in order to grant Agent, acting on behalf of the Lenders, a first priority Lien (subject to the Affiliated Intercreditor Agreement and Permitted Liens which have priority by operation of Law) on all real and personal property (other than Excluded Property) of such Subsidiary in existence as of such date and in all after acquired property, which first priority Liens are required to be granted pursuant to this Agreement, including pursuant to foreign law governed Security Documents to the extent required by Agent in its reasonable discretion; (iii) unless Agent shall agree otherwise in writing, cause such new Subsidiary to either (at the election of Agent) become a Borrower hereunder with joint and several liability for all obligations of Borrowers hereunder and under the other Financing Documents pursuant to a joinder agreement or other similar agreement in form and substance satisfactory to Agent or to become a Guarantor of the obligations of Borrowers hereunder and under the other Financing Documents pursuant to a guaranty and suretyship agreement in form and substance satisfactory to Agent; and (iv) cause the new Subsidiary to deliver certified copies of such Subsidiary's certificate or articles of incorporation, together with good standing certificates, by-laws (or other operating agreement or governing documents), resolutions of the Board of Directors or other governing body, approving and authorize the execution and delivery of the Security Documents, incumbency certificates and to execute and/or deliver such other documents and legal opinions or to take such other actions as may be requested by Agent, in each case, in form and substance satisfactory to Agent (the requirements set forth in clauses (i)-(iv), collectively, the "**Joinder Requirements**").

Section 4.12 Reserved.

Section 4.13 Power of Attorney. Each of the authorized representatives of Agent is hereby irrevocably made, constituted and appointed the true and lawful attorney for Borrowers (without requiring any of them to act as such) with full power of substitution, exercisable only upon the occurrence and during the continuance of an Event of Default, to do the following: (a) endorse the name of Borrowers upon any and all checks, drafts, money orders, and other instruments for the payment of money that are payable to Borrowers and constitute collections on Borrowers' Accounts; (b) so long as Agent has provided not less than three (3) Business Days' prior written notice to Borrower to perform the same and Borrower has failed to take such action, execute in the name of Borrowers any schedules, assignments, instruments, documents, and statements that Borrowers are obligated to give Agent under this Agreement; (c) take any action Borrowers are required to take under this Agreement; (d) so long as Agent has provided not less than three (3) Business Days' prior written notice to Borrower to perform the same and Borrower has failed to take such action, do such other and further acts and deeds in the name of Borrowers that Agent may deem necessary or desirable to enforce any Account or other Collateral or perfect Agent's security interest or Lien in any Collateral; and (e) do such other and further acts and deeds in the name of Borrowers that Agent may deem necessary or desirable to enforce its rights with regard to any Account or other Collateral. This power of attorney shall be irrevocable and coupled with an interest.

Section 4.14 Reserved.

Section 4.15 Reserved.

Section 4.16 Intellectual Property and Licensing.

(a) Together with each Compliance Certificate required to be delivered pursuant to Section 4.1 with respect to the last month of a fiscal quarter to the extent (i) Borrower acquires and/or develops any new Registered Intellectual Property, (ii) Borrower enters into or becomes bound by any additional material in-bound license or sublicense agreement, any additional exclusive out-bound license or sublicense agreement or other material agreement with respect to rights in Intellectual Property (other than over-the-counter software, software that is commercially available to the public and open source licenses), or (iii) there occurs any other material change in Borrower's Registered Intellectual Property, material in-bound licenses or sublicenses or exclusive out-bound licenses or sublicenses from that listed on Schedule 3.19 together with such Compliance Certificate, deliver to Agent an updated Schedule 3.19 reflecting such updated information. With respect to any updates to Schedule 3.19 involving exclusive out-bound licenses or sublicenses, such licenses shall be consistent with the definitions of and limitations herein pertaining to Permitted Licenses.

(b) If Borrower obtains any Registered Intellectual Property (other than copyrights, mask works and related applications, which are addressed below), Borrower shall promptly (and in any event within thirty (30) days of obtaining same) notify Agent and execute such documents and provide such other information (including, without limitation, copies of applications) and take such other actions as Agent shall request in its good faith business judgment to perfect and maintain a first priority perfected security interest in favor of Agent, for the ratable benefit of Lenders, in such Registered Intellectual Property.

(c) Borrower shall take such commercially reasonable steps as Agent reasonably requests to obtain the consent of, or waiver by, any person whose consent or waiver is necessary for (x) all material licenses or material agreements to be deemed "Collateral" and for Agent to have a security interest in it that might otherwise be restricted or prohibited by Law or by the terms of any such material license or agreement, whether now existing or entered into in the future, and (y) Agent to have the ability in the event of a liquidation of any Collateral to dispose of such Collateral in accordance with Agent's rights and remedies under this Agreement and the other Financing Documents.

(d) Borrower shall own, or be licensed to use or otherwise have the right to use, all Material Intangible Assets subject to Permitted Liens. Borrower shall cause all Registered Intellectual Property to be duly and properly registered, filed or issued in the appropriate office and jurisdictions for such registrations, filings or issuances, except where the failure to do so would not reasonably be expected to result in a Material Adverse Effect. Borrower shall at all times conduct its business without material infringement or material claim of infringement of any valid Intellectual Property rights of others. Borrower shall (i) protect, defend and maintain the validity and enforceability of its Material Intangible Assets (ii) promptly advise Agent in writing of material infringements of its Material Intangible Assets, or of a material claim of infringement by Borrower on the Intellectual Property rights of others; and (iii) not allow any of Borrower's Material Intangible Assets to be abandoned, invalidated, forfeited or dedicated to the public or to become unenforceable. Borrower shall not become a party to, nor become bound by, any material license or other agreement with respect to which Borrower is the licensee (other than in-bound licenses of over-the-counter software and other software that is commercially available to the public, and open source licenses) that prohibits or otherwise restricts Borrower from granting a security interest in Borrower's interest in such license or agreement or other property.

Section 4.17 Permits. Borrowers shall have and maintain, and shall ensure that it and each of its Subsidiaries has and maintains, each Permit of Borrowers or their Subsidiaries the loss of which could be reasonably expected to result in a Material Adverse Effect, and have made all necessary declarations and filings with, all applicable Governmental Authorities, all self-regulatory authorities and all courts and other tribunals necessary to engage in all material respects in the ownership, management and operation of the business or the assets of any Borrower and Borrowers shall take such reasonable actions to ensure that no Governmental Authority has taken action to limit, suspend or revoke any such Permit.

ARTICLE 5 - NEGATIVE COVENANTS

Each Borrower agrees that:

Section 5.1 Debt; Contingent Obligations.

(a) No Borrower will, or will permit any Subsidiary to, directly or indirectly, create, incur, assume, guarantee or otherwise become or remain directly or indirectly liable with respect to, any Debt, except for Permitted Debt.

(b) No Borrower will, or will permit any Subsidiary to, directly or indirectly, create, assume, incur or suffer to exist any Contingent Obligations, except for Permitted Contingent Obligations.

(c) No Borrower will, or will permit any Subsidiary to, directly or indirectly, purchase, redeem, defease or prepay any principal of, premium, if any, interest or other amount payable in respect of any Debt prior to its scheduled maturity (except (i) with respect to the Debt permitted under this Agreement, (ii) for Capital Lease obligations and (iii) for Subordinated Debt solely to the extent permitted by Section 5.5).

Section 5.2 Liens. No Borrower will, or will permit any Subsidiary to, directly or indirectly, create, assume or suffer to exist any Lien on any asset now owned or hereafter acquired by it, except for Permitted Liens.

Section 5.3 Distributions. No Borrower will, or will permit any Subsidiary to, directly or indirectly, declare, order, pay, make or set apart any sum for any Distribution, except for Permitted Distributions.

Section 5.4 Restrictive Agreements. No Borrower will, or will permit any Subsidiary to, directly or indirectly (a) enter into or assume any agreement (other than the Financing Documents, the Affiliated Financing Documents, and any agreements for purchase money debt and Capital Leases permitted under clause (c) of the definition of Permitted Debt) prohibiting the creation or assumption of any Lien upon its properties or assets, whether now owned or hereafter acquired, or (b) create or otherwise cause or suffer to exist or become effective any consensual encumbrance or restriction of any kind (except as provided by the Financing Documents and the Affiliated Financing Documents) on the ability of any Subsidiary to: (i) pay or make Distributions to any Borrower or any Subsidiary; (ii) pay any Debt owed to any Borrower or any Subsidiary; (iii) make loans or advances to any Borrower or any Subsidiary; or (iv) transfer any of its property or assets to any Borrower or any Subsidiary, in each case under this Section 5.4 other than reasonable and customary anti-assignment provisions contained in licenses, contracts and other agreements so long as such anti-assignment provisions do not cause such licenses, contracts or other agreements to constitute Excluded Property.

Section 5.5 Payments and Modifications of Subordinated Debt. No Borrower will, or will permit any Subsidiary to, directly or indirectly:

(a) declare, pay, make or set aside any amount for payment in respect of Subordinated Debt, except for payments made in full compliance with and expressly permitted under the Subordination Agreement;

(b) amend or otherwise modify the terms of any Subordinated Debt, except for amendments or modifications made in full compliance with the Subordination Agreement;

(c) declare, pay, make or set aside any amount for payment in respect of any Debt hereinafter incurred that, by its terms, or by separate agreement, is subordinated to the Obligations, except for payments made in full compliance with and expressly permitted under the subordination provisions applicable thereto; or

(d) amend or otherwise modify the terms of any such Debt if the effect of such amendment or modification is to (i) increase the interest rate or fees on, or change the manner or timing of payment of, such Debt, (ii) accelerate or shorten the dates upon which payments of principal or interest are due on, or the principal amount of, such Debt, (iii) change in a manner adverse to any Credit Party or Agent any event of default or add or make more restrictive any covenant with respect to such Debt, (iv) change the prepayment or redemption provisions of such Debt or any of the defined terms related thereto, (v) change the subordination provisions thereof (or the subordination terms of any guaranty thereof), or (vi) change or amend any other term if such change or amendment would materially increase the obligations of the obligor or confer additional material rights on the holder of such Debt in a manner adverse to Borrowers, any Subsidiaries, Agent or Lenders.

Section 5.6 Consolidations, Mergers and Sales of Assets;. No Borrower will, or will permit any Subsidiary to, directly or indirectly:

(a) consolidate or merge or amalgamate with or into any other Person other than (i) consolidations or mergers among Borrowers so long as (x) in any consolidation or merger involving Alpha Teknova, Inc., Alpha Teknova, Inc. is the surviving entity and (y) in any consolidation or merger involving a Borrower, a Borrower is the surviving entity, (ii) consolidations or mergers among a Guarantor and a Borrower so long as the Borrower is the surviving entity, (iii) consolidations or mergers among Guarantors, and (iv) consolidations or mergers among Subsidiaries that are not Credit Parties; or

(b) make or consummate any Asset Dispositions other than Permitted Asset Dispositions.

Section 5.7 Purchase of Assets, Investments. No Borrower will, or will permit any Subsidiary to, directly or indirectly:

(a) acquire, make, own, hold or otherwise consummate any Investment (including for the avoidance of doubt, any Acquisition) other than Permitted Investments or enter into any agreement to acquire, make, own or hold any Investment other than Permitted Investments;

(b) without limiting clause (a) above, acquire any other assets other than Permitted Investments or otherwise (i) in the Ordinary Course of Business, (ii) constituting capital expenditures, (iii) constituting replacement assets purchased with proceeds of property insurance policies, awards or other compensation with respect to any eminent domain, condemnation or similar proceeding and for which the requirements set forth in this Agreement have been satisfied and (iv) any acquisition by a Credit Party of assets of any other Credit Party to the extent not otherwise prohibited by Article 5 of this Agreement;

(c) engage or enter into any agreement to engage in any joint venture or partnership with any other Person except for Investments made pursuant to clause (l) of the definition of Permitted Investments; or

(d) Without limiting the foregoing, no Borrower shall, nor will any Borrower permit any Subsidiary to, purchase or carry Margin Stock.

Section 5.8 Transactions with Affiliates. No Borrower will, or will permit any Subsidiary to, directly or indirectly, enter into or permit to exist any transaction (including the purchase, sale, lease or exchange of any property or the rendering of any service) with any Affiliate of any Borrower or any Subsidiary thereof, except for (a) transaction disclosed on Schedule 5.8 on the Closing Date, (b) transactions that are in the Ordinary Course of Business upon fair and reasonable terms, and, in each case, which contain terms that are no less favorable to the applicable Borrower or any Subsidiary, as the case may be, than those which might be obtained from a third party not an Affiliate of any Credit Party, (c) transactions among Credit Parties and Subsidiaries that are not otherwise prohibited by this Agreement, (d) transactions constituting (i) issuances of Subordinated Debt to investors and (ii) issuance of other equity securities, in each case, not otherwise in contravention of this Agreement; and (e) reasonable and customary director, officer and employee compensation (including bonuses) and other benefits (including retirement, health, stock option and other benefit plans and indemnification arrangements approved by the relevant board of directors, board managers or equivalent corporate body in the Ordinary Course of Business).

Section 5.9 Modification of Organizational Documents. No Borrower will, or will permit any Subsidiary to, directly or indirectly, amend or otherwise modify any Organizational Documents of such Person, except for Permitted Modifications.

Section 5.10 Modification of Certain Agreements. No Borrower will, or will permit any Subsidiary to, directly or indirectly, (a) amend or otherwise modify any Material Contract, which amendment or modification in any case: (i) is contrary to the terms of this Agreement or any other Financing Document; (ii) would reasonably be expected to be adverse to the rights, interests or privileges of Agent or the Lenders or their ability to enforce the same; (iii) results in the imposition or expansion in any material respect of any obligation of or restriction or burden on any Credit Party or any Subsidiary; or (iv) reduces in any material respect any rights or benefits of any Credit Party or any Subsidiaries (it being understood and agreed that any such determination shall be in the discretion of Agent) or (b) without the prior written consent of Agent, amend or otherwise modify the Affiliated Financing Document.

Section 5.11 Conduct of Business. No Borrower will, or will permit any Subsidiary to, directly or indirectly, engage in any line of business other than those businesses engaged in on the Closing Date and businesses reasonably related or incidental thereto. No Borrower will, or will permit any Subsidiary to, other than in the Ordinary Course of Business, change its normal billing payment and reimbursement policies and procedures with respect to its Accounts (including, without limitation, the amount and timing of finance charges, fees and write-offs).

Section 5.12 Reserved.

Section 5.13 Limitation on Sale and Leaseback Transactions. No Borrower will, or will permit any Subsidiary to, directly or indirectly, enter into any arrangement with any Person whereby, in a substantially contemporaneous transaction, any Borrower or any Subsidiaries sells or transfers all or substantially all of its right, title and interest in an asset and, in connection therewith, acquires or leases back the right to use such asset.

Section 5.14 Deposit Accounts and Securities Accounts; Payroll and Benefits Accounts.

(a) No Borrower will, or will permit any Credit Party to, directly or indirectly, establish any new Deposit Account or Securities Account unless such Borrower or such other Credit Party and the bank, financial institution or securities intermediary at which the account is to be opened enter into a Deposit Account Control Agreement or Securities Account Control Agreement prior to or concurrently with the establishment of such Deposit Account or Securities Account.

(b) Borrowers represent and warrant that Schedule 5.14 (as updated by the Compliance Certificates delivered to Agent from time to time after the Closing Date) lists all of the Deposit Accounts and Securities Accounts of each Borrower as of the Closing Date and as of the date on which each Compliance Certificate is delivered. The provisions of this Section requiring Deposit Account Control Agreements shall not apply to (i) Deposit Accounts exclusively used for payroll, payroll taxes and other employee wage and benefit payments to or for the benefit of Borrowers' employees and identified to Agent by Borrowers as such; *provided*, *however*, that the aggregate balance in such accounts does not exceed the amount necessary to make the two immediately succeeding payroll, payroll tax or benefit payments (or such minimum amount as may be required by any requirement of Law with respect to such accounts), (ii) escrow accounts and trust accounts, in each case entered into in the Ordinary Course of Business and consistent with prudent business practice conduct where the applicable Credit Party holds the funds exclusively for the benefit of one or more unaffiliated third parties in an aggregate amount not to exceed $100,000 with respect to all such escrow accounts and trust accounts, (iii) Deposit Accounts or Securities Accounts constituting Credit Card Cash Collateral Accounts or L/C Cash Collateral Accounts, and (iv) Deposit Accounts or Securities Accounts holding cash or Cash Equivalents described in clause (q) of the definition Permitted Liens (the accounts referenced in clauses (i)-(iv), the "**Excluded Accounts**").

(c) At all times that any Obligations or Affiliated Obligations remain outstanding, Borrower shall maintain one or more separate Deposit Accounts to hold any and all amounts to be used for payroll, payroll taxes and other employee wage and benefit payments, and shall not commingle any monies allocated for such purposes with funds in any other Deposit Account.

Section 5.15 Compliance with Anti-Terrorism Laws. Agent hereby notifies Borrowers that pursuant to the requirements of Anti-Terrorism Laws, and Agent's policies and practices, Agent is required to obtain, verify and record certain information and documentation that identifies Borrowers and its principals, which information includes the name and address of each Borrower and its principals and such other information that will allow Agent to identify such party in accordance with Anti-Terrorism Laws. No

Borrower will, or will permit any Subsidiary to, directly or indirectly, knowingly enter into any Material Contracts with any Blocked Person or any Person listed on the OFAC Lists. Each Borrower shall immediately notify Agent if such Borrower has knowledge that any Borrower, any additional Credit Party or any of their respective Affiliates or agents acting or benefiting in any capacity in connection with the transactions contemplated by this Agreement is or becomes a Blocked Person or (a) is convicted on, (b) pleads nolo contendere to, (c) is indicted on, or (d) is arraigned and held over on charges involving money laundering or predicate crimes to money laundering. No Borrower will, or will permit any Subsidiary to, directly or indirectly, (i) conduct any business or engage in any transaction or dealing with any Blocked Person, including, without limitation, the making or receiving of any contribution of funds, goods or services to or for the benefit of any Blocked Person, (ii) deal in, or otherwise engage in any transaction relating to, any property or interests in property blocked pursuant to Executive Order No. 13224, any similar executive order or other Anti-Terrorism Law, or (iii) engage in or conspire to engage in any transaction that evades or avoids, or has the purpose of evading or avoiding, or attempts to violate, any of the prohibitions set forth in Executive Order No. 13224 or other Anti-Terrorism Law.

Section 5.16 Change in Accounting. No Borrower shall, and no Borrower shall suffer or permit any of its Subsidiaries to, (a) make any significant change in accounting treatment or reporting practices, except as required by GAAP or (b) change the fiscal year or method for determining fiscal quarters of any Credit Party or of any Consolidated Subsidiary of any Credit Party except, in each case, to the extent that Agent has provided its prior written consent to such change (such consent to be given or withheld in Agent's reasonable discretion).

Section 5.17 Investment Company Act. No Borrower shall, nor shall it permit any Subsidiary to, directly or indirectly, engage in any business, enter into any transaction, use any securities or take any other action or permit any of its Subsidiaries to do any of the foregoing, that would cause it or any of its Subsidiaries to become subject to the registration requirements of the Investment Company Act, by virtue of being an "investment company" or a company "controlled" by an "investment company" not entitled to an exemption within the meaning of the Investment Company Act.

ARTICLE 6 - FINANCIAL COVENANTS

Section 6.1 Minimum Net Revenue. Borrowers shall not permit their consolidated Net Revenue for any applicable Defined Period, as tested monthly on the last day of the applicable Defined Period, to be less than the Minimum Net Revenue Threshold for such Defined Period. For the avoidance of doubt, in no event shall any Net Revenue attributable to any entity or assets acquired pursuant to or in connection with a Permitted Acquisition and that was received or accrued prior to the date of such Permitted Acquisition be counted for purposes of determining Borrower's compliance with the financial covenant set forth in Section 6.1.

Section 6.2 Evidence of Compliance. Borrowers shall furnish to Agent, as required by Section 4.1, a Compliance Certificate as evidence of (a) the monthly cash and Cash Equivalents of Borrowers and Borrowers and their Consolidated Subsidiaries, (b) Borrowers' compliance with the covenants in this Article, and (c) that no Event of Default specified in this Article has occurred. The Compliance Certificate shall include, without limitation, (x) a statement and report, in form and substance reasonably satisfactory to Agent, detailing Borrowers' calculations, and (y) if requested by Agent, back-up documentation (including, without limitation, bank statements, invoices, receipts and other evidence of costs incurred during such quarter as Agent shall reasonably require) evidencing the propriety of the calculations.

ARTICLE 7 - CONDITIONS

Section 7.1 Conditions to Closing. The obligation of each Lender to make the initial Loans on the Closing Date shall be subject to the receipt by Agent of each agreement, document and instrument set forth on the closing checklist attached hereto as Exhibit G, each in form and substance satisfactory to Agent, and such other closing deliverables reasonably requested by Agent and Lenders, and to the satisfaction of the following conditions precedent, each to the satisfaction of Agent and Lenders in their reasonable discretion:

(a) the receipt by Agent of executed counterparts of this Agreement, the other Financing Documents and the Affiliated Financing Documents;

(b) the payment of all fees, expenses and other amounts due and payable under each Financing Document; and

(c) since December 31, 2020, the absence of any material adverse change in any aspect of the business, operations, properties, or condition (financial or otherwise) of any Credit Party, or any event or condition which would reasonably be expected to result in such a material adverse change.

Each Lender, by delivering its signature page to this Agreement, shall be deemed to have acknowledged receipt of, consented to, approved and ratified, each Financing Document and each other document, agreement and/or instrument required to be approved by Agent, Required Lenders or Lenders, as applicable, on the Closing Date.

Section 7.2 Conditions to Each Loan. The obligation of the Lenders to make a Loan or an advance in respect of any Loan (including the initial Loans), is subject to the satisfaction of the following additional conditions:

(a) receipt by Agent of a Notice of Borrowing in accordance with Section 2.1(a)(i);

(b) [reserved];

(c) [reserved];

(d) with respect to Term Loan Tranche 2, the Term Loan Tranche 2 Activation Date has occurred;

(e) with respect to Term Loan Tranche 3, the Term Loan Tranche 3 Activation Date has occurred;

(f) with respect to Term Loan Tranche 3, the most recent Compliance Certificate delivered (or required to be delivered) by Borrowers pursuant to Section 4.1(i) hereof prior to the proposed funding date for such Term Loan Tranche 3 demonstrates to Agent's and each Lender's satisfaction that (i) if such proposed funding date is on or after January 1, 2022 and before July 1, 2022, the Net Revenue for the preceding twelve (12) calendar months (ending on the last day of the calendar month for which such Compliance Certificate is delivered) is greater than or equal to $37,000,000 or (ii) if such proposed funding date is on or after July 1, 2022 and on or before the Term Loan Tranche 3 Commitment Termination Date, the Net Revenue for the preceding twelve (12) calendar months (ending on the last day of the calendar month for which such Compliance Certificate is delivered) is greater than or equal to $38,500,000;

(g) in the case of a borrowing of the Term Loan Tranche 3, delivery of a Tranche 3 EBITDA Certificate demonstrating to Agent's and each Lender's satisfaction that Consolidated EBITDA for the Borrowers for the preceding six (6) calendar months (ending on the last day of the calendar month for which the most recent Compliance Certificate delivered (or required to be delivered) by Borrower pursuant to Section 4.1(i) prior to the proposed funding date for such Term Loan Tranche 3 Loans) is greater than zero (0);

(h) the fact that, immediately before and after such advance or issuance, no Default or Event of Default shall have occurred and be continuing;

(i) for Loans made on the Closing Date, the fact that the representations and warranties of each Credit Party contained in the Financing Documents shall be true, correct and complete on and as of the Closing Date, except to the extent that any such representation or warranty relates to a specific date in which case such representation or warranty shall be true and correct as of such earlier date;

(j) for Loans made after the Closing Date, the fact that the representations and warranties of each Credit Party contained in the Financing Documents shall be true, correct and complete in all material respects on and as of the date of such borrowing or issuance, except to the extent that any such representation or warranty relates to a specific earlier date in which case such representation or warranty shall be true and correct in all material respects as of such specific earlier date; *provided*, *however*, in each case, such materiality qualifier shall not be applicable to any representations and warranties that already are qualified or modified by materiality in the text thereof; and

(k) the fact that no material adverse change in the condition (financial or otherwise), properties, business, or operations of Borrowers or any other Credit Party shall have occurred and be continuing with respect to Borrowers or any Credit Party since the date of this Agreement.

Each giving of a Notice of Borrowing hereunder and each acceptance by any Borrower of the proceeds of any Loan made hereunder shall be deemed to be (y) a representation and warranty by each Borrower on the date of such notice or acceptance as to the facts specified in this Section, and (z) a restatement by each Borrower that each and every one of the representations made by it in any of the Financing Documents is true and correct all material respects on and as of the date of such borrowing or issuance, except to the extent that any such representation or warranty relates to a specific earlier date in which case such representation or warranty shall be true and correct in all material respects as of such specific earlier date; *provided*, *however*, in each case, such materiality qualifier shall not be applicable to any representations and warranties that already are qualified or modified by materiality in the text thereof.

Section 7.3 Searches. Before the Closing Date, and thereafter (as and when determined by Agent in its discretion), Agent shall have the right to perform, all at Borrowers' expense, the searches described in clauses (a), (b), and (c) below against Borrowers and any other Credit Party, the results of which are to be consistent with Borrowers' representations and warranties under this Agreement and the satisfactory results of which shall be a condition precedent to all advances of Loan proceeds: (a) UCC searches with the Secretary of State of the jurisdiction in which the applicable Person is organized; (b) judgment, pending litigation, federal tax lien, personal property tax lien, and corporate and partnership tax lien searches, in each jurisdiction searched under clause (a) above; and (c) searches of applicable corporate, limited liability company, partnership and related records to confirm the continued existence, organization and good standing of the applicable Person and the exact legal name under which such Person is organized. Notwithstanding anything to the contrary herein, after the Closing Date, Borrowers shall not be liable for the expenses associated with such searches conducted more than once during each twelve month period unless an Event of Default has occurred and is continuing.

Section 7.4 Post-Closing Requirements. Unless Agent shall otherwise consent, Borrowers shall complete each of the post-closing obligations and/or provide to Agent each of the documents, instruments, agreements and information listed on Schedule 7.4 attached hereto on or before the date set forth for each such item thereon, each of which shall be completed or provided in form and substance reasonably satisfactory to Agent.

ARTICLE 8 - [RESERVED]

ARTICLE 9 - SECURITY AGREEMENT

Section 9.1 Generally. As security for the payment and performance of the Obligations, and for the payment and performance of all obligations under the Affiliated Financing Documents (if any) and without limiting any other grant of a Lien and security interest in any Security Document, each Borrower hereby collaterally assigns, grants and pledges to Agent, for the benefit of itself and Lenders a continuing first priority Lien on and security interest in, upon, and to the property set forth on Schedule 9.1 attached hereto and made a part hereof, subject only to the Affiliated Intercreditor Agreement.

Section 9.2 Representations and Warranties and Covenants Relating to Collateral.

(a) The security interest granted pursuant to this Agreement constitutes a valid and, to the extent such security interest is required to be perfected by this Agreement and any other Financing Document, continuing perfected security interest in favor of Agent in all Collateral subject, for the following Collateral, to the occurrence of the following: (i) in the case of all Collateral in which a security interest may be perfected by filing a financing statement under the UCC, the completion of the filings and other actions specified on Schedule 9.2(b) (which, in the case of all filings and other documents referred to on such schedule, have been delivered to Agent in completed and duly authorized form), (ii) with respect to any Deposit Account, the execution of Deposit Account Control Agreements, (iii) in the case of letter-of-credit rights that are not supporting obligations of Collateral, the execution of a contractual obligation granting control to Agent over such letter-of-credit rights, (iv) in the case of electronic chattel paper, the completion of all steps necessary to grant control to Agent over such electronic chattel paper, (v) in the case of all certificated stock, debt instruments and investment property, the delivery thereof to Agent of such certificated stock, debt instruments and investment property consisting of instruments and certificates, in each case properly endorsed for transfer to Agent or in blank, (vi) in the case of all investment property not in certificated form, the execution of control agreements with respect to such investment property and (vii) in the case of all other instruments and tangible chattel paper that are not certificated stock, debt instructions or investment property, the delivery thereof to Agent of such instruments and tangible chattel paper. Such security interest shall be prior to all other Liens on the Collateral except for Permitted Liens. Except to the extent not required pursuant to the terms of this Agreement, all actions by each Credit Party necessary or desirable to protect and perfect the Lien granted hereunder on the Collateral have been duly taken.

(b) Schedule 9.2(b) (as updated by the Compliance Certificates delivered to Agent from time to time after the Closing Date) sets forth (i) each chief executive office and principal place of business of each Borrower and each of their respective Subsidiaries, and (ii) all of the addresses (including all warehouses) at which any of the Collateral is located and/or books and records of Borrowers regarding any Collateral or any of Borrower's assets, liabilities, business operations or financial condition are kept, which such Schedule 9.2(b) indicates in each case which Borrower(s) have Collateral and/or books and records located at such address, and, in the case of any such address not owned by one or more of the Borrowers(s), indicates the nature of such location (e.g., leased business location operated by Borrower(s), third party warehouse, consignment location, processor location, etc.) and the name and address of the third party owning and/or operating such location.

(c) Without limiting the generality of Section 3.2, except as indicated on Schedule 3.19 with respect to any rights of any Borrower as a licensee under any license of Intellectual Property owned by another Person, and except for the filing of financing statements under the UCC, no authorization, approval or other action by, and no notice to or filing with, any Governmental Authority or consent of any other Person is required for (i) the grant by each Borrower to Agent of the security interests and Liens in the Collateral provided for under this Agreement and the other Security Documents (if any), or (ii) the granting of the security interest or the exercise by Agent of its rights and remedies with respect to the Collateral provided for under this Agreement and the other Security Documents or under any applicable Law, including the UCC and neither any such grant of Liens in favor of Agent or exercise of rights by Agent shall violate or cause a default under any agreement between any Borrower and any other Person relating to any such collateral, including any license to which a Borrower is a party, whether as licensor or licensee, with respect to any Intellectual Property, whether owned by such Borrower or any other Person.

(d) As of the Closing Date, except as set forth on Schedule 9.2(d), no Borrower has any ownership interest in any Chattel Paper (as defined in Article 9 of the UCC), letter of credit rights, commercial tort claims, Instruments, documents or investment property evidencing an obligation in excess of Two Hundred Fifty Thousand Dollars ($250,000) individually or in excess of Five Hundred Thousand Dollars ($500,000) in the aggregate for all such obligations (other than Equity Interests in any Subsidiaries of such Borrower disclosed on Schedule 3.4), and Borrowers shall give notice to Agent promptly (but in any event not later than the delivery by Borrowers of the next quarterly Compliance Certificate required pursuant to Section 4.1 above) upon the acquisition by any Borrower of any such Chattel Paper, letter of credit rights, commercial tort claims, Instruments, documents, investment property evidencing an obligation in excess of Two Hundred Fifty Thousand Dollars ($250,000) individually or in excess of Five Hundred Thousand Dollars ($500,000) in the aggregate for all such obligations. No Person other than Agent or (if applicable) any Lender has “control” (as defined in Article 9 of the UCC) over any Deposit Account, investment property (including Securities Accounts and commodities account), letter of credit rights or electronic chattel paper in which any Borrower has any interest (except for such control arising by operation of law in favor of any bank or securities intermediary or commodities intermediary with whom any Deposit Account, Securities Account or commodities account of Borrowers is maintained).

(e) Borrowers shall not, and shall not permit any Credit Party to, take any of the following actions or make any of the following changes unless Borrowers have given at least thirty (30) days prior written notice to Agent of Borrowers’ intention to take any such action (which such written notice shall include an updated version of any Schedule impacted by such change) and have executed any and all documents, instruments and agreements and taken any other actions which Agent may request after receiving such written notice in order to protect and preserve the Liens, rights and remedies of Agent with respect to the Collateral: (i) change the legal name or organizational identification number of any Borrower as it appears in official filings in the jurisdiction of its organization, (ii) change the jurisdiction of incorporation or formation of any Borrower or Credit Party or allow any Borrower or Credit Party to designate any jurisdiction as an additional jurisdiction of incorporation for such Borrower or Credit Party, or change the type of entity that it is; *provided* that in no event shall a Borrower organized under the laws of the United States or any state thereof be reorganized under the laws of a jurisdiction other than the United States or any State thereof, or (iii) change its chief executive office, principal place of business, or the location of its books and records or move any Collateral to or place any Collateral on any location that is not then listed on the Schedules and/or establish any business location at any location that is not then listed on the Schedules.

(f) Borrowers shall not adjust, settle or compromise the amount or payment of any Account, or release wholly or partly any Account Debtor, or allow any credit or discount thereon (other than adjustments, settlements, compromises, credits and discounts in the Ordinary Course of Business,

made while no Default exists and in amounts which constitute less than $250,000 reduction per individual account and are otherwise not material with respect to the Account taken as a whole) without the prior written consent of Agent. Without limiting the generality of this Agreement or any other provisions of any of the Financing Documents relating to the rights of Agent after the occurrence and during the continuance of an Event of Default, Agent shall have the right at any time after the occurrence and during the continuance of an Event of Default to: (i) exercise the rights of Borrowers with respect to the obligation of any Account Debtor to make payment or otherwise render performance to Borrowers and with respect to any property that secures the obligations of any Account Debtor or any other Person obligated on the Collateral, and (ii) adjust, settle or compromise the amount or payment of such Accounts.

(g) Without limiting the generality of Sections 9.2(c) and 9.2(e):

(i) Borrowers shall deliver to Agent all tangible Chattel Paper and all Instruments and documents evidencing an obligation in excess of Two Hundred Fifty Thousand Dollars ($250,000) individually or in excess of Five Hundred Thousand Dollars ($500,000) in the aggregate for all such obligations owned by any Borrower and constituting part of the Collateral duly endorsed and accompanied by duly executed instruments of transfer or assignment, all in form and substance satisfactory to Agent. Borrowers shall provide Agent with "control" (as defined in Article 9 of the UCC) of all electronic Chattel Paper evidencing an obligation in excess of Two Hundred Fifty Thousand Dollars ($250,000) individually or in excess of Five Hundred Thousand Dollars ($500,000) in the aggregate for all such obligations owned by any Borrower and constituting part of the Collateral by having Agent identified as the assignee on the records pertaining to the single authoritative copy thereof and otherwise complying with the applicable elements of control set forth in the UCC. Borrowers also shall deliver to Agent all security agreements securing any such Chattel Paper and securing any such Instruments (other than those with a value of less than One Hundred Thousand Dollars ($100,000) in the aggregate). Borrowers will mark conspicuously all such Chattel Paper and all such Instruments and documents (other than those with a value of less than One Hundred Thousand Dollars ($100,000) in the aggregate) with a legend, in form and substance satisfactory to Agent, indicating that such Chattel Paper and such instruments and documents are subject to the security interests and Liens in favor of Agent created pursuant to this Agreement and the Security Documents. Borrowers shall comply with all the provisions of Section 5.14 with respect to the Deposit Accounts and Securities Accounts of Borrowers.

(ii) Borrowers shall deliver to Agent all letters of credit with a face amount in excess of Two Hundred Fifty Thousand Dollars ($250,000) individually or in excess of Five Hundred Thousand Dollars ($500,000) in the aggregate for all letters of credit on which any Borrower is the beneficiary and which give rise to letter of credit rights owned by such Borrower which constitute part of the Collateral in each case duly endorsed and accompanied by duly executed instruments of transfer or assignment, all in form and substance satisfactory to Agent. Borrowers shall take any and all actions as may be necessary or desirable, or that Agent may request, from time to time, to cause Agent to obtain exclusive "control" (as defined in Article 9 of the UCC) of any such letter of credit rights in a manner acceptable to Agent.

(iii) Borrowers shall promptly advise Agent upon any Borrower becoming aware that it has any interests in any commercial tort claim that is for at least, or could reasonably be expected to result in a payment in excess of, Two Hundred Fifty Thousand Dollars ($250,000) individually or in excess of Five Hundred Thousand Dollars ($500,000) in the aggregate for all commercial tort claims and that constitutes part of the Collateral, which such notice shall include descriptions of the events and circumstances giving rise to such commercial tort claim and the dates such events and circumstances occurred, the potential defendants with respect such commercial tort

claim and any court proceedings that have been instituted with respect to such commercial tort claims, and Borrowers shall, with respect to any such commercial tort claim, execute and deliver to Agent such documents as Agent shall request to perfect, preserve or protect the Liens, rights and remedies of Agent with respect to any such commercial tort claim.

(iv) Unless Agent shall otherwise consent, Borrowers shall obtain a landlord's agreement, mortgagee agreement, or bailee agreement, as applicable, from the lessor of each leased property, the mortgagee of owned property or the warehouseman, consignee, bailee at any business location, in each case, located in the United States and (a) which is a Borrower's chief executive office or (b) where (i) any portion of the Collateral included in or proposed to be included in the Borrowing Base, or (ii) any portion of the Collateral with a value in excess of $500,000, is located, in each case, which agreement or letter shall be reasonably satisfactory in form and substance to Agent. Borrowers shall timely and fully pay and perform its obligations under all leases and other agreements with respect to each of the locations specified in the preceding sentence. In no event shall Borrower maintain tangible Collateral (other than Inventory with contract manufacturers and Inventory in transit in the Ordinary Course of Business) with a value in excess of $500,000 outside of the United States without Agent's prior consent.

(v) Borrowers shall cause all equipment and other tangible personal property other than Inventory to be maintained and preserved in the same condition, repair and in working order as when new, ordinary wear and tear excepted, and shall to the extent doing so is commercially reasonable, promptly make or cause to be made all repairs, replacements and other improvements in connection therewith that are necessary or desirable to such end. Upon request of Agent, Borrowers shall promptly deliver to Agent any and all certificates of title, applications for title or similar evidence of ownership of all such tangible personal property and shall cause Agent to be named as lienholder on any such certificate of title or other evidence of ownership. Borrowers shall not permit any such tangible personal property to become fixtures to real estate unless such real estate is subject to a Lien in favor of Agent.

(vi) Each Borrower hereby authorizes Agent to file without the signature of such Borrower one or more UCC financing statements relating to liens on personal property relating to all or any part of the Collateral, which financing statements may list Agent as the "secured party" and such Borrower as the "debtor" and which describe and indicate the collateral covered thereby as all or any part of the Collateral under the Financing Documents (including an indication of the collateral covered by any such financing statement as "all assets" of such Borrower now owned or hereafter acquired), in such jurisdictions as Agent from time to time determines are appropriate, and to file without the signature of such Borrower any continuations of or corrective amendments to any such financing statements, in any such case in order for Agent to perfect, preserve or protect the Liens, rights and remedies of Agent with respect to the Collateral. Each Borrower also ratifies its authorization for Agent to have filed in any jurisdiction any initial financing statements or amendments thereto if filed prior to the date hereof.

(vii) As of the Closing Date, no Borrower holds, and, after the Closing Date, Borrowers shall promptly notify Agent in writing upon creation or acquisition by any Borrower of, any Collateral in excess of Two Hundred Fifty Thousand Dollars ($250,000) in the aggregate for all such Collateral which constitutes a claim against any Governmental Authority, including, without limitation, the federal government of the United States or any instrumentality or agency thereof, the assignment of which claim is restricted by any applicable Law, including, without limitation, the federal Assignment of Claims Act and any other comparable Law. Upon the request of Agent, Borrowers shall take such steps as may be necessary or desirable, or that Agent may request, to comply with any such applicable Law with respect to Accounts evidencing obligations in excess of Two Hundred Fifty Thousand Dollars ($250,000) or more in the aggregate.

(viii) Borrowers shall furnish to Agent from time to time any statements and schedules further identifying or describing the Collateral and any other information, reports or evidence concerning the Collateral as Agent may reasonably request from time to time.

(h) Any obligation of any Credit Party in this Agreement that requires (or any representation or warranty hereunder to the extent that it would have the effect of requiring) delivery of Collateral (including any endorsements related thereto) to, or the possession of Collateral with, Agent shall be deemed to have complied with and satisfied (or, in the case of any representation or warranty hereunder, shall be deemed to be true) if such delivery of Collateral is made to, or such possession of Collateral is with, the Affiliated Financing Agent.

ARTICLE 10 - EVENTS OF DEFAULT

Section 10.1 Events of Default. For purposes of the Financing Documents, the occurrence of any of the following conditions and/or events, whether voluntary or involuntary, by operation of law or otherwise, shall constitute an "**Event of Default**":

(a) (i) any Credit Party shall fail to pay when due any principal, interest, premium or fee under any Financing Document or any other amount payable under any Financing Document and, with respect to any such payment other than principal or interest, such failure shall continue for 3 Business Days after the date such amount was due, or (ii) there shall occur any default in the performance of or compliance with any of the following sections or articles of this Agreement: Section 4.1, Section 4.2(b), Section 4.4(c), Section 4.6, Section 4.9, Section 4.11, Section 4.15, Section 4.16, Section 4.17, Article 5, Article 6 or Section 7.4;

(b) any Credit Party defaults in the performance of or compliance with any term contained in this Agreement or in any other Financing Document (other than occurrences described in other provisions of this Section 10.1 for which a different grace or cure period is specified or for which no grace or cure period is specified and thereby constitute immediate Events of Default) and such default is not remedied by the Credit Party or waived by Agent within twenty (20) days after the earlier of (i) receipt by Borrower Representative of notice from Agent or Required Lenders of such default, or (ii) actual knowledge of any Responsible Officer of the Borrower or any other Credit Party of such default; *provided, however*, that if the default cannot by its nature be cured within the twenty (20) day period or cannot after diligent attempts by Borrowers be cured within such twenty (20) day period, and such default is likely to be cured within a reasonable time (not to exceed the end of the twenty (20) day additional period), then Borrowers shall have an additional period (which period shall not in any case exceed twenty (20) days) to attempt to cure such default, and within such additional twenty (20) day period the failure of Borrowers to cure the default shall not be deemed an Event of Default (but no Loans shall be made during such period until such default is cured);

(c) any written representation, warranty, certification or statement made by any Credit Party or any other Person in any Financing Document or in any certificate, financial statement or other document delivered pursuant to any Financing Document is incorrect in any respect (or in any material respect if such representation, warranty, certification or statement is not by its terms already qualified as to materiality) when made (or deemed made);

(d) (i) failure of any Credit Party to pay when due or within any applicable grace period any principal, interest or other amount on Debt (other than the Loans), or the occurrence of any

breach, default, condition or event with respect to any Debt (other than the Loans), if the effect of such failure or occurrence is to cause or to permit the holder or holders of any such Debt, or to cause, Debt or other liabilities having an individual principal amount in excess of $500,000 or having an aggregate principal amount in excess of $1,000,000 to become or be declared due prior to its stated maturity, or (ii) without limiting the foregoing, the occurrence of any breach or default under any terms or provisions of any Subordinated Debt Document or under any agreement subordinating the Subordinated Debt to all or any portion of the Obligations or the occurrence of any event requiring (or that would allow the holders thereof to require) the prepayment or mandatory redemption of any Subordinated Debt;

(e) any Credit Party or any Subsidiary of a Credit Party shall commence a voluntary case or other proceeding seeking liquidation, reorganization or other relief with respect to itself or its debts under any bankruptcy, insolvency or other similar law or any analogous procedure or step is taken in any other jurisdiction) now or hereafter in effect or seeking the appointment of a trustee, receiver, liquidator, custodian or other similar official of it or any substantial part of its property, or shall consent to any such relief or to the appointment of or taking possession by any such official in an involuntary case or other proceeding commenced against it, or shall make a general assignment for the benefit of creditors, or shall fail generally to pay its debts as they become due, or shall take any corporate action to authorize the foregoing;

(f) an involuntary case or other proceeding shall be commenced against any Credit Party or any Subsidiary of a Credit Party seeking liquidation, reorganization or other relief with respect to it or its debts under any bankruptcy, insolvency or other similar law now or hereafter in effect or seeking the appointment of a trustee, receiver, liquidator, custodian or other similar official of it or any substantial part of its property, and such involuntary case or other proceeding shall remain undismissed and unstayed for a period of forty-five (45) days; or an order for relief shall be entered against any Credit Party or any Subsidiary of a Credit Party under applicable federal bankruptcy, insolvency or other similar law in respect of (i) bankruptcy, liquidation, winding-up, dissolution or suspension of general operations, (ii) composition, rescheduling, reorganization, arrangement or readjustment of, or other relief from, or stay of proceedings to enforce, some or all of the debts or obligations, or (iii) possession, foreclosure, seizure or retention, sale or other disposition of, or other proceedings to enforce security over, all or any substantial part of the assets of such Credit Party or Subsidiary;

(g) (i) institution of any steps by any Person to terminate a Pension Plan if as a result of such termination any Credit Party or any member of the Controlled Group could be required to make a contribution to such Pension Plan, or could incur a liability or obligation to such Pension Plan, in excess of $500,000, (ii) a contribution failure occurs with respect to any Pension Plan sufficient to give rise to a Lien under Section 303(k) of ERISA or Section 430(k) of the Code or an event occurs that would reasonably be expected to give rise to a Lien under Section 4068 of ERISA, or (iii) there shall occur any withdrawal or partial withdrawal from a Multiemployer Plan and the withdrawal liability (without unaccrued interest) to Multiemployer Plans as a result of such withdrawal (including any outstanding withdrawal liability that any Credit Party or any member of the Controlled Group have incurred on the date of such withdrawal) exceeds $500,000;

(h) one or more judgments or orders for the payment of money (not paid or fully covered by insurance maintained in accordance with the requirements of this Agreement and as to which the relevant insurance company has not denied coverage) aggregating in excess of $250,000 shall be rendered against any or all Credit Parties and either (i) enforcement proceedings shall have been commenced by any creditor upon any such judgments or orders, or (ii) there shall be any period of twenty (20) consecutive days during which a stay of enforcement of any such judgments or orders, by reason of a pending appeal, bond or otherwise, shall not be in effect;

(i) except solely as a result of any action or inaction of Agent or any Lenders (provided that such action or inaction is not caused by a Credit Party's failure to comply with the terms of the Financing Documents), any Lien created by any of the Security Documents shall at any time fail to constitute a valid and perfected Lien on all of the Collateral purported to be encumbered thereby, subject to no prior or equal Lien except Permitted Liens, or any Credit Party shall so assert;

(j) the institution by any Governmental Authority of criminal proceedings against any Credit Party;

(k) an event of default occurs under any Guarantee of any portion of the Obligations;

(l) the occurrence of a Change in Control;

(m) any Borrower makes any payment on account of any Debt that has been subordinated to any of the Obligations, other than payments specifically permitted by the terms of such subordination;

(n) if any Borrower is or becomes an entity whose equity is registered with the SEC, and/or is publicly traded on and/or registered with a public securities exchange, such Borrower's equity fails to remain registered with the SEC in good standing, and/or such equity fails to remain publicly traded on and registered with a public securities exchange;

(o) the occurrence of any fact, event or circumstance that could reasonably be expected to result in a Material Adverse Effect;

(p) there shall occur any event of default under the Affiliated Financing Documents;

(q) any Credit Party defaults under or breaches any Material Contract (after any applicable grace period contained therein), or a Material Contract shall be terminated by a third party or parties party thereto prior to the expiration thereof and such default, breach or termination would reasonably be expected to result in a Material Adverse Effect; or

(r) any of the Financing Documents shall for any reason fail to constitute the valid and binding agreement of any party thereto, or any Credit Party shall so assert, in each case, unless such Financing Document terminates pursuant to the terms and conditions thereof without any breach or default thereunder by any Credit Party thereto.

All cure periods provided for in this Section 10.1 shall run concurrently with any cure period provided for in any applicable Financing Documents under which the default occurred.

Section 10.2 Acceleration and Suspension or Termination of Term Loan Commitment. Upon the occurrence and during the continuance of an Event of Default, Agent may, and shall if requested by Required Lenders, (a) by notice to Borrower Representative suspend or terminate the Term Loan Commitment and the obligations of Agent and the Lenders with respect thereto, in whole or in part (and, if in part, each Lender's Term Loan Commitment shall be reduced in accordance with its Pro Rata Share), and/or (b) by notice to Borrower Representative declare all or any portion of the Obligations to be, and the Obligations shall thereupon become, immediately due and payable, with accrued interest thereon, without presentment, demand, protest or other notice of any kind, all of which are hereby waived by each Borrower and Borrowers will pay the same; *provided*, *however*, that in the case of any of the Events of Default specified in Section 10.1(e) or 10.1(f) above, without any notice to any Borrower or any other act by Agent or the Lenders, the Term Loan Commitment and the obligations of Agent and the Lenders with respect

thereto shall thereupon immediately and automatically terminate and all of the Obligations shall become immediately and automatically due and payable without presentment, demand, protest or other notice of any kind, all of which are hereby waived by each Borrower and Borrowers will pay the same.

Section 10.3 UCC Remedies.

(a) Upon the occurrence of and during the continuance of an Event of Default under this Agreement or the other Financing Documents, Agent, in addition to all other rights, options, and remedies granted to Agent under this Agreement or at law or in equity, may exercise, either directly or through one or more assignees or designees, all rights and remedies granted to it under all Financing Documents and under the UCC in effect in the applicable jurisdiction(s) and under any other applicable law, including, without limitation:

(i) the right to take possession of, send notices regarding, and collect directly the Collateral, with or without judicial process;

(ii) the right to (by its own means or with judicial assistance) enter any of Borrowers' premises and take possession of the Collateral, or render it unusable, or to render it usable or saleable, or dispose of the Collateral on such premises in compliance with subsection (iii) below and to take possession of Borrowers' original books and records, to obtain access to Borrowers' data processing equipment, computer hardware and software relating to the Collateral and to use all of the foregoing and the information contained therein in any manner Agent deems appropriate, without any liability for rent, storage, utilities, or other sums, and Borrowers shall not resist or interfere with such action (if Borrowers' books and records are prepared or maintained by an accounting service, contractor or other third party agent, Borrowers hereby irrevocably authorize such service, contractor or other agent, upon notice by Agent to such Person that an Event of Default has occurred and is continuing, to deliver to Agent or its designees such books and records, and to follow Agent's instructions with respect to further services to be rendered);

(iii) the right to require Borrowers at Borrowers' expense to assemble all or any part of the Collateral and make it available to Agent at any place designated by Lender;

(iv) the right to notify postal authorities to change the address for delivery of Borrowers' mail to an address designated by Agent and to receive, open and dispose of all mail addressed to any Borrower; and/or

(v) the right to enforce Borrowers' rights against Account Debtors and other obligors, including, without limitation, (i) the right to collect Accounts directly in Agent's own name (as agent for Lenders) and to charge the collection costs and expenses, including documented out-of-pocket attorneys' fees, to Borrowers, and (ii) the right, in the name of Agent or any designee of Agent or Borrowers, to verify the validity, amount or any other matter relating to any Accounts by mail, telephone, telegraph or otherwise, including, without limitation, verification of Borrowers' compliance with applicable Laws. Borrowers shall cooperate fully with Agent in an effort to facilitate and promptly conclude such verification process. Such verification may include contacts between Agent and applicable federal, state and local regulatory authorities having jurisdiction over the Borrowers' affairs, all of which contacts Borrowers hereby irrevocably authorize.

(b) Each Borrower agrees that a notice received by it at least ten (10) days before the time of any intended public sale, or the time after which any private sale or other disposition of the Collateral is to be made, shall be deemed to be reasonable notice of such sale or other disposition. If permitted by applicable law, any perishable Collateral which threatens to speedily decline in value or

which is sold on a recognized market may be sold immediately by Agent without prior notice to Borrowers. At any sale or disposition of Collateral, Agent may (to the extent permitted by applicable law) purchase all or any part of the Collateral, free from any right of redemption by Borrowers, which right is hereby waived and released. Each Borrower covenants and agrees not to interfere with or impose any obstacle to Agent's exercise of its rights and remedies with respect to the Collateral. Agent shall have no obligation to clean-up or otherwise prepare the Collateral for sale. Agent may comply with any applicable state or federal law requirements in connection with a disposition of the Collateral and compliance will not be considered to adversely affect the commercial reasonableness of any sale of the Collateral. Agent may sell the Collateral without giving any warranties as to the Collateral. Agent may specifically disclaim any warranties of title or the like. This procedure will not be considered to adversely affect the commercial reasonableness of any sale of the Collateral. If Agent sells any of the Collateral upon credit, Borrowers will be credited only with payments actually made by the purchaser, received by Agent and applied to the indebtedness of the purchaser. In the event the purchaser fails to pay for the Collateral, Agent may resell the Collateral and Borrowers shall be credited with the proceeds of the sale. Borrowers shall remain liable for any deficiency if the proceeds of any sale or disposition of the Collateral are insufficient to pay all Obligations.

(c) Without restricting the generality of the foregoing and for the purposes aforesaid, each Borrower hereby appoints and constitutes Agent its lawful attorney-in-fact with full power of substitution in the Collateral, upon the occurrence and during the continuance of an Event of Default, to (i) use unadvanced funds remaining under this Agreement or which may be reserved, escrowed or set aside for any purposes hereunder at any time, or to advance funds in excess of the face amount of the Notes, (ii) pay, settle or compromise all existing bills and claims, which may be Liens or security interests, or to avoid such bills and claims becoming Liens against the Collateral, (iii) execute all applications and certificates in the name of such Borrower and to prosecute and defend all actions or proceedings in connection with the Collateral, and (iv) do any and every act which such Borrower might do in its own behalf; it being understood and agreed that this power of attorney in this subsection (c) shall be a power coupled with an interest and cannot be revoked.

(d) Upon the occurrence and during the continuance of an Event of Default, subject to any right of any third parties and/or any agreement between any Borrower and any third party to the extent not granted or entered into in contravention of the terms of this Agreement, Agent and each Lender is hereby granted a non-exclusive, royalty-free license or other right to use, without charge, Borrowers' labels, mask works, rights of use of any name, any other Intellectual Property and advertising matter, and any similar property as it pertains to the Collateral, in completing production of, advertising for sale, and selling any Collateral and, in connection with Agent's exercise of its rights under this Article, Borrowers' rights under all licenses (whether as licensor or licensee) (to the extent permitted by applicable Law) and all franchise agreements inure to Agent's and each Lender's benefit.

Section 10.4 Reserved.

Section 10.5 Default Rate of Interest. At the election of Agent or Required Lenders, after the occurrence of an Event of Default and for so long as it continues, the Loans and other Obligations shall bear interest at rates that are three percent (3.0%) per annum in excess of the rates otherwise payable under this Agreement; *provided, however*, that in the case of any Event of Default specified in Section 10.1(e) or 10.1(f) above, such default rates shall apply immediately and automatically without the need for any election or action of any kind on the part of Agent or any Lender.

Section 10.6 Setoff Rights. During the continuance of any Event of Default, each Lender is hereby authorized by each Borrower at any time or from time to time, with reasonably prompt subsequent notice to such Borrower (any prior or contemporaneous notice being hereby expressly waived) to set off

and to appropriate and to apply any and all (a) balances held by such Lender or any of such Lender's Affiliates at any of its offices for the account of such Borrower or any of its Subsidiaries (regardless of whether such balances are then due to such Borrower or its Subsidiaries), and (b) other property at any time held or owing by such Lender to or for the credit or for the account of such Borrower or any of its Subsidiaries, against and on account of any of the Obligations (other than contingent obligations for which no claim has been made); except that no Lender shall exercise any such right without the prior written consent of Agent. Any Lender exercising a right to set off shall purchase for cash (and the other Lenders shall sell) interests in each of such other Lender's Pro Rata Share of the Obligations as would be necessary to cause all Lenders to share the amount so set off with each other Lender in accordance with their respective Pro Rata Share of the Obligations. Each Borrower agrees, to the fullest extent permitted by law, that any Lender and any of such Lender's Affiliates may exercise its right to set off with respect to the Obligations as provided in this Section 10.6.

Section 10.7 Application of Proceeds.

(a) Notwithstanding anything to the contrary contained in this Agreement, upon the occurrence and during the continuance of an Event of Default, each Borrower irrevocably waives the right to direct the application of any and all payments at any time or times thereafter received by Agent from or on behalf of such Borrower or any Guarantor of all or any part of the Obligations, and, as between Borrowers on the one hand and Agent and Lenders on the other, Agent shall have the continuing and exclusive right to apply and to reapply any and all payments received against the Obligations in such manner as Agent may deem advisable notwithstanding any previous application by Agent.

(b) Following the occurrence and during the continuance of an Event of Default, but absent the occurrence and continuance of an Acceleration Event, Agent shall apply any and all payments received by Agent in respect of the Obligations, and any and all proceeds of Collateral received by Agent, in such order as Agent may from time to time elect.

(c) Notwithstanding anything to the contrary contained in this Agreement, if an Acceleration Event shall have occurred, and so long as it continues, Agent shall apply any and all payments received by Agent in respect of the Obligations, and any and all proceeds of Collateral received by Agent, in the following order: *first*, to all fees, costs, indemnities, liabilities, obligations and expenses incurred by or owing to Agent with respect to this Agreement, the other Financing Documents or the Collateral; *second*, to all fees, costs, indemnities, liabilities, obligations and expenses incurred by or owing to any Lender with respect to this Agreement, the other Financing Documents or the Collateral; *third*, to accrued and unpaid interest on the Obligations (including any interest which, but for the provisions of the Bankruptcy Code, would have accrued on such amounts); *fourth*, to the principal amount of the Obligations outstanding; and *fifth*, to any other indebtedness or obligations of Borrowers owing to Agent or any Lender under the Financing Documents. Any balance remaining shall be delivered to Borrowers or to whomever may be lawfully entitled to receive such balance or as a court of competent jurisdiction may direct. In carrying out the foregoing, (y) amounts received shall be applied in the numerical order provided until exhausted prior to the application to the next succeeding category, and (z) each of the Persons entitled to receive a payment in any particular category shall receive an amount equal to its Pro Rata Share of amounts available to be applied pursuant thereto for such category.

Section 10.8 Waivers.

(a) Except as otherwise provided for in this Agreement and to the fullest extent permitted by applicable law, each Borrower waives: (i) presentment, demand and protest, and notice of presentment, dishonor, intent to accelerate, acceleration, protest, default, nonpayment, maturity, release, compromise, settlement, extension or renewal of any or all Financing Documents, the Notes or any other

notes, commercial paper, accounts, contracts, documents, Instruments, Chattel Paper and Guarantees at any time held by Lenders on which any Borrower may in any way be liable, and hereby ratifies and confirms whatever Lenders may do in this regard; (ii) all rights to notice and a hearing prior to Agent's or any Lender's taking possession or control of, or to Agent's or any Lender's replevy, attachment or levy upon, any Collateral or any bond or security which might be required by any court prior to allowing Agent or any Lender to exercise any of its remedies; and (iii) the benefit of all valuation, appraisal and exemption Laws. Each Borrower acknowledges that it has been advised by counsel of its choices and decisions with respect to this Agreement, the other Financing Documents and the transactions evidenced hereby and thereby.

(b) Each Borrower for itself and all its successors and assigns, (i) agrees that its liability shall not be in any manner affected by any indulgence, extension of time, renewal, waiver, or modification granted or consented to by Lender; (ii) consents to any indulgences and all extensions of time, renewals, waivers, or modifications that may be granted by Agent or any Lender with respect to the payment or other provisions of the Financing Documents, and to any substitution, exchange or release of the Collateral, or any part thereof, with or without substitution, and agrees to the addition or release of any Borrower, endorsers, guarantors, or sureties, or whether primarily or secondarily liable, without notice to any other Borrower and without affecting its liability hereunder; (iii) agrees that its liability shall be unconditional and without regard to the liability of any other Borrower, Agent or any Lender for any tax on the indebtedness; and (iv) to the fullest extent permitted by law, expressly waives the benefit of any statute or rule of law or equity now provided, or which may hereafter be provided, which would produce a result contrary to or in conflict with the foregoing.

(c) To the extent that Agent or any Lender may have acquiesced in any noncompliance with any requirements or conditions precedent to the closing of the Loans or to any subsequent disbursement of Loan proceeds, such acquiescence shall not be deemed to constitute a waiver by Agent or any Lender of such requirements with respect to any future disbursements of Loan proceeds and Agent may at any time after such acquiescence require Borrowers to comply with all such requirements. Any forbearance by Agent or Lender in exercising any right or remedy under any of the Financing Documents, or otherwise afforded by applicable law, including any failure to accelerate the maturity date of the Loans, shall not be a waiver of or preclude the exercise of any right or remedy nor shall it serve as a novation of the Notes or as a reinstatement of the Loans or a waiver of such right of acceleration or the right to insist upon strict compliance of the terms of the Financing Documents. Agent's or any Lender's acceptance of payment of any sum secured by any of the Financing Documents after the due date of such payment shall not be a waiver of Agent's and such Lender's right to either require prompt payment when due of all other sums so secured or to declare a default for failure to make prompt payment. The procurement of insurance or the payment of taxes or other Liens or charges by Agent as the result of an Event of Default shall not be a waiver of Agent's right to accelerate the maturity of the Loans, nor shall Agent's receipt of any condemnation awards, insurance proceeds, or damages under this Agreement operate to cure or waive any Credit Party's default in payment of sums secured by any of the Financing Documents.

(d) Without limiting the generality of anything contained in this Agreement or the other Financing Documents, each Borrower agrees that if an Event of Default is continuing (i) Agent and Lenders shall not be subject to any "one action" or "election of remedies" law or rule, and (ii) all Liens and other rights, remedies or privileges provided to Agent or Lenders shall remain in full force and effect until Agent or Lenders have exhausted all remedies against the Collateral and any other properties owned by Borrowers and the Financing Documents and other security instruments or agreements securing the Loans have been foreclosed, sold and/or otherwise realized upon in satisfaction of Borrowers' obligations under the Financing Documents.

(e) Nothing contained herein or in any other Financing Document shall be construed as requiring Agent or any Lender to resort to any part of the Collateral for the satisfaction of any of Borrowers' obligations under the Financing Documents in preference or priority to any other Collateral, and Agent may seek satisfaction out of all of the Collateral or any part thereof, in its absolute discretion in respect of Borrowers' obligations under the Financing Documents. In addition, Agent shall have the right from time to time to partially foreclose upon any Collateral in any manner and for any amounts secured by the Financing Documents then due and payable as determined by Agent in its sole discretion, including, without limitation, the following circumstances: (i) in the event any Borrower defaults beyond any applicable grace period in the payment of one or more scheduled payments of principal and/or interest, Agent may foreclose upon all or any part of the Collateral to recover such delinquent payments, or (ii) in the event Agent elects to accelerate less than the entire outstanding principal balance of the Loans, Agent may foreclose all or any part of the Collateral to recover so much of the principal balance of the Loans as Lender may accelerate and such other sums secured by one or more of the Financing Documents as Agent may elect. Notwithstanding one or more partial foreclosures, any unforeclosed Collateral shall remain subject to the Financing Documents to secure payment of sums secured by the Financing Documents and not previously recovered.

(f) To the fullest extent permitted by law, each Borrower, for itself and its successors and assigns, waives in the event of foreclosure of any or all of the Collateral any equitable right otherwise available to any Credit Party which would require the separate sale of any of the Collateral or require Agent or Lenders to exhaust their remedies against any part of the Collateral before proceeding against any other part of the Collateral; and further in the event of such foreclosure each Borrower does hereby expressly consent to and authorize, at the option of Agent, the foreclosure and sale either separately or together of each part of the Collateral.

Section 10.9 Injunctive Relief. The parties acknowledge and agree that, in the event of a breach or threatened breach of any Credit Party's obligations under any Financing Documents, Agent and Lenders may have no adequate remedy in money damages and, accordingly, shall be entitled to an injunction (including, without limitation, a temporary restraining order, preliminary injunction, writ of attachment, or order compelling an audit) against such breach or threatened breach, including, without limitation, maintaining any cash management and collection procedure described herein. However, no specification in this Agreement of a specific legal or equitable remedy shall be construed as a waiver or prohibition against any other legal or equitable remedies in the event of a breach or threatened breach of any provision of this Agreement. Each Credit Party waives, to the fullest extent permitted by law, the requirement of the posting of any bond in connection with such injunctive relief. By joining in the Financing Documents as a Credit Party, each Credit Party specifically joins in this Section as if this Section were a part of each Financing Document executed by such Credit Party.

Section 10.10 Marshalling; Payments Set Aside. Neither Agent nor any Lender shall be under any obligation to marshal any assets in payment of any or all of the Obligations. To the extent that Borrower makes any payment or Agent enforces its Liens or Agent or any Lender exercises its right of set-off, and such payment or the proceeds of such enforcement or set-off is subsequently invalidated, declared to be fraudulent or preferential, set aside, or required to be repaid by anyone, then to the extent of such recovery, the Obligations or part thereof originally intended to be satisfied, and all Liens, rights and remedies therefor, shall be revived and continued in full force and effect as if such payment had not been made or such enforcement or set-off had not occurred.

ARTICLE 11 - AGENT

Section 11.1 Appointment and Authorization. Each Lender hereby irrevocably appoints and authorizes Agent to enter into each of the Financing Documents to which it is a party (other than this

Agreement) on its behalf and to take such actions as Agent on its behalf and to exercise such powers under the Financing Documents as are delegated to Agent by the terms thereof, together with all such powers as are reasonably incidental thereto. Subject to the terms of Section 11.16 and to the terms of the other Financing Documents, Agent is authorized and empowered to amend, modify, or waive any provisions of this Agreement or the other Financing Documents on behalf of Lenders. The provisions of this Article 11 are solely for the benefit of Agent and Lenders and neither any Borrower nor any other Credit Party shall have any rights as a third party beneficiary of any of the provisions hereof. In performing its functions and duties under this Agreement, Agent shall act solely as agent of Lenders and does not assume and shall not be deemed to have assumed any obligation toward or relationship of agency or trust with or for any Borrower or any other Credit Party. Agent may perform any of its duties hereunder, or under the Financing Documents, by or through its agents, servicers, trustees, investment managers or employees.

Section 11.2 Agent and Affiliates. Agent shall have the same rights and powers under the Financing Documents as any other Lender and may exercise or refrain from exercising the same as though it were not Agent, and Agent and its Affiliates may lend money to, invest in and generally engage in any kind of business with each Credit Party or Affiliate of any Credit Party as if it were not Agent hereunder.

Section 11.3 Action by Agent. The duties of Agent shall be mechanical and administrative in nature. Agent shall not have by reason of this Agreement a fiduciary relationship in respect of any Lender. Nothing in this Agreement or any of the Financing Documents is intended to or shall be construed to impose upon Agent any obligations in respect of this Agreement or any of the Financing Documents except as expressly set forth herein or therein.

Section 11.4 Consultation with Experts. Agent may consult with legal counsel, independent public accountants and other experts selected by it and shall not be liable for any action taken or omitted to be taken by it in good faith in accordance with the advice of such counsel, accountants or experts.

Section 11.5 Liability of Agent. Neither Agent nor any of its directors, officers, agents, trustees, investment managers, servicers or employees shall be liable to any Lender for any action taken or not taken by it in connection with the Financing Documents, except that Agent shall be liable with respect to its specific duties set forth hereunder but only to the extent of its own gross negligence or willful misconduct in the discharge thereof as determined by a final non-appealable judgment of a court of competent jurisdiction. Neither Agent nor any of its directors, officers, agents, trustees, investment managers, servicers or employees shall be responsible for or have any duty to ascertain, inquire into or verify (a) any statement, warranty or representation made in connection with any Financing Document or any borrowing hereunder; (b) the performance or observance of any of the covenants or agreements specified in any Financing Document; (c) the satisfaction of any condition specified in any Financing Document; (d) the validity, effectiveness, sufficiency or genuineness of any Financing Document, any Lien purported to be created or perfected thereby or any other instrument or writing furnished in connection therewith; (e) the existence or non-existence of any Default or Event of Default; or (f) the financial condition of any Credit Party. Agent shall not incur any liability by acting in reliance upon any notice, consent, certificate, statement, or other writing (which may be a bank wire, facsimile or electronic transmission or similar writing) believed by it to be genuine or to be signed by the proper party or parties. Agent shall not be liable for any apportionment or distribution of payments made by it in good faith and if any such apportionment or distribution is subsequently determined to have been made in error the sole recourse of any Lender to whom payment was due but not made, shall be to recover from other Lenders any payment in excess of the amount to which they are determined to be entitled (and such other Lenders hereby agree to return to such Lender any such erroneous payments received by them).

Section 11.6 Indemnification. Each Lender shall, in accordance with its Pro Rata Share, indemnify Agent (to the extent not reimbursed by Borrowers) upon demand against any cost, expense

(including counsel fees and disbursements), claim, demand, action, loss or liability (except such as result from Agent's gross negligence or willful misconduct as determined by a final non-appealable judgment of a court of competent jurisdiction) that Agent may suffer or incur in connection with the Financing Documents or any action taken or omitted by Agent hereunder or thereunder. If any indemnity furnished to Agent for any purpose shall, in the opinion of Agent, be insufficient or become impaired, Agent may call for additional indemnity and cease, or not commence, to do the acts indemnified against even if so directed by Required Lenders until such additional indemnity is furnished.

Section 11.7 Right to Request and Act on Instructions. Agent may at any time request instructions from Lenders with respect to any actions or approvals which by the terms of this Agreement or of any of the Financing Documents Agent is permitted or desires to take or to grant, and if such instructions are promptly requested, Agent shall be absolutely entitled to refrain from taking any action or to withhold any approval and shall not be under any liability whatsoever to any Person for refraining from any action or withholding any approval under any of the Financing Documents until it shall have received such instructions from Required Lenders or all or such other portion of the Lenders as shall be prescribed by this Agreement. Without limiting the foregoing, no Lender shall have any right of action whatsoever against Agent as a result of Agent acting or refraining from acting under this Agreement or any of the other Financing Documents in accordance with the instructions of Required Lenders (or all or such other portion of the Lenders as shall be prescribed by this Agreement) and, notwithstanding the instructions of Required Lenders (or such other applicable portion of the Lenders), Agent shall have no obligation to take any action if it believes, in good faith, that such action would violate applicable Law or exposes Agent to any liability for which it has not received satisfactory indemnification in accordance with the provisions of Section 11.6.

Section 11.8 Credit Decision. Each Lender acknowledges that it has, independently and without reliance upon Agent or any other Lender, and based on such documents and information as it has deemed appropriate, made its own credit analysis and decision to enter into this Agreement. Each Lender also acknowledges that it will, independently and without reliance upon Agent or any other Lender, and based on such documents and information as it shall deem appropriate at the time, continue to make its own credit decisions in taking or not taking any action under the Financing Documents.

Section 11.9 Collateral Matters. Lenders irrevocably authorize Agent, at its option and in its discretion, to (a) release any Lien granted to or held by Agent under any Security Document (i) upon termination of the Term Loan Commitment and payment in full of all Obligations; or (ii) constituting property sold or disposed of as part of or in connection with any disposition permitted under any Financing Document (it being understood and agreed that Agent may conclusively rely without further inquiry on a certificate of a Responsible Officer as to the sale or other disposition of property being made in full compliance with the provisions of the Financing Documents); and (b) subordinate any Lien granted to or held by Agent under any Security Document to a Permitted Lien that is allowed to have priority over the Liens granted to or held by Agent pursuant to the definition of "Permitted Liens". Upon request by Agent at any time, Lenders will confirm Agent's authority to release and/or subordinate particular types or items of Collateral pursuant to this Section 11.9.

Section 11.10 Agency for Perfection. Agent and each Lender hereby appoint each other Lender as agent for the purpose of perfecting Agent's security interest in assets which, in accordance with the Uniform Commercial Code in any applicable jurisdiction, can be perfected by possession or control. Should any Lender (other than Agent) obtain possession or control of any such assets, such Lender shall notify Agent thereof, and, promptly upon Agent's request therefor, shall deliver such assets to Agent or in accordance with Agent's instructions or transfer control to Agent in accordance with Agent's instructions. Each Lender agrees that it will not have any right individually to enforce or seek to enforce any Security Document or to realize upon any Collateral for the Loan unless instructed to do so by Agent (or consented to by Agent), it being understood and agreed that such rights and remedies may be exercised only by Agent.

Section 11.11 Notice of Default. Agent shall not be deemed to have knowledge or notice of the occurrence of any Default or Event of Default except with respect to defaults in the payment of principal, interest and fees required to be paid to Agent for the account of Lenders, unless Agent shall have received written notice from a Lender or a Borrower referring to this Agreement, describing such Default or Event of Default and stating that such notice is a "notice of default". Agent will notify each Lender of its receipt of any such notice. Agent shall take such action with respect to such Default or Event of Default as may be requested by Required Lenders (or all or such other portion of the Lenders as shall be prescribed by this Agreement) in accordance with the terms hereof. Unless and until Agent has received any such request, Agent may (but shall not be obligated to) take such action, or refrain from taking such action, with respect to such Default or Event of Default as it shall deem advisable or in the best interests of Lenders.

Section 11.12 Assignment by Agent; Resignation of Agent; Successor Agent.

(a) Agent may at any time assign its rights, powers, privileges and duties hereunder to (i) another Lender or an Affiliate of Agent or any Approved Fund, or (ii) any Eligible Assignee to whom Agent, in its capacity as a Lender, has assigned (or will assign, in conjunction with such assignment of agency rights hereunder) 50% or more of its Loan, in each case without the consent of the Lenders or Borrowers. Following any such assignment, Agent shall endeavor to give notice to the Lenders and Borrowers. Failure to give such notice shall not affect such assignment in any way or cause the assignment to be ineffective. An assignment by Agent pursuant to this subsection (a) shall not be deemed a resignation by Agent for purposes of subsection (b) below.

(b) Without limiting the rights of Agent to designate an assignee pursuant to subsection (a) above, Agent may at any time give notice of its resignation to the Lenders and Borrowers. Upon receipt of any such notice of resignation, Required Lenders shall have the right to appoint a successor Agent. If no such successor shall have been so appointed by Required Lenders and shall have accepted such appointment within ten (10) Business Days after the retiring Agent gives notice of its resignation, then the retiring Agent may on behalf of the Lenders, appoint a successor Agent; *provided, however,* that if Agent shall notify Borrowers and the Lenders that no Person has accepted such appointment, then such resignation shall nonetheless become effective in accordance with such notice from Agent that no Person has accepted such appointment and, from and following delivery of such notice, (i) the retiring Agent shall be discharged from its duties and obligations hereunder and under the other Financing Documents, and (ii) all payments, communications and determinations provided to be made by, to or through Agent shall instead be made by or to each Lender directly, until such time as Required Lenders appoint a successor Agent as provided for above in this paragraph.

(c) Upon (i) an assignment permitted by subsection (a) above, or (ii) the acceptance of a successor's appointment as Agent pursuant to subsection (b) above, such successor shall succeed to and become vested with all of the rights, powers, privileges and duties of the retiring (or retired) Agent, and the retiring Agent shall be discharged from all of its duties and obligations hereunder and under the other Financing Documents (if not already discharged therefrom as provided above in this paragraph). The fees payable by Borrowers to a successor Agent shall be the same as those payable to its predecessor unless otherwise agreed between Borrowers and such successor. After the retiring Agent's resignation hereunder and under the other Financing Documents, the provisions of this Article and Section 11.12 shall continue in effect for the benefit of such retiring Agent and its sub-agents in respect of any actions taken or omitted to be taken by any of them while the retiring Agent was acting or was continuing to act as Agent.

Section 11.13 Payment and Sharing of Payment.

(a) [Reserved].

(b) Term Loan Payments. Payments of principal, interest and fees in respect of the Term Loans will be settled on the date of receipt if received by Agent on the last Business Day of a month or on the Business Day immediately following the date of receipt if received on any day other than the last Business Day of a month; *provided*, *however*, that, in the case such Lender is a Defaulted Lender, Agent shall be entitled to set off the funding short fall against that Defaulted Lender's respective share of all payments received from any Borrower.

(c) Return of Payments.

(i) If Agent pays an amount to a Lender under this Agreement in the belief or expectation that a related payment has been or will be received by Agent from a Borrower and such related payment is not received by Agent, then Agent will be entitled to recover such amount from such Lender on demand without setoff, counterclaim or deduction of any kind, together with interest accruing on a daily basis at the Federal Funds Rate.

(ii) If Agent determines at any time that any amount received by Agent under this Agreement must be returned to any Borrower or paid to any other Person pursuant to any insolvency law or otherwise, then, notwithstanding any other term or condition of this Agreement or any other Financing Document, Agent will not be required to distribute any portion thereof to any Lender. In addition, each Lender will repay to Agent on demand any portion of such amount that Agent has distributed to such Lender, together with interest at such rate, if any, as Agent is required to pay to any Borrower or such other Person, without setoff, counterclaim or deduction of any kind.

(d) Defaulted Lenders. The failure of any Defaulted Lender to make any payment required by it hereunder shall not relieve any other Lender of its obligations to make payment, but neither any other Lender nor Agent shall be responsible for the failure of any Defaulted Lender to make any payment required hereunder. Notwithstanding anything set forth herein to the contrary, a Defaulted Lender shall not have any voting or consent rights under or with respect to any Financing Document or constitute a "Lender" (or be included in the calculation of "Required Lenders" hereunder) for any voting or consent rights under or with respect to any Financing Document.

(e) Sharing of Payments. If any Lender shall obtain any payment or other recovery (whether voluntary, involuntary, by application of setoff or otherwise) on account of any Loan (other than pursuant to the terms of Section 2.8(d)) in excess of its Pro Rata Share of payments entitled pursuant to the other provisions of this Section 11.13, such Lender shall purchase from the other Lenders such participations in extensions of credit made by such other Lenders (without recourse, representation or warranty) as shall be necessary to cause such purchasing Lender to share the excess payment or other recovery ratably with each of them; *provided*, *however,* that if all or any portion of the excess payment or other recovery is thereafter required to be returned or otherwise recovered from such purchasing Lender, such portion of such purchase shall be rescinded and each Lender which has sold a participation to the purchasing Lender shall repay to the purchasing Lender the purchase price to the ratable extent of such return or recovery, without interest. Each Borrower agrees that any Lender so purchasing a participation from another Lender pursuant to this clause (e) may, to the fullest extent permitted by law, exercise all its rights of payment (including pursuant to Section 10.6) with respect to such participation as fully as if such Lender were the direct creditor of Borrowers in the amount of such participation). If under any applicable bankruptcy, insolvency or other similar law, any Lender receives a secured claim in lieu of a setoff to

which this clause (e) applies, such Lender shall, to the extent practicable, exercise its rights in respect of such secured claim in a manner consistent with the rights of the Lenders entitled under this clause (e) to share in the benefits of any recovery on such secured claim.

Section 11.14 Right to Perform, Preserve and Protect. If any Credit Party fails to perform any obligation hereunder or under any other Financing Document, Agent itself may, but shall not be obligated to, cause such obligation to be performed at Borrowers' expense. Agent is further authorized by Borrowers and the Lenders to make expenditures from time to time which Agent, in its reasonable business judgment, deems necessary or desirable to (a) preserve or protect the business conducted by Borrowers, the Collateral, or any portion thereof, and/or (b) enhance the likelihood of, or maximize the amount of, repayment of the Loan and other Obligations. Each Borrower hereby agrees to reimburse Agent on demand for any and all costs, liabilities and obligations incurred by Agent pursuant to this Section 11.14. Each Lender hereby agrees to indemnify Agent upon demand for any and all costs, liabilities and obligations incurred by Agent pursuant to this Section 11.14, in accordance with the provisions of Section 11.6.

Section 11.15 Additional Titled Agents. Except for rights and powers, if any, expressly reserved under this Agreement to any bookrunner, arranger or to any titled agent named on the cover page of this Agreement, other than Agent (collectively, the "**Additional Titled Agents**"), and except for obligations, liabilities, duties and responsibilities, if any, expressly assumed under this Agreement by any Additional Titled Agent, no Additional Titled Agent, in such capacity, has any rights, powers, liabilities, duties or responsibilities hereunder or under any of the other Financing Documents. Without limiting the foregoing, no Additional Titled Agent shall have nor be deemed to have a fiduciary relationship with any Lender. At any time that any Lender serving as an Additional Titled Agent shall have transferred to any other Person (other than any Affiliates) all of its interests in the Loan, such Lender shall be deemed to have concurrently resigned as such Additional Titled Agent.

Section 11.16 Amendments and Waivers.

(a) No provision of this Agreement or any other Financing Document may be amended, waived or otherwise modified unless such amendment, waiver or other modification is in writing and is signed or otherwise approved by Borrowers, the Required Lenders and any other Lender to the extent required under Section 11.16(b); *provided*, *however*, the Fee Letter may be amended, or rights or privileges thereunder waived, in a writing executed only by the parties thereto.

(b) In addition to the required signatures under Section 11.16(a), no provision of this Agreement or any other Financing Document may be amended, waived or otherwise modified unless such amendment, waiver or other modification is in writing and is signed or otherwise approved by the following Persons:

(i) if any amendment, waiver or other modification would increase a Lender's funding obligations in respect of any Loan, by such Lender; and/or

(ii) if the rights or duties of Agent are affected thereby, by Agent;

provided, *however*, that, in each of (i) and (ii) above, no such amendment, waiver or other modification shall, unless signed or otherwise approved in writing by all the Lenders directly affected thereby, (A) reduce the principal of, rate of interest on or any fees with respect to any Loan or forgive any principal, interest (other than default interest) or fees (other than late charges) with respect to any Loan; (B) postpone the date fixed for, or waive, any payment (other than any mandatory prepayment pursuant to Section 2.1(a)(ii)) of principal of any Loan, or of interest on any Loan (other than default interest) or any fees provided for hereunder (other than late charges) or postpone the date of termination of any commitment of any Lender

hereunder; (C) change the definition of the term Required Lenders or the percentage of Lenders which shall be required for Lenders to take any action hereunder; (D) release all or substantially all of the Collateral, authorize any Borrower to sell or otherwise dispose of all or substantially all of the Collateral, release any Guarantor of all or any portion of the Obligations or its Guarantee obligations with respect thereto, or consent to a transfer of any of the Intellectual Property, except, in each case with respect to this clause (D), as otherwise may be provided in this Agreement or the other Financing Documents (including in connection with any disposition permitted hereunder); (E) amend, waive or otherwise modify this Section 11.16(b) or the definitions of the terms used in this Section 11.16(b) insofar as the definitions affect the substance of this Section 11.16(b); (F) consent to the assignment, delegation or other transfer by any Credit Party of any of its rights and obligations under any Financing Document or release any Borrower of its payment obligations under any Financing Document, except, in each case with respect to this clause (F), pursuant to a merger or consolidation permitted pursuant to this Agreement; or (G) amend any of the provisions of Section 10.7 or amend any of the definitions Pro Rata Share, Term Loan Commitment, Term Loan Tranche 1 Commitments, Term Loan Tranche 2 Commitments, Term Loan Tranche 3 Commitments, Term Loan Commitment Amount, Term Loan Tranche 1 Commitment Amount, Term Loan Tranche 2 Commitment Amount, Term Loan Tranche 3 Commitment Amount, Term Loan Commitment Percentage or that provide for the Lenders to receive their Pro Rata Shares of any fees, payments, setoffs or proceeds of Collateral hereunder. It is hereby understood and agreed that all Lenders shall be deemed directly affected by an amendment, waiver or other modification of the type described in the preceding clauses (C), (D), (E), (F) and (G) of the preceding sentence.

Section 11.17 Assignments and Participations.

(a) Assignments.

(i) Any Lender may at any time assign to one or more Eligible Assignees all or any portion of such Lender's Loan together with all related obligations of such Lender hereunder. Except as Agent may otherwise agree, the amount of any such assignment (determined as of the date of the applicable Assignment Agreement or, if a "Trade Date" is specified in such Assignment Agreement, as of such Trade Date) shall be in a minimum aggregate amount equal to $1,000,000 or, if less, the assignor's entire interests in the outstanding Loan; *provided, however,* that, in connection with simultaneous assignments to two or more related Approved Funds, such Approved Funds shall be treated as one assignee for purposes of determining compliance with the minimum assignment size referred to above. Borrowers and Agent shall be entitled to continue to deal solely and directly with such Lender in connection with the interests so assigned to an Eligible Assignee until Agent shall have received and accepted an effective Assignment Agreement executed, delivered and fully completed by the applicable parties thereto and a processing fee of $3,500 to be paid by the assigning Lender; *provided, however,* that only one processing fee shall be payable in connection with simultaneous assignments to two or more related Approved Funds.

(ii) From and after the date on which the conditions described above have been met, (A) such Eligible Assignee shall be deemed automatically to have become a party hereto and, to the extent of the interests assigned to such Eligible Assignee pursuant to such Assignment Agreement, shall have the rights and obligations of a Lender hereunder, and (B) the assigning Lender, to the extent that rights and obligations hereunder have been assigned by it pursuant to such Assignment Agreement, shall be released from its rights and obligations hereunder (other than those that survive termination pursuant to Section 12.1). Upon the request of the Eligible Assignee (and, as applicable, the assigning Lender) pursuant to an effective Assignment Agreement, each Borrower shall execute and deliver to Agent for delivery to the Eligible Assignee (and, as applicable, the assigning Lender) Notes in the aggregate principal amount of the Eligible Assignee's Loan (and, as applicable, Notes in the principal amount of that portion of the principal amount of the Loan retained by the assigning Lender). Upon receipt by the assigning Lender of such Note, the assigning Lender shall return to Borrower Representative any prior Note held by it.

(iii) Agent, acting solely for this purpose as an agent of Borrower, shall maintain at the office of its servicer located in Bethesda, Maryland a copy of each Assignment Agreement delivered to it and a register for the recordation of the names and addresses of each Lender, and the commitments of, and principal amount of the Loan owing to, such Lender pursuant to the terms hereof (the "**Register**"). The entries in such Register shall be conclusive, absent manifest error, and Borrower, Agent and Lenders may treat each Person whose name is recorded therein pursuant to the terms hereof as a Lender hereunder for all purposes of this Agreement, notwithstanding notice to the contrary. Such Register shall be available for inspection by Borrower and any Lender, at any reasonable time upon reasonable prior notice to Agent. Each Lender that sells a participation shall, acting solely for this purpose as an agent of Borrower maintain a register on which it enters the name and address of each participant and the principal amounts (and stated interest) of each participant's interest in the Obligations (each, a "**Participant Register**"). The entries in the Participant Registers shall be conclusive, absent manifest error. Each Participant Register shall be available for inspection by Borrower and Agent at any reasonable time upon reasonable prior notice to the applicable Lender; provided, that no Lender shall have any obligation to disclose all or any portion of the Participant Register (including the identity of any Participant or any information relating to a Participant's interest in any commitments, loans, letters of credit or its other obligations under any Financing Document) to any Person (including Borrower) except to the extent that such disclosure is necessary to establish that such commitment, loan, letter of credit or other obligation is in registered form under Section 5f.103-1(c) of the United States Treasury Regulations. For the avoidance of doubt, Agent (in its capacity as Agent) shall have no responsibility for maintaining a Participant Register.

(iv) Notwithstanding the foregoing provisions of this Section 11.17(a) or any other provision of this Agreement, any Lender may at any time pledge or assign a security interest in all or any portion of its rights under this Agreement to secure obligations of such Lender, including any pledge or assignment to secure obligations to a Federal Reserve Bank; *provided, however,* that no such pledge or assignment shall release such Lender from any of its obligations hereunder or substitute any such pledgee or assignee for such Lender as a party hereto.

(v) Notwithstanding the foregoing provisions of this Section 11.17(a) or any other provision of this Agreement, Agent has the right, but not the obligation, to effectuate assignments of Loan via an electronic settlement system acceptable to Agent as designated in writing from time to time to the Lenders by Agent (the "**Settlement Service**"). At any time when Agent elects, in its sole discretion, to implement such Settlement Service, each such assignment shall be effected by the assigning Lender and proposed assignee pursuant to the procedures then in effect under the Settlement Service, which procedures shall be consistent with the other provisions of this Section 11.17(a). Each assigning Lender and proposed Eligible Assignee shall comply with the requirements of the Settlement Service in connection with effecting any assignment of Loan pursuant to the Settlement Service. With the prior written approval of Agent, Agent's approval of such Eligible Assignee shall be deemed to have been automatically granted with respect to any transfer effected through the Settlement Service. Assignments and assumptions of the Loan shall be effected by the provisions otherwise set forth herein until Agent notifies Lenders of the Settlement Service as set forth herein.

(b) Participations. Any Lender may at any time, without the consent of, or notice to, any Borrower or Agent, sell to one or more Persons (other than any Borrower or any Borrower's Affiliates) participating interests in its Loan, commitments or other interests hereunder (any such Person, a

"**Participant**"). In the event of a sale by a Lender of a participating interest to a Participant, (i) such Lender's obligations hereunder shall remain unchanged for all purposes, (ii) Borrowers and Agent shall continue to deal solely and directly with such Lender in connection with such Lender's rights and obligations hereunder, and (iii) all amounts payable by each Borrower shall be determined as if such Lender had not sold such participation and shall be paid directly to such Lender. Each Borrower agrees that if amounts outstanding under this Agreement are due and payable (as a result of acceleration or otherwise), each Participant shall be deemed to have the right of set-off in respect of its participating interest in amounts owing under this Agreement to the same extent as if the amount of its participating interest were owing directly to it as a Lender under this Agreement; *provided, however*, that such right of set-off shall be subject to the obligation of each Participant to share with Lenders, and Lenders agree to share with each Participant, as provided in Section 11.5.

(c) Replacement of Lenders. Within thirty (30) days after: (i) receipt by Agent of notice and demand from any Lender for payment of additional costs as provided in Section 2.8(d), which demand shall not have been revoked, (ii) any Borrower is required to pay any additional amount to any Lender or any Governmental Authority for the account of any Lender pursuant to Section 2.8(a) through (h), (iii) any Lender is a Defaulted Lender, and the circumstances causing such status shall not have been cured or waived; or (iv) any failure by any Lender to consent to a requested amendment, waiver or modification to any Financing Document in which Required Lenders have already consented to such amendment, waiver or modification but the consent of each Lender, or each Lender affected thereby, is required with respect thereto (each relevant Lender in the foregoing clauses (i) through (iv) being an "**Affected Lender**") each of Borrower Representative and Agent may, at its option, notify such Affected Lender and, in the case of Borrowers' election, Agent, of such Person's intention to obtain, at Borrowers' expense, a replacement Lender ("**Replacement Lender**") for such Lender, which Replacement Lender shall be an Eligible Assignee and, in the event the Replacement Lender is to replace an Affected Lender described in the preceding clause (iv), such Replacement Lender consents to the requested amendment, waiver or modification making the replaced Lender an Affected Lender. In the event Borrowers or Agent, as applicable, obtains a Replacement Lender within ninety (90) days following notice of its intention to do so, the Affected Lender shall sell, at par, and assign all of its Loan and funding commitments hereunder to such Replacement Lender in accordance with the procedures set forth in Section 11.17(a); *provided, however,* that (A) Borrowers shall have reimbursed such Lender for its increased costs and additional payments for which it is entitled to reimbursement under Section 2.8(a) through (h), as applicable, of this Agreement through the date of such sale and assignment, and (B) Borrowers shall pay to Agent the $3,500 processing fee in respect of such assignment. In the event that a replaced Lender does not execute an Assignment Agreement pursuant to Section 11.17(a) within five (5) Business Days after receipt by such replaced Lender of notice of replacement pursuant to this Section 11.17(c) and presentation to such replaced Lender of an Assignment Agreement evidencing an assignment pursuant to this Section 11.17(c), such replaced Lender shall be deemed to have consented to the terms of such Assignment Agreement, and any such Assignment Agreement executed by Agent, the Replacement Lender and, to the extent required pursuant to Section 11.17(a), Borrowers, shall be effective for purposes of this Section 11.17(c) and Section 11.17(a). Upon any such assignment and payment, such replaced Lender shall no longer constitute a "**Lender**" for purposes hereof, other than with respect to such rights and obligations that survive termination as set forth in Section 12.1.

(d) Credit Party Assignments. No Credit Party may assign, delegate or otherwise transfer any of its rights or other obligations hereunder or under any other Financing Document without the prior written consent of Agent and each Lender.

Section 11.18 Funding and Settlement Provisions Applicable When Non-Funding Lenders Exist. So long as Agent has not waived the conditions to the funding of Loans set forth in Section 7.2 or Section 2.1, any Lender may deliver a notice to Agent stating that such Lender shall not fund any tranche

of the Term Loan due to the non-satisfaction of one or more conditions to funding Loans set forth in Section 7.2 or Section 2.1, and specifying any such non-satisfied conditions. Any Lender delivering any such notice shall become a non-funding Lender (a "**Non-Funding Lender**") for purposes of this Agreement commencing on the Business Day following receipt by Agent of such notice, and shall cease to be a Non-Funding Lender on the date on which such Lender has either revoked the effectiveness of such notice or acknowledged in writing to each of Agent the satisfaction of the condition(s) specified in such notice, or Required Lenders waive the conditions to the funding of such Loans giving rise to such notice by Non-Funding Lender. Each Non-Funding Lender shall remain a Lender for purposes of this Agreement to the extent that such Non-Funding Lender has Term Loans outstanding in excess of Zero Dollars ($0); *provided, however,* that during any period of time that any Non-Funding Lender exists, and notwithstanding any provision to the contrary set forth herein, the following provisions shall apply:

(a) For purposes of determining the Pro Rata Share of each Lender under clause (a) of the definition of such term, each Non-Funding Lender shall be deemed to have a Term Loan Commitment Amount as in effect immediately before such Lender became a Non-Funding Lender.

(b) Except as provided in clause (a) above, the Term Loan Commitment Amount of each Non-Funding Lender shall be deemed to be Zero Dollars ($0).

(c) The Term Loan Commitment at any date of determination during such period shall be deemed to be equal to the sum of (i) the aggregate Term Loan Commitment Amounts of all Lenders, other than the Non-Funding Lenders as of such date *plus* (ii) the aggregate principal amount outstanding under the Term Loans of all Non-Funding Lenders as of such date.

ARTICLE 12 - MISCELLANEOUS

Section 12.1 Survival. All agreements, representations and warranties made herein and in every other Financing Document shall survive the execution and delivery of this Agreement and the other Financing Documents. The provisions of Section 2.10 and Articles 11 and 12 shall survive the payment of the Obligations (both with respect to any Lender and all Lenders collectively) and any termination of this Agreement and any judgment with respect to any Obligations, including any final foreclosure judgment with respect to any Security Document, and no unpaid or unperformed, current or future, Obligations will merge into any such judgment.

Section 12.2 No Waivers. No failure or delay by Agent or any Lender in exercising any right, power or privilege under any Financing Document shall operate as a waiver thereof nor shall any single or partial exercise thereof preclude any other or further exercise thereof or the exercise of any other right, power or privilege. The rights and remedies herein and therein provided shall be cumulative and not exclusive of any rights or remedies provided by law. Any reference in any Financing Document to the "continuing" nature of any Event of Default shall not be construed as establishing or otherwise indicating that any Borrower or any other Credit Party has the independent right to cure any such Event of Default, but is rather presented merely for convenience should such Event of Default be waived in accordance with the terms of the applicable Financing Documents.

Section 12.3 Notices.

(a) All notices, requests and other communications to any party hereunder shall be in writing (including prepaid overnight courier, facsimile transmission or similar writing) and shall be given to such party at its address, facsimile number or e-mail address set forth on the signature pages hereof (or, in the case of any such Lender who becomes a Lender after the date hereof, in an assignment agreement or in a notice delivered to Borrower Representative and Agent by the assignee Lender forthwith upon such

assignment) or at such other address, facsimile number or e-mail address as such party may hereafter specify for the purpose by notice to Agent and Borrower Representative; *provided*, *however*, that notices, requests or other communications shall be permitted by electronic means only in accordance with the provisions of Section 12.3(b) and (c). Each such notice, request or other communication shall be effective (i) if given by facsimile, when such notice is transmitted to the facsimile number specified by this Section and the sender receives a confirmation of transmission from the sending facsimile machine, or (ii) if given by mail, prepaid overnight courier or any other means, when received or when receipt is refused at the applicable address specified by this Section 12.3(a).

(b) Notices and other communications to the parties hereto may be delivered or furnished by electronic communication (including e-mail and Internet or intranet websites) pursuant to procedures approved from time to time by Agent, *provided*, *however*, that the foregoing shall not apply to notices sent directly to any Lender if such Lender has notified Agent that it is incapable of receiving notices by electronic communication. Agent or Borrower Representative may, in their discretion, agree to accept notices and other communications to them hereunder by electronic communications pursuant to procedures approved by it, *provided*, *however*, that approval of such procedures may be limited to particular notices or communications.

(c) Unless Agent otherwise prescribes, (i) notices and other communications sent to an e-mail address shall be deemed received upon the sender's receipt of an acknowledgment from the intended recipient (such as by the "return receipt requested" function, as available, return e-mail or other written acknowledgment), and (ii) notices or communications posted to an Internet or intranet website shall be deemed received upon the deemed receipt by the intended recipient at its e-mail address as described in the foregoing clause (i) of notification that such notice or communication is available and identifying the website address therefor, *provided*, *however*, that if any such notice or other communication is not sent or posted during normal business hours, such notice or communication shall be deemed to have been sent at the opening of business on the next Business Day.

Section 12.4 Severability. In case any provision of or obligation under this Agreement or any other Financing Document shall be invalid, illegal or unenforceable in any jurisdiction, the validity, legality and enforceability of the remaining provisions or obligations, or of such provision or obligation in any other jurisdiction, shall not in any way be affected or impaired thereby.

Section 12.5 Headings. Headings and captions used in the Financing Documents (including the Exhibits, Schedules and Annexes hereto and thereto) are included for convenience of reference only and shall not be given any substantive effect.

Section 12.6 Confidentiality.

(a) Each Credit Party agrees (i) not to transmit or disclose provisions of any Financing Document to any Person (other than to Borrowers' advisors and officers on a need-to-know basis or as otherwise may be required by Law) without Agent's prior written consent, and (ii) to inform all Persons of the confidential nature of the Financing Documents and to direct them not to disclose the same to any other Person and to require each of them to be bound by these provisions.

(b) Agent and each Lender shall hold all non-public information regarding the Credit Parties and their respective businesses identified as such by Borrowers and obtained by Agent or any Lender pursuant to the requirements hereof in accordance with such Person's customary procedures for handling information of such nature, except that disclosure of such information may be made (i) to their respective agents, employees, Subsidiaries, Affiliates, attorneys, auditors, professional consultants, rating agencies, insurance industry associations and portfolio management services, (ii) to prospective

transferees or purchasers of any interest in the Loans, Agent or a Lender, but solely for use by such prospective transferee or purchaser to evaluate such interest in the making of such transfer or purchase; *provided*, *however*, that any such Persons are bound by obligations of confidentiality similar to or more stringent than this Section 12.6, (iii) as required by Law, subpoena, judicial order or similar order and in connection with any litigation, (iv) as may be required in connection with the examination, audit or similar investigation of such Person, provided that all participants have agreed to keep such information confidential (subject to customary exceptions), and (v) to a Person that is a trustee, investment advisor or investment manager, collateral manager, servicer, noteholder or secured party in a Securitization (as hereinafter defined) in connection with the administration, servicing and reporting on the assets serving as collateral for such Securitization who have agreed to keep such information confidential (subject to customary exceptions). For the purposes of this Section, "**Securitization**" means (A) the pledge of the Loans as collateral security for loans to a Lender, or (B) a public or private offering by a Lender or any of its Affiliates or their respective successors and assigns, of securities which represent an interest in, or which are collateralized, in whole or in part, by the Loans. Confidential information shall include only such information identified as such at the time provided to Agent and shall not include information that either: (y) is in the public domain, or becomes part of the public domain after disclosure to such Person through no fault of such Person, or (z) is disclosed to such Person by a Person other than a Credit Party, *provided*, *however*, Agent does not have actual knowledge that such Person is prohibited from disclosing such information. The obligations of Agent and Lenders under this Section 12.6 shall supersede and replace the obligations of Agent and Lenders under any confidentiality agreement in respect of this financing executed and delivered by Agent or any Lender prior to the date hereof.

Section 12.7 Waiver of Consequential and Other Damages. To the fullest extent permitted by applicable law, no Borrower shall assert, and each Borrower hereby waives, any claim against any Indemnitee (as defined below), on any theory of liability, for special, indirect, consequential or punitive damages (as opposed to direct or actual damages) arising out of, in connection with, or as a result of this Agreement, any other Financing Document or any agreement or instrument contemplated hereby or thereby, the transactions contemplated hereby or thereby, any Loan or the use of the proceeds thereof. No Indemnitee shall be liable for any damages arising from the use by unintended recipients of any information or other materials distributed by it through telecommunications, electronic or other information transmission systems in connection with this Agreement or the other Financing Documents or the transactions contemplated hereby or thereby.

Section 12.8 GOVERNING LAW; SUBMISSION TO JURISDICTION.

(a) THIS AGREEMENT, EACH NOTE AND EACH OTHER FINANCING DOCUMENT, AND ALL DISPUTES AND OTHER MATTERS RELATING HERETO OR THERETO OR ARISING THEREFROM (WHETHER SOUNDING IN CONTRACT LAW, TORT LAW OR OTHERWISE), SHALL BE GOVERNED BY, AND SHALL BE CONSTRUED AND ENFORCED IN ACCORDANCE WITH, THE LAWS OF THE STATE OF NEW YORK, WITHOUT REGARD TO CONFLICTS OF LAWS PRINCIPLES (OTHER THAN SECTION 5-1401 OF THE GENERAL OBLIGATIONS LAW).

(b) EACH PARTY HERETO HEREBY CONSENTS TO THE JURISDICTION OF ANY STATE OR FEDERAL COURT LOCATED IN THE STATE OF NEW YORK IN THE CITY OF NEW YORK, BOROUGH OF MANHATTAN, AND IRREVOCABLY AGREES THAT ALL ACTIONS OR PROCEEDINGS ARISING OUT OF OR RELATING TO THIS AGREEMENT OR THE OTHER FINANCING DOCUMENTS SHALL BE LITIGATED IN SUCH COURTS. EACH PARTY HERETO EXPRESSLY SUBMITS AND CONSENTS TO THE JURISDICTION OF THE AFORESAID COURTS AND WAIVES ANY DEFENSE OF FORUM NON CONVENIENS. EACH PARTY HERETO HEREBY WAIVES PERSONAL SERVICE OF ANY AND ALL PROCESS AND AGREES

THAT ALL SUCH SERVICE OF PROCESS MAY BE MADE UPON SUCH PARTY BY CERTIFIED OR REGISTERED MAIL, RETURN RECEIPT REQUESTED, ADDRESSED TO SUCH PARTY AT THE ADDRESS SET FORTH IN THIS AGREEMENT AND SERVICE SO MADE SHALL BE COMPLETE TEN (10) DAYS AFTER THE SAME HAS BEEN POSTED.

Section 12.9 **WAIVER OF JURY TRIAL**.

(a) EACH BORROWER, AGENT AND THE LENDERS HEREBY IRREVOCABLY WAIVES ANY AND ALL RIGHT TO TRIAL BY JURY IN ANY LEGAL ACTION OR PROCEEDING ARISING OUT OF OR RELATING TO THE FINANCING DOCUMENTS OR THE TRANSACTIONS CONTEMPLATED THEREBY AND AGREES THAT ANY SUCH ACTION OR PROCEEDING SHALL BE TRIED BEFORE A COURT AND NOT BEFORE A JURY. EACH BORROWER, AGENT AND EACH LENDER ACKNOWLEDGES THAT THIS WAIVER IS A MATERIAL INDUCEMENT TO ENTER INTO A BUSINESS RELATIONSHIP, THAT EACH HAS RELIED ON THE WAIVER IN ENTERING INTO THIS AGREEMENT AND THE OTHER FINANCING DOCUMENTS, AND THAT EACH WILL CONTINUE TO RELY ON THIS WAIVER IN THEIR RELATED FUTURE DEALINGS. EACH BORROWER, AGENT AND EACH LENDER WARRANTS AND REPRESENTS THAT IT HAS HAD THE OPPORTUNITY OF REVIEWING THIS JURY WAIVER WITH LEGAL COUNSEL, AND THAT IT KNOWINGLY AND VOLUNTARILY WAIVES ITS JURY TRIAL RIGHTS.

(b) In the event any such action or proceeding is brought or filed in any United States federal court sitting in the State of California or in any state court of the State of California, and the waiver of jury trial set forth in Section 12.9(a) hereof is determined or held to be ineffective or unenforceable, the parties agree that all actions or proceedings shall be resolved by reference to a private judge sitting without a jury, pursuant to California Code of Civil Procedure Section 638, before a mutually acceptable referee or, if the parties cannot agree, a referee selected by the Presiding Judge of the Los Angeles County, California. Such proceeding shall be conducted in Los Angeles County, California, with California rules of evidence and discovery applicable to such proceeding. In the event any actions or proceedings are to be resolved by judicial reference, any party may seek from any court having jurisdiction thereover any prejudgment order, writ or other relief and have such prejudgment order, writ or other relief enforced to the fullest extent permitted by Law notwithstanding that all actions or proceedings are otherwise subject to resolution by judicial reference.

Section 12.10 Publication; Advertisement.

(a) Publication. No Credit Party will directly or indirectly publish, disclose or otherwise use in any public disclosure, advertising material, promotional material, press release or interview, any reference to the name, logo or any trademark of MCF or any of its Affiliates or any reference to this Agreement or the financing evidenced hereby, in any case except (i) as required by Law, subpoena or judicial or similar order, in which case the applicable Credit Party shall give Agent prior written notice of such publication or other disclosure, or (ii) with MCF's prior written consent.

(b) Advertisement. Each Lender and each Credit Party hereby authorizes MCF to publish the name of such Lender and Credit Party, the existence of the financing arrangements referenced under this Agreement, the primary purpose and/or structure of those arrangements, the amount of credit extended under each facility, the title and role of each party to this Agreement, and the total amount of the financing evidenced hereby in any "tombstone", comparable advertisement or press release which MCF elects to submit for publication. In addition, each Lender and each Credit Party agrees that MCF may provide lending industry trade organizations with information necessary and customary for inclusion in league table measurements after the Closing Date. With respect to any of the foregoing, MCF shall provide Borrowers with an opportunity to review and confer with MCF regarding the contents of any such tombstone, advertisement or information, as applicable, prior to its submission for publication and, following such review period, MCF may, from time to time, publish such information in any media form desired by MCF, until such time that Borrowers shall have requested MCF cease any such further publication.

Section 12.11 Counterparts; Integration. This Agreement and the other Financing Documents may be signed in any number of counterparts, each of which shall be an original, with the same effect as if the signatures thereto and hereto were upon the same instrument. Signatures by facsimile or by electronic mail delivery of an electronic version of any executed signature page shall bind the parties hereto. In furtherance of the foregoing, the words "execution", "signed", "signature", "delivery" and words of like import in or relating to any document to be signed in connection with this Agreement and the transactions contemplated hereby or thereby shall be deemed to include Electronic Signatures, deliveries or the keeping of records in electronic form, each of which shall be of the same legal effect, validity or enforceability as a manually executed signature, physical delivery thereof or the use of a paper-based recordkeeping system, as the case may be, to the extent and as provided for in any applicable law, including the Federal Electronic Signatures in Global and National Commerce Act, the New York State Electronic Signatures and Records Act, or any other similar state laws based on the Uniform Electronic Transactions Act. As used herein, "**Electronic Signature**" means an electronic sound, symbol, or process attached to, or associated with, a contract or other record and adopted by a Person with the intent to sign, authenticate or accept such contract or other record. This Agreement and the other Financing Documents constitute the entire agreement and understanding among the parties hereto and supersede any and all prior agreements and understandings, oral or written, relating to the subject matter hereof.

Section 12.12 No Strict Construction. The parties hereto have participated jointly in the negotiation and drafting of this Agreement. In the event an ambiguity or question of intent or interpretation arises, this Agreement shall be construed as if drafted jointly by the parties hereto and no presumption or burden of proof shall arise favoring or disfavoring any party by virtue of the authorship of any provisions of this Agreement.

Section 12.13 Lender Approvals. Unless expressly provided herein to the contrary, any approval, consent, waiver or satisfaction of Agent or Lenders with respect to any matter that is the subject of this Agreement, the other Financing Documents may be granted or withheld by Agent and Lenders in their sole and absolute discretion and credit judgment.

Section 12.14 Expenses; Indemnity

(a) Except with respect to Indemnified Taxes, Other Taxes and Excluded Taxes, which shall be governed exclusively by Section 2.8, Borrowers hereby agree to promptly pay (i) all reasonable costs and expenses of Agent (including, without limitation, the fees, costs and expenses of counsel to, and independent appraisers and consultants retained by Agent subject to the limitations set forth herein) in connection with the examination, review, due diligence investigation, documentation, negotiation, closing and syndication of the transactions contemplated by the Financing Documents, in connection with the performance by Agent of its rights and remedies under the Financing Documents and in connection with the continued administration of the Financing Documents including (A) any amendments, modifications, consents and waivers to and/or under any and all Financing Documents, and (B) any periodic public record searches conducted by or at the request of Agent (including, without limitation, title investigations, UCC searches, fixture filing searches, judgment, pending litigation and tax lien searches and searches of applicable corporate, limited liability, partnership and related records concerning the continued existence, organization and good standing of certain Persons); (ii) without limitation of the preceding clause (i), all reasonable and documented costs and expenses of Agent in connection with the creation, perfection and maintenance of Liens pursuant to the Financing Documents; (iii) without limitation of the preceding clause (i), all costs and expenses of Agent in connection with

(A) protecting, storing, insuring, handling, maintaining or selling any Collateral, (B) any litigation, dispute, suit or proceeding relating to any Financing Document, other than disputes solely among Lenders and/or Agent (other than any claims against such person in its capacity or in fulfilling its role as Agent, arranger or any similar role hereunder) to the extent such disputes do not arise from any act or omission of any Credit Party or of any Affiliate of a Credit Party, and (C) any workout, collection, bankruptcy, insolvency and other enforcement proceedings under any and all of the Financing Documents; (iv) without limitation of the preceding clause (i), all reasonable and documented costs and expenses of Agent in connection with Agent's reservation of funds in anticipation of the funding of the initial Loans to be made hereunder; and (v) all costs and expenses incurred by Lenders in connection with any litigation, dispute, suit or proceeding relating to any Financing Document, other than disputes solely among Lenders and/or Agent (other than any claims against such person in its capacity or in fulfilling its role as Agent, arranger or any similar role hereunder) to the extent such disputes do not arise from any act or omission of any Credit Party or of any Affiliate of a Credit Party, and in connection with any workout, collection, bankruptcy, insolvency and other enforcement proceedings under any and all Financing Documents, whether or not Agent or Lenders are a party thereto.

(b) Each Borrower hereby agrees to indemnify, pay and hold harmless Agent and Lenders and the officers, directors, employees, trustees, agents, investment advisors and investment managers, collateral managers, servicers, and counsel of Agent and Lenders (collectively called the "**Indemnitees**") from and against any and all liabilities, obligations, losses, damages, penalties, actions, judgments, suits, claims, costs, expenses and disbursements of any kind or nature whatsoever (including the documented out-of-pocket fees and disbursements of counsel for such Indemnitee) in connection with any investigative, response, remedial, administrative or judicial matter or proceeding, whether or not such Indemnitee shall be designated a party thereto and including any such proceeding initiated by or on behalf of a Credit Party, and the reasonable expenses of investigation by engineers, environmental consultants and similar technical personnel and any commission, fee or compensation claimed by any broker (other than any broker retained by Agent or Lenders) asserting any right to payment for the transactions contemplated hereby, which may be imposed on, incurred by or asserted against such Indemnitee as a result of or in connection with the transactions contemplated hereby or by the other Financing Documents (including (i)(A) as a direct or indirect result of the presence on or under, or escape, seepage, leakage, spillage, discharge, emission or release from, any property now or previously owned, leased or operated by Borrower, any Subsidiary or any other Person of any Hazardous Materials, (B) arising out of or relating to the offsite disposal of any materials generated or present on any such property, or (C) arising out of or resulting from the environmental condition of any such property or the applicability of any governmental requirements relating to Hazardous Materials, whether or not occasioned wholly or in part by any condition, accident or event caused by any act or omission of Borrower or any Subsidiary, and (ii) proposed and actual extensions of credit under this Agreement) and the use or intended use of the proceeds of the Loans, except that Borrower shall have no obligation hereunder to an Indemnitee with respect to any liability resulting from the gross negligence or willful misconduct of such Indemnitee, as determined by a final non-appealable judgment of a court of competent jurisdiction. To the extent that the undertaking set forth in the immediately preceding sentence may be unenforceable, Borrower shall contribute the maximum portion which it is permitted to pay and satisfy under applicable Law to the payment and satisfaction of all such indemnified liabilities incurred by the Indemnitees or any of them. This Section 12.14(b) shall not apply with respect to Taxes other than any Taxes that represent losses, claims, damages, etc. arising from any non-Tax claim

(c) Notwithstanding any contrary provision in this Agreement, the obligations of Borrowers under this Section 12.14 shall survive the payment in full of the Obligations and the termination of this Agreement. NO INDEMNITEE SHALL BE RESPONSIBLE OR LIABLE TO THE BORROWERS OR TO ANY OTHER PARTY TO ANY FINANCING DOCUMENT, ANY SUCCESSOR, ASSIGNEE OR THIRD PARTY BENEFICIARY OR ANY OTHER PERSON

ASSERTING CLAIMS DERIVATIVELY THROUGH SUCH PARTY, FOR INDIRECT, PUNITIVE, EXEMPLARY OR CONSEQUENTIAL DAMAGES WHICH MAY BE ALLEGED AS A RESULT OF CREDIT HAVING BEEN EXTENDED, SUSPENDED OR TERMINATED UNDER THIS AGREEMENT OR ANY OTHER FINANCING DOCUMENT OR AS A RESULT OF ANY OTHER TRANSACTION CONTEMPLATED HEREUNDER OR THEREUNDER.

(d) Each Borrower for itself and all endorsers, guarantors and sureties and their heirs, legal representatives, successors and assigns, hereby further specifically waives any rights that it may have under Section 1542 of the California Civil Code (to the extent applicable), which provides as follows: "A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS WHICH THE CREDITOR DOES NOT KNOW OR SUSPECT TO EXIST IN HIS OR HER FAVOR AT THE TIME OF EXECUTING THE RELEASE, WHICH IF KNOWN BY HIM OR HER MUST HAVE MATERIALLY AFFECTED HIS OR HER SETTLEMENT WITH THE DEBTOR," and further waives any similar rights under applicable Laws.

Section 12.15 Reinstatement. This Agreement shall remain in full force and effect and continue to be effective should any petition or other proceeding be filed by or against any Credit Party for liquidation or reorganization, should any Credit Party become insolvent or make an assignment for the benefit of any creditor or creditors or should an interim receiver, receiver, receiver and manager or trustee be appointed for all or any significant part of any Credit Party's assets, and shall continue to be effective or to be reinstated, as the case may be, if at any time payment and performance of the Obligations, or any part thereof, is, pursuant to applicable law, rescinded or reduced in amount, or must otherwise be restored or returned by any obligee of the Obligations, whether as a fraudulent preference reviewable transaction or otherwise, all as though such payment or performance had not been made. In the event that any payment, or any part thereof, is rescinded, reduced, restored or returned, the Obligations shall be reinstated and deemed reduced only by such amount paid and not so rescinded, reduced, restored or returned.

Section 12.16 Successors and Assigns. This Agreement shall be binding upon and inure to the benefit of Borrowers and Agent and each Lender and their respective successors and permitted assigns.

Section 12.17 USA PATRIOT Act Notification. Agent (for itself and not on behalf of any Lender) and each Lender hereby notifies Borrowers that pursuant to the requirements of the USA PATRIOT Act, it is required to obtain, verify and record certain information and documentation that identifies Borrowers, which information includes the name and address of Borrower and such other information that will allow Agent or such Lender, as applicable, to identify Borrowers in accordance with the USA PATRIOT Act.

Section 12.18 Acknowledgement and Consent to Bail-In of Affected Financial Institutions. Notwithstanding anything to the contrary in any Financing Document or in any other agreement, arrangement or understanding among any such parties, each party hereto acknowledges that any liability of any Affected Financial Institution arising under any Financing Document, to the extent such liability is unsecured, may be subject to the Write-Down and Conversion Powers of the applicable Resolution Authority and agrees and consents to, and acknowledges and agrees to be bound by:

(a) the application of any Write-Down and Conversion Powers by the applicable Resolution Authority to any such liabilities arising hereunder which may be payable to it by any party hereto that is an Affected Financial Institution; and

(b) the effects of any Bail-In Action on any such liability, including, if applicable:

(i) a reduction in full or in part or cancellation of any such liability;

(ii) a conversion of all, or a portion of, such liability into shares or other instruments of ownership in such Affected Financial Institution, its parent undertaking, or a bridge institution that may be issued to it or otherwise conferred on it, and that such shares or other instruments of ownership will be accepted by it in lieu of any rights with respect to any such liability under this Agreement or any other Financing Document; or

(iii) the variation of the terms of such liability in connection with the exercise of the Write-Down and Conversion Powers of the applicable Resolution Authority.

Section 12.19 Cross Default and Cross Collateralization.

(a) Cross-Default. As stated under Section 10.1 hereof, an Event of Default under any of the Affiliated Financing Documents shall be an Event of Default under this Agreement. In addition, a Default or Event of Default under any of the Financing Documents shall be a Default under the Affiliated Financing Documents.

(b) Cross Collateralization. Borrowers acknowledge and agree that the Collateral securing this Loan, also secures the Affiliated Obligations.

(c) Consent. Each Borrower authorizes Agent, without giving notice to any Borrower or obtaining the consent of any Borrower and without affecting the liability of any Borrower for the Affiliated Obligations directly incurred by the Borrowers, from time to time to:

(i) compromise, settle, renew, extend the time for payment, change the manner or terms of payment, discharge the performance of, decline to enforce, or release all or any of the Affiliated Obligations; grant other indulgences to any Borrowers in respect thereof; or modify in any manner any documents relating to the Affiliated Obligations;

(ii) declare all Affiliated Obligations due and payable upon the occurrence and during the continuance of an Event of Default;

(iii) take and hold security for the performance of the Affiliated Obligations of any Borrowers and exchange, enforce, waive and release any such security;

(iv) apply and reapply such security and direct the order or manner of sale thereof as Agent, in its sole discretion, may determine;

(v) release, surrender or exchange any deposits or other property securing the Affiliated Obligations or on which Agent at any time may have a Lien; release, substitute or add any one or more endorsers or guarantors of the Affiliated Obligations of any Borrowers; or compromise, settle, renew, extend the time for payment, discharge the performance of, decline to enforce, or release all or any obligations of any such endorser or guarantor or other Person who is now or may hereafter be liable on any Affiliated Obligations or release, surrender or exchange any deposits or other property of any such Person;

(vi) apply payments received by Lender from Borrower to any Obligations or Affiliated Obligations, as permitted in accordance with the terms of this Agreement and in such order as Lender shall determine, in its sole discretion; and

(vii) assign the Affiliated Financing Documents in whole or in part in accordance with the terms thereof.

[SIGNATURES APPEAR ON FOLLOWING PAGE(S)]

IN WITNESS WHEREOF, intending to be legally bound, each of the parties have caused this Agreement to be executed on the day and year first above mentioned.

BORROWERS:

ALPHA TEKNOVA, INC.

By: /s/ Matthew Lowell
Name: Matthew Lowell
Title: Chief Financial Officer

Address:

Alpha Teknova, Inc.
2451 Bert Drive
Hollister, CA 95023
Attn: Matthew Lowell

AGENT:

MIDCAP FINANCIAL TRUST

By: Apollo Capital Management, L.P.,
its investment manager

By: Apollo Capital Management GP, LLC,
its general partner

By: /s/ Maurice Amsellem
Name: Maurice Amsellem
Title: Authorized Signatory

Address:

c/o MidCap Financial Services, LLC, as servicer
7255 Woodmont Avenue, Suite 300
Bethesda, Maryland 20814
Attn: Account Manager for Alpha Teknova transaction
Facsimile: 301-941-1450
E-mail: notices@midcapfinancial.com

with a copy to:

c/o MidCap Financial Services, LLC, as servicer
7255 Woodmont Avenue, Suite 300
Bethesda, Maryland 20814
Attn: General Counsel
Facsimile: 301-941-1450
E-mail: legalnotices@midcapfinancial.com

LENDER:

MIDCAP FINANCIAL TRUST

By: Apollo Capital Management, L.P.,
its investment manager

By: Apollo Capital Management GP, LLC,
its general partner

By: /s/ Maurice Amsellem
Name: Maurice Amsellem
Title: Authorized Signatory

Address:

c/o MidCap Financial Services, LLC, as servicer
7255 Woodmont Avenue, Suite 300
Bethesda, Maryland 20814
Attn: Account Manager for Alpha Teknova transaction
Facsimile: 301-941-1450
E-mail: notices@midcapfinancial.com

with a copy to:

c/o MidCap Financial Services, LLC, as servicer
7255 Woodmont Avenue, Suite 300
Bethesda, Maryland 20814
Attn: General Counsel
Facsimile: 301-941-1450
E-mail: legalnotices@midcapfinancial.com

ANNEXES, EXHIBITS AND SCHEDULES

ANNEXES

Annex A	Commitment Annex

EXHIBITS

Exhibit A	[Reserved]
Exhibit B	Form of Compliance Certificate
Exhibit C	[Reserved]
Exhibit D	Form of Notice of Borrowing
Exhibit E-1	Form of U.S. Tax Compliance Certificate
Exhibit E-2	Form of U.S. Tax Compliance Certificate
Exhibit E-3	Form of U.S. Tax Compliance Certificate
Exhibit E-4	Form of U.S. Tax Compliance Certificate
Exhibit F	Tranche 3 EBITDA Certificate
Exhibit G	Closing Checklist

SCHEDULES

Schedule 2.1	Scheduled Principal Payments for Term Loan
Schedule 3.1	Existence, Organizational ID Numbers, Foreign Qualification, Prior Names
Schedule 3.4	Capitalization
Schedule 3.6	Litigation
Schedule 3.17	Material Contracts
Schedule 3.18	Environmental Compliance
Schedule 3.19	Intellectual Property
Schedule 4.9	Litigation, Governmental Proceedings and Other Notice Events
Schedule 5.1	Debt; Contingent Obligations
Schedule 5.2	Liens
Schedule 5.7	Permitted Investments
Schedule 5.8	Affiliate Transactions
Schedule 5.14	Deposit Accounts and Securities Accounts
Schedule 6.1	Minimum Net Revenue
Schedule 7.4	Post-Closing Obligations
Schedule 9.1	Collateral
Schedule 9.2(b)	Location of Collateral
Schedule 9.2(d)	Chattel Paper, Letter of Credit Rights, Commercial Tort Claims, Instruments, Documents, Investment Property

Annex A to Credit Agreement (Commitment Annex)

Lender	Term Loan Tranche 1 Commitment Amount	Term Loan Tranche 1 Commitment Percentage	Term Loan Tranche 2 Commitment Amount	Term Loan Tranche 2 Commitment Percentage	Term Loan Tranche 3 Commitment Amount	Term Loan Tranche 3 Commitment Percentage
MidCap Financial Trust	$12,000,000.00	100%	$5,000,000.00	100%	$5,000,000.00	100%
TOTALS	**$12,000,000.00**	**100%**	**$5,000,000.00**	**100%**	**$5,000,000.00**	**100%**

Exhibit 23.1

Consent of Independent Registered Public Accounting Firm

We consent to the reference to our firm under the caption “Experts” and to the use of our report dated April 2, 2021, in the Registration Statement (Form S-1) and related Prospectus of Alpha Teknova, Inc. for the registration of shares of its common stock.

/s/ Ernst & Young LLP
San Jose, CA
June 4, 2021