As filed with the Securities and Exchange Commission on June 23, 2020

Registration No. 333-

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

FORM S-4
REGISTRATION STATEMENT
UNDER
THE SECURITIES ACT OF 1933

resTORbio, Inc.
(Exact name of Registrant as specified in its charter)

Delaware	2834	81-3305277
(State or other jurisdiction of incorporation or organization)	(Primary Standard Industrial Classification Code Number)	(I.R.S. Employer Identification Number)

resTORbio, Inc.
500 Boylston Street, 13th Floor
Boston, MA 02116
(857) 315-5528
(Address including zip code, and telephone number, including area code, of Registrant's principal executive offices)

Chen Schor
President and Chief Executive Officer
resTORbio, Inc.
500 Boylston Street, 13th Floor
Boston, MA 02116
(857) 315-5528
(Name, address, including zip code, and telephone number, including area code of agent for service)

Copies to:

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Approximate date of commencement of proposed sale to the public: As soon as practicable after the effectiveness of this registration statement and the satisfaction or waiver of all other conditions under the merger agreement described herein.

If the securities being registered on this Form are being offered in connection with the formation of a holding company and there is compliance with General Instruction G, please check the following box. ☐

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

If this Form is a post-effective amendment filed pursuant to Rule 462(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. ☐

If applicable, place an X in the box to designate the appropriate rule provision relied upon in conducting this transaction:

Exchange Act Rule 13(e)-4(i) (Cross-Border Issuer Tender Offer) ☐

Exchange Act Rule 14d-1(d) (Cross-Border Third-Party Tender Offer) ☐

CALCULATION OF REGISTRATION FEE

Title of Each Class of Security Being Registered	Amount to be Registered(1)	Proposed Maximum Offering Price Per Share	Proposed Maximum Aggregate Offering Price(2)	Amount of Registration Fee(3)
Common stock, $0.0001 par value per share	28,141,955	N/A	$4,384.99	$1.00

(1) Relates to shares of common stock, $0.0001 par value per share, of resTORbio, Inc., a Delaware corporation (referred to as "resTORbio"), issuable to holders of common stock, $0.0001 par value per share, of Adicet Bio, Inc., a Delaware corporation (referred to as "Adicet"), holders of preferred stock, $0.0001 par value per share, of Adicet and warrants and options to purchase common stock or preferred stock of Adicet in the proposed merger of Project Oasis Merger Sub, Inc., a Delaware corporation and a wholly owned subsidiary of resTORbio, with and into Adicet (referred to as the "merger"). The amount of resTORbio common stock to be registered is based on the estimated number of shares of resTORbio common stock that are expected to be issued pursuant to the merger, after taking into account the effect of a reverse stock split of resTORbio common stock, assuming an exchange ratio of 0.8559 shares of resTORbio common stock for each outstanding share of Adicet common stock or Adicet preferred stock and for each option and warrant exercisable for shares of Adicet common stock or Adicet preferred stock.

(2) Estimated solely for purposes of calculating the registration fee in accordance with Rule 457(f)(2) of the Securities Act of 1933, as amended. Adicet is a private company with no market for its securities and has an accumulated capital deficit. Therefore, the proposed maximum aggregate offering price is one-third of the aggregate par value of the Adicet securities expected to be exchanged in the proposed merger.

(3) This fee has been calculated pursuant to Section 6(b) of the Securities Act of 1933, as amended.

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 that specifically states that this registration statement shall thereafter become effective in accordance with Section 8(a) of the Securities Act of 1933, as amended, or until the registration statement shall become effective on such date as the Securities and Exchange Commission, acting pursuant to said Section 8(a), may determine.

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The information in this proxy statement/prospectus/information statement is not complete and may be changed. resTORbio may not sell its securities pursuant to the proposed transactions until the Registration Statement filed with the Securities and Exchange Commission is effective. This proxy statement/prospectus/information statement is not an offer to sell these securities and it is not soliciting an offer to buy these securities in any state where the offer or sale is not permitted.

PRELIMINARY—SUBJECT TO COMPLETION—DATED JUNE 23, 2020

PROPOSED MERGER
YOUR VOTE IS VERY IMPORTANT

To the Stockholders of resTORbio, Inc. and Adicet Bio, Inc.:

resTORbio, Inc. (referred to as "resTORbio") and Adicet Bio, Inc. (referred to as "Adicet") have entered into an Agreement and Plan of Merger (referred to as the "merger agreement") pursuant to which Project Oasis Merger Sub, Inc., a wholly owned subsidiary of resTORbio, will merge with and into Adicet, with Adicet surviving as a wholly owned subsidiary of resTORbio (referred to as the "merger"). Adicet and resTORbio believe that the merger will result in a combined company that will leverage Adicet's scientific and product development expertise and pipeline of engineered immune cell therapeutics for cancer based on its proprietary gamma delta T cell therapy platform, provide the resources for the combined company to advance multiple programs into the clinic, including Adicet's lead candidate, ADI-001, a gamma delta chimeric antigen receptor ("CAR")-T cell therapy targeting CD20, and expand the combined company's pipeline in oncology and other indications.

At the effective time of the merger, each share of (x) common stock of Adicet, $0.0001 par value per share (referred to as "Adicet common stock"), and (y) preferred stock of Adicet, $0.0001 par value per share (referred to as "Adicet preferred stock" and, together with the Adicet common stock, "Adicet capital stock"), outstanding immediately prior to the effective time, excluding any shares of Adicet capital stock held as treasury stock and shares held by Adicet stockholders who have exercised and perfected appraisal rights, will be converted into the right to receive approximately 0.8559 shares of resTORbio common stock (referred to as the "exchange ratio"), subject to adjustment to account for the effect of a reverse stock split of resTORbio common stock, at a ratio mutually agreed to by resTORbio and Adicet in the range of 1-for-4 to 1-for-12 shares outstanding (or any number in between) (referred to as the "reverse stock split"), to be implemented immediately prior to and contingent upon the consummation of the merger, as discussed in this proxy statement/prospectus/information statement. This exchange ratio is an estimate only and is based upon resTORbio's and Adicet's capitalization as of June 16, 2020. The final exchange ratio will be determined pursuant to a formula described in more detail in the merger agreement and in this proxy statement/prospectus/information statement.

At the effective time of the merger, each outstanding and unexercised option to purchase Adicet's common stock (referred to as "Adicet options"), whether vested or unvested, issued pursuant to the Adicet 2015 Stock Incentive Plan (referred to as the "Adicet 2015 plan") and a subset of options issued pursuant to the Adicet 2014 Share Option Plan (referred to as the "Adicet 2014 plan" and, together with the Adicet 2015 plan, referred to collectively as the "Adicet plans") will be converted into options to purchase a number of shares of resTORbio common stock based on the exchange ratio, subject to the terms of and adjustments in the merger agreement. Adicet warrants with rights to acquire Adicet capital stock will be converted into rights to acquire a certain number of shares of resTORbio common stock based on the exchange ratio, subject to the terms of and adjustments in the merger agreement.

resTORbio's stockholders will continue to own and hold their existing shares of resTORbio common stock, subject to adjustment for the reverse stock split. The vesting of all outstanding resTORbio options will be accelerated in full as of immediately prior to the effective time of the merger. All out-of-the-money resTORbio options will be cancelled for no consideration. All in-the-money resTORbio options will remain outstanding after the completion of the merger in accordance with their terms. In addition, all outstanding unvested resTORbio restricted stock units will be accelerated in full effective as of immediately prior to the effective time of the merger, and for each outstanding and unsettled resTORbio restricted stock unit, the holder thereof shall receive a number of shares of resTORbio common stock equal to the number of vested and unsettled shares underlying such resTORbio restricted stock units (reduced by the number of shares of resTORbio common stock necessary to satisfy applicable tax withholding obligations at the maximum statutory rate).

Immediately following the effective time of the merger, the former equityholders of Adicet are expected to hold approximately 75% of the outstanding shares of resTORbio common stock on a fully-diluted basis and the current equityholders of resTORbio are expected to hold approximately 25% of the outstanding shares of resTORbio common stock on a fully-diluted basis (in each case excluding equity incentives available for grant).

Shares of resTORbio common stock are currently listed on The Nasdaq Global Market (referred to as "Nasdaq") under the symbol "TORC." In connection with completion of the merger, resTORbio will be renamed "Adicet Bio, Inc." and expects to trade on Nasdaq under the symbol " ." On [●], 2020, the last trading day before the date of this proxy statement/prospectus/information statement, the closing sale price of resTORbio common stock on Nasdaq was $[●] per share.

resTORbio is holding a special meeting of its stockholders (referred to as the "special meeting") in order to obtain the stockholder approvals necessary to complete the merger and related matters. The special meeting will be held at [●], Eastern Time, on [●], 2020, unless postponed or adjourned to a later date. In light of the novel coronavirus disease (referred to as "COVID-19") pandemic and to support the well-being of resTORbio's stockholders and partners, the special meeting will be completely virtual. You may attend the meeting and vote your shares electronically during the meeting via live webcast by visiting [●]. You will need the control number that is printed on your proxy card to enter the special meeting. resTORbio recommends that you log in at least 15 minutes before the meeting to ensure you are logged in when the special meeting starts. Please note that you will not be able to attend the special meeting in person.

At the special meeting, resTORbio will ask its stockholders:

1) To approve the issuance of resTORbio common stock pursuant to the merger agreement, which approval is necessary to complete the merger and the other transactions contemplated by the merger agreement (referred to as the "contemplated transactions"). Pursuant to the rules of The Nasdaq Stock Market LLC (referred to as the "Nasdaq rules"), the issuance of resTORbio common stock requires the approval of resTORbio's stockholders because it exceeds 20% of the number of shares of resTORbio common stock outstanding prior to the issuance. Furthermore, the issuance of the shares requires resTORbio's approval under the Nasdaq rules because it will result in a "change of control" of resTORbio (referred to as the "share issuance proposal" or "Proposal No. 1");

2) To approve an amendment to resTORbio's third amended and restated certificate of incorporation to effect a reverse stock split of resTORbio common stock (referred to as the "reverse stock split proposal" or "Proposal No. 2"); and

3) To approve an adjournment or postponement of the special meeting, if necessary, to solicit additional proxies if there are not sufficient votes in favor of Proposal No. 1 and/or Proposal No. 2 (referred to as the "adjournment proposal" or "Proposal No. 3").

As described in this proxy statement/prospectus/information statement, certain of Adicet's stockholders who in the aggregate own approximately 98% of the outstanding shares of Adicet capital stock on an as-converted to common stock basis, and certain of resTORbio's stockholders who in the aggregate own approximately 24% of the outstanding shares of resTORbio common stock, in each case, outstanding as of the date of the merger agreement, are parties to support agreements with Adicet and resTORbio, whereby such stockholders have agreed to vote their shares in favor of the adoption or approval, as applicable, of the merger agreement and the approval of the contemplated transactions, including the merger, in the case of Adicet capital stock holders, and the share issuance proposal and the reverse stock split proposal, in the case of resTORbio stockholders, subject to the terms of the support agreements.

In addition, following the registration statement on Form S-4, of which this proxy statement/prospectus/information statement is a part, being declared effective by the U.S. Securities and Exchange Commission (referred to as the "SEC") and pursuant to the conditions of the merger agreement and the Adicet support agreement, Adicet's stockholders who are party to the Adicet support agreement are each obligated to execute an action by written consent of Adicet's stockholders (referred to as the "written consent"), adopting the merger agreement, thereby approving the contemplated transactions, including the merger, no later than five business days after the registration statement on Form S-4, of which this proxy statement/prospectus/information statement forms a part, is declared effective. Therefore, holders of a sufficient number of shares of Adicet capital stock required to adopt the merger agreement are expected to adopt the merger agreement, and no meeting of Adicet's stockholders to adopt the merger agreement and approve the merger and contemplated transactions is expected to be held. Nevertheless, all of Adicet's stockholders will have the opportunity to elect to adopt the merger agreement, thereby approving the merger and contemplated transactions, by signing and returning to Adicet a written consent.

After careful consideration, the board of directors of resTORbio (referred to as the "resTORbio Board") has (i) determined that the contemplated transactions and the reverse stock split are fair to, advisable and in the best interests of resTORbio and its stockholders, (ii) approved and declared advisable the merger agreement and the contemplated transactions, including the issuance of resTORbio common stock to Adicet equityholders pursuant to the terms of the merger agreement, and the reverse stock split and (iii) determined to recommend, upon the terms and subject to the conditions set forth in the merger agreement, that its stockholders vote "FOR" Proposal No. 1, Proposal No. 2 and, if necessary, Proposal No. 3.

After careful consideration, the Adicet board of directors (referred to as the "Adicet Board") has (i) determined that the contemplated transactions are fair to, advisable and in the best interests of its stockholders, (ii) approved and declared advisable the merger agreement and the contemplated transactions and (iii) determined to recommend that the Adicet stockholders vote to adopt or approve the merger agreement and thereby approve the contemplated transactions. The Adicet Board recommends that the Adicet stockholders sign and return the written consent indicating their approval and adoption of the merger agreement and the contemplated transactions.

More information about resTORbio, Adicet and the merger is contained in this proxy statement/prospectus/information statement. resTORbio and Adicet urge you to read this proxy statement/prospectus/information statement carefully and in its entirety. IN PARTICULAR, YOU SHOULD CAREFULLY CONSIDER THE MATTERS DISCUSSED UNDER THE SECTION ENTITLED "*RISK FACTORS*" BEGINNING ON PAGE 25 OF THIS PROXY STATEMENT/PROSPECTUS/INFORMATION STATEMENT.

resTORbio and Adicet are excited about the opportunities the merger brings to both resTORbio's and Adicet's stockholders, and thank you for your consideration and continued support.

Chen Schor
President and Chief Executive Officer
resTORbio, Inc.

Anil Singhal, Ph.D.
President and Chief Executive Officer
Adicet Bio, Inc.

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 proxy statement/prospectus/information statement. Any representation to the contrary is a criminal offense.

This proxy statement/prospectus/information statement is dated [●], 2020, and is first being mailed to resTORbio's and Adicet's stockholders on or about [●], 2020.

PRELIMINARY—SUBJECT TO COMPLETION—DATED JUNE 23, 2020

resTORbio, Inc.
500 Boylston Street, 13th Floor
Boston, MA 02116

NOTICE OF SPECIAL MEETING OF STOCKHOLDERS

TO BE HELD ON [●], 2020

Dear Stockholders of resTORbio, Inc.:

On behalf of the board of directors of resTORbio, Inc. (referred to as the "resTORbio Board"), a Delaware corporation (referred to as "resTORbio"), resTORbio is pleased to deliver this proxy statement/prospectus/information statement for the proposed merger between resTORbio and Adicet Bio, Inc., a Delaware corporation (referred to as "Adicet"), pursuant to which Project Oasis Merger Sub, Inc., a Delaware corporation and a wholly owned subsidiary of resTORbio (referred to as "merger subsidiary"), will merge with and into Adicet, with Adicet surviving as a wholly owned subsidiary of resTORbio. A special meeting of resTORbio's stockholders will be held virtually, conducted via live audio webcast at [●], Eastern Time, on [●], 2020. You will need the control number that is printed on your proxy card to enter the special meeting. resTORbio recommends you log in at least 15 minutes before the special meeting to ensure you are logged in when the meeting starts. Please note that you will not be able to attend the special meeting in person. The special meeting will be held for the purpose of allowing stockholders of resTORbio to consider and vote upon the following matters:

(1) To approve the issuance of resTORbio common stock pursuant to the Agreement and Plan of Merger, dated as of April 28, 2020 (referred to as the "merger agreement"), by and among resTORbio, merger subsidiary and Adicet and the resulting "change of control" of resTORbio under the rules of The Nasdaq Stock Market LLC (referred to as the "Nasdaq rules") (referred to as the "share issuance proposal" or "Proposal No. 1");

(2) To approve an amendment to resTORbio's third amended and restated certificate of incorporation to effect a reverse stock split of resTORbio common stock (referred to as the "reverse stock split proposal" or "Proposal No. 2"); and

(3) To approve an adjournment or postponement of the special meeting, if necessary, to solicit additional proxies if there are not sufficient votes in favor of Proposal No. 1 and/or Proposal No. 2 (referred to as the "adjournment proposal" or "Proposal No. 3").

If resTORbio is to complete the merger with Adicet, stockholders must approve Proposal No. 1 and Proposal No. 2. The approval of Proposal No. 3 is not a condition to the completion of the merger with Adicet.

resTORbio common stock is the only type of security entitled to vote at the special meeting. The resTORbio Board has fixed [●], 2020, as the record date for the determination of stockholders entitled to notice of, and to vote at, the special meeting and any adjournment or postponement thereof. Only holders of record of shares of resTORbio common stock at the close of business on the record date are entitled to notice of, and to vote at, the special meeting. At the close of business on the record date, there were [●] shares of resTORbio common stock outstanding and entitled to vote. Each holder of record of shares of resTORbio common stock on the record date will be entitled to one vote for each share held on all matters to be voted upon at the special meeting.

Your vote is important. The affirmative vote of the holders of a majority of the votes properly cast on such matter at the special meeting is required for approval of Proposal No. 1 and Proposal No. 3. The

affirmative vote of holders of a majority of the outstanding shares of resTORbio common stock as of the record date for the special meeting is required for approval of Proposal No. 2. Each of Proposal No. 1 and Proposal No. 2 are conditioned upon each other. Therefore, the merger cannot be consummated without the approval of Proposal No. 1 and Proposal No. 2.

Whether or not you plan to attend the special meeting online, please submit your proxy promptly by telephone or via the internet in accordance with the instructions on the enclosed proxy card or complete, date, sign and promptly return the accompanying proxy card in the enclosed postage paid envelope to ensure that your shares of resTORbio common stock will be represented and voted at the special meeting. If you date, sign and return your proxy card without indicating how you wish to vote, your proxy will be counted as a vote in favor of Proposal No. 1, Proposal No. 2 and Proposal No. 3.

By Order of resTORbio's Board of Directors,

Chen Schor
President and Chief Executive Officer
Boston, Massachusetts
[●], 2020

THE RESTORBIO BOARD HAS DETERMINED AND BELIEVES THAT EACH OF THE PROPOSALS OUTLINED ABOVE IS ADVISABLE TO, AND IN THE BEST INTERESTS OF, RESTORBIO AND ITS STOCKHOLDERS AND HAS APPROVED EACH SUCH PROPOSAL. THE RESTORBIO BOARD RECOMMENDS THAT RESTORBIO'S STOCKHOLDERS VOTE "FOR" EACH SUCH PROPOSAL.

REFERENCES TO ADDITIONAL INFORMATION

Additional business and financial information about resTORbio can be found in documents previously filed by resTORbio with the SEC. You may obtain this information without charge through the SEC website (www.sec.gov) or upon your written or oral request by contacting the Investor Relations Department, resTORbio, Inc., 500 Boylston Street, 13th Floor, Boston, Massachusetts 02116, or by calling (857) 315-5521.

You may also request additional copies from resTORbio's proxy solicitor, The Proxy Advisory Group, LLC, using the following contact information:

18 East 41st Street, 20th Floor
New York, NY 10017-6219
(212) 616-2181

To ensure timely delivery of these documents, any request should be made no later than [●], 2020 to receive them before the special meeting.

For additional details about where you can find information about resTORbio, please see the section entitled "*Where You Can Find More Information*" on page 417 of this proxy statement/prospectus/information statement.

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QUESTIONS AND ANSWERS ABOUT THE MERGER

Except where specifically noted, the following information and all other information contained in this proxy statement/prospectus/information statement does not give effect to the proposed reverse stock split described in the section entitled *"Matters Being Submitted to a Vote of resTORbio Stockholders—The Reverse Stock Split Proposal"* beginning on page 228 in this proxy statement/prospectus/information statement (referred to as the "reverse stock split").

The following section provides answers to frequently asked questions about the merger. This section, however, provides only summary information. For a more complete response to these questions and for additional information, please refer to the cross-referenced sections.

Q: What is the merger?

A: resTORbio, Adicet and the merger subsidiary have entered into an Agreement and Plan of Merger, dated as of April 28, 2020, as may be amended from time to time (referred to as the "merger agreement"), that contains the terms and conditions of the proposed business combination of resTORbio and Adicet. Under the merger agreement, at the effective time of the merger, the merger subsidiary will merge with and into Adicet, with Adicet surviving as a wholly owned subsidiary of resTORbio (referred to as the "merger").

At the effective time of the merger, each share of Adicet capital stock outstanding immediately prior to the effective time, excluding any shares of Adicet capital stock held as treasury stock and shares held by Adicet stockholders who have exercised and perfected appraisal rights, will be converted into the right to receive approximately 0.8559 shares of resTORbio common stock, subject to adjustment to account for the reverse stock split of within the range between 1-for-4 and 1-for-12. This exchange ratio is an estimate only and is based upon resTORbio's and Adicet's capitalization as of June 16, 2020. The final exchange ratio will be determined pursuant to a formula described in more detail in the merger agreement and in the section entitled "*The Merger Agreement—Merger Consideration and Exchange Ratio*" beginning on page 198 of this proxy statement/prospectus/information statement, and is generally calculated by dividing (a) (i) the Adicet valuation per the merger agreement of $220,000,000 divided by (ii) the number of Adicet's outstanding shares immediately prior to the effective time on a fully diluted basis (excluding equity incentives available for grant) by (b) (i) the resTORbio valuation per the merger agreement of $73,333,333 divided by (ii) the number of resTORbio's outstanding shares immediately prior to the effective time on a fully diluted basis (excluding equity incentives available for grant).

Immediately following the effective time of the merger, the former equityholders of Adicet are expected to hold approximately 75% of the outstanding shares of resTORbio common stock on a fully diluted basis, and the current equityholders of resTORbio are expected to hold approximately 25% of the outstanding shares of resTORbio common stock on a fully diluted basis (in each case excluding equity incentives available for grant).

After the completion of the merger, resTORbio will change its corporate name from "resTORbio, Inc." to "Adicet Bio, Inc." as contemplated by the merger agreement.

Q: What will happen to resTORbio if, for any reason, the merger does not close?

A: resTORbio has invested significant time and incurred, and expects to continue to incur, significant expenses related to the merger. In the event the merger does not close, resTORbio will have a limited ability to continue its current operations without obtaining additional financing. Although the resTORbio Board may elect, among other things, to attempt to complete another strategic transaction if the merger with Adicet does not close, the resTORbio Board may instead divest all or a portion of resTORbio's business or take steps necessary to liquidate or dissolve resTORbio's business and assets if a viable alternative strategic transaction is not available. If resTORbio decides to dissolve and liquidate its assets, resTORbio would be

required to pay all of its contractual obligations, and to set aside certain reserves for potential future claims, and there can be no assurance as to the amount or the timing of such a liquidation and distribution of available cash left to distribute to stockholders after paying the obligations of resTORbio and setting aside funds for reserves. Under certain circumstances, Adicet and resTORbio may be obligated to pay the other party a termination fee of up to $6,100,000 or reimburse certain expenses of the other party up to $1,000,000, as more fully described in the section entitled "*The Merger Agreement—Termination*" beginning on page 214 and the section entitled "*The Merger Agreement—Termination Fee*" beginning on page 216 of this proxy statement/prospectus/information statement.

Q: Why are the two companies proposing to merge?

A: Adicet and resTORbio believe that the merger will result in a combined company that will leverage Adicet's scientific and product development expertise and pipeline of engineered immune cell therapeutics for cancer based on its proprietary gamma delta T cell therapy platform, provide the resources for the combined company to advance multiple programs into the clinic, including Adicet's lead candidate, ADI-001, a gamma delta chimeric antigen receptor (CAR)-modified T cell therapy targeting CD20, and expand the combined company's pipeline in oncology and other indications.

The resTORbio Board and the Adicet Board considered a number of factors that supported their respective decisions to approve the merger agreement. In the course of its deliberations, the resTORbio Board and the Adicet Board also considered a variety of risks and other countervailing factors related to entering into the merger agreement.

For a more complete discussion of resTORbio's and Adicet's reasons for the merger, please see the section entitled "*The Merger—resTORbio Reasons for the Merger*" beginning on page 172 of this proxy statement/prospectus/information statement and the section entitled "*The Merger—Adicet Reasons for the Merger;*" beginning on page 174 of this proxy statement/prospectus/information statement.

Q: Why am I receiving this proxy statement/prospectus/information statement?

A: You are receiving this proxy statement/prospectus/information statement because you have been identified as a stockholder of resTORbio as of the record date or a stockholder of Adicet eligible to execute the Adicet written consent. If you are a stockholder of resTORbio, you are entitled to vote at resTORbio's special stockholder meeting (referred to as the "special meeting") to approve the issuance of shares of resTORbio common stock pursuant to the merger agreement and the reverse stock split. If you are a stockholder of Adicet, you are entitled to sign and return the Adicet written consent to adopt the merger agreement and approve the transactions contemplated in the merger agreement (referred to as the "contemplated transactions"), including the merger. This document serves as:

- a proxy statement of resTORbio used to solicit proxies for the special meeting;
- a prospectus of resTORbio used to offer shares of resTORbio common stock in exchange for shares of Adicet capital stock in the merger and issuable upon exercise of Adicet warrants and options, as applicable; and
- an information statement of Adicet used to solicit the written consent of its stockholders for the adoption of the merger agreement and the approval of the merger and the contemplated transactions.

Q: What is required to consummate the merger?

A: The consummation of the merger is subject to a number of closing conditions, including the condition that resTORbio's stockholders approve the issuance of shares of resTORbio common stock in the merger and the resulting "change of control" of resTORbio under the Nasdaq rules, which requires the affirmative vote of a majority of the votes properly cast on such matter at the special meeting, and the reverse stock split, which requires the affirmative vote of the holders of a majority of the outstanding shares of resTORbio common stock entitled to vote on such matter, and the condition that the requisite Adicet stockholders adopt the merger agreement and, thereby, approve the contemplated transactions.

The adoption of the merger agreement and the approval of the contemplated transactions by Adicet's stockholders requires the affirmative vote (or written consent) of the holders of a majority of (a) the outstanding shares of Adicet capital stock (on an as-converted to Adicet common stock basis), (b) the outstanding shares of Adicet preferred stock, voting together as one class (on an as-converted to Adicet common stock basis) and (c) the outstanding shares of Adicet Series B Preferred Stock, par value $0.0001 per share (referred to as "Adicet Series B preferred stock"), voting together as one class, in each case, outstanding on the record date for the Adicet written consent and entitled to vote thereon (referred to as the "Required Adicet Stockholder Vote").

In addition, following the registration statement on Form S-4, of which this proxy statement/prospectus/information statement is a part, being declared effective by SEC and pursuant to the conditions of the merger agreement and the support agreement entered into by and among Adicet, resTORbio and certain holders of Adicet capital stock (referred to as the "Adicet support agreement"), Adicet's stockholders who are party to the Adicet support agreement are each obligated to execute the written consent adopting the merger agreement, thereby approving the contemplated transactions, including the merger, no later than five business days after the registration statement on Form S-4, of which this proxy statement/prospectus/information statement forms a part, is declared effective. Therefore, holders of a sufficient number of shares of Adicet capital stock required to adopt the merger agreement are expected to adopt the merger agreement, and no meeting of Adicet's stockholders to adopt the merger agreement and approve the merger and contemplated transactions is expected to be held.

For a more complete description of the closing conditions under the merger agreement, please see the section entitled "*The Merger Agreement—Conditions to the Completion of the Merger*" beginning on page 203 of this proxy statement/prospectus/information statement.

Q: What will Adicet's stockholders, warrantholders and optionholders receive in the merger?

A: At the effective time of the merger, and subject to the terms of the merger agreement, each share of Adicet capital stock outstanding immediately prior to the effective time of the merger, excluding any shares of Adicet capital stock held as treasury stock and shares held by Adicet stockholders who have exercised and perfected appraisal rights, will be converted into the right to receive approximately 0.8559 shares of resTORbio common stock, subject to adjustment to account for the reverse stock split. This exchange ratio is an estimate only and is based upon resTORbio's and Adicet's capitalization as of June 16, 2020. The final exchange ratio will be determined pursuant to a formula described in more detail in the merger agreement and in the section entitled "*The Merger Agreement—Merger Consideration and Exchange Ratio*" beginning on page 198 of this proxy statement/prospectus/information statement.

Upon the effective time of the merger, each Adicet option, whether vested or unvested, issued pursuant to the Adicet 2015 Stock Incentive Plan (referred to as the "Adicet 2015 plan") and a subset of options pursuant to the Adicet 2014 Share Option Plan (referred to as the "Adicet 2014 plan") will be converted into options to purchase a number of shares of resTORbio common stock based on the exchange ratio, subject to the terms of and adjustments in the merger agreement. The assumed options will remain subject to the terms of the Adicet plans under which they were issued, accordingly, and applicable stock option agreements. Adicet warrants with rights to acquire Adicet capital stock will be converted into rights to acquire a certain number of shares of resTORbio common stock based on the exchange ratio, subject to the terms of and adjustments in the merger agreement.

For a more complete description of what Adicet's stockholders, warrantholders and option holders will receive in the merger, please see the section entitled "*The Merger Agreement—Merger Consideration and Exchange Ratio*" beginning on page 198 of this proxy statement/prospectus/information statement.

Q: What will resTORbio's stockholders, restricted stock unit holders, and optionholders receive in the merger?

A: resTORbio's stockholders will continue to own and hold their existing shares of resTORbio common stock, subject to adjustment for the reverse stock split. The vesting of all outstanding resTORbio options will be accelerated in full as of immediately prior to the effective time of the merger. All out-of-the-money resTORbio options will be cancelled for no consideration. All in-the-money resTORbio options will remain outstanding after the completion of the merger in accordance with their terms. In addition, all outstanding unvested resTORbio restricted stock units will be accelerated in full effective as of immediately prior to the effective time of the merger, and for each outstanding and unsettled resTORbio restricted stock unit, the holder thereof shall receive a number of shares of resTORbio common stock equal to the number of vested and unsettled shares underlying such resTORbio restricted stock units less the number of resTORbio shares withheld for purposes of tax withholding obligations.

In addition, the merger agreement contemplates that at or prior to completion of the merger, resTORbio, the Holders' Representative (as defined therein) and the Rights Agent (as defined therein) will execute and deliver a contingent value rights agreement (referred to as the "CVR agreement"), pursuant to which each holder of resTORbio common stock as of immediately prior to the completion of the merger shall be entitled to one contractual contingent value right (referred to as a "CVR") issued by resTORbio, subject to and in accordance with the terms and conditions of the CVR agreement, for each share of resTORbio common stock held by such holder. Each CVR shall entitle the holder thereof to receive net proceeds of the commercialization, if any, received from a third party commercial partner of RTB101, resTORbio's small molecule product candidate that is a potent inhibitor of target of rapamycin complex 1 (TORC1), for a COVID-19 related indication, with clinical data expected by the first quarter of 2021. The CVRs are not transferable, except in certain limited circumstances as will be provided in the CVR agreement, will not be certificated or evidenced by any instrument and will not be registered with the SEC or listed for trading on any exchange.

For a more complete description of what resTORbio's stockholders, restricted stock unit holders and option holders will receive in the merger, please see the section entitled "*The Merger Agreement—Merger Consideration and Exchange Ratio*" beginning on page 198 of this proxy statement/prospectus/information statement.

Q: Who will be the directors of the combined company following the merger?

A: In connection with the merger, the combined company is anticipated to initially have a seven member board of directors, which will include five designated from Adicet, one designated from resTORbio and Chen Schor, the current President and Chief Executive Officer of resTORbio (until each of their respective successors are duly elected or appointed and qualified or their earlier death, resignation or removal). Anil Singhal, the current President and Chief Executive Officer of Adicet, will serve as a senior advisor to Adicet. It is anticipated that, following the completion of the merger, the combined company's board of directors will be constituted as follows, with one additional member of the combined company's board expected to be designated by Adicet at least 15 days prior to the special meeting:

Name	Current Affiliation
Chen Schor	resTORbio Director and Chief Executive Officer
Erez Chimovits	Adicet, Director
Carl Gordon, Ph.D.	Adicet, Director
Aya Jakobovits, Ph.D.	Adicet, Director
Yair Schindel, M.D.	Adicet, Director
Jeffery A. Chodakewitz, M.D.	resTORbio, Director
Additional designee by Adicet	(TBD)

Q: Who will be the executive officers of the combined company immediately following the merger?

A: Immediately following the consummation of the merger, the executive management team of the combined company is expected to include the following individuals:

Name	Position with the Combined Company	Current Position
Chen Schor	President and Chief Executive Officer	President and Chief Executive Officer of resTORbio
Stewart Abbot, Ph.D.	Senior Vice President, Chief Operating and Scientific Officer	Senior Vice President, Chief Operating and Scientific Officer of Adicet
Francesco Galimi, M.D., Ph.D.	Senior Vice President and Chief Medical Officer	Senior Vice President and Chief Medical Officer of Adicet
Lloyd Klickstein, M.D., Ph.D.	Chief Innovation Officer	Chief Scientific Officer of resTORbio
Carrie Krehlik	Senior Vice President and Chief Human Resource Officer	Senior Vice President and Chief Human Resource Officer of Adicet

Q: As a stockholder of resTORbio, how does the resTORbio Board recommend that I vote?

A: After careful consideration, the resTORbio Board recommends that resTORbio's stockholders vote:

1. FOR Proposal No. 1 to approve the issuance of resTORbio common stock pursuant to the merger agreement and the resulting "change of control" of resTORbio under the Nasdaq rules;
2. FOR Proposal No. 2 to approve an amendment to resTORbio's third amended and restated certificate of incorporation to effect the reverse stock split of resTORbio common stock; and
3. FOR Proposal No. 3 to approve an adjournment or postponement of the special meeting, if necessary, to solicit additional proxies if there are not sufficient votes in favor of Proposal No. 1 and Proposal No. 2.

Q: As a stockholder of Adicet, how does the Adicet Board recommend that I vote?

A: After careful consideration, the Adicet Board recommends that Adicet's stockholders execute the written consent indicating their vote in favor of the adoption of the merger agreement and the approval of the merger and the contemplated transactions.

Q: Have any of Adicet's stockholders agreed to vote in favor of the merger?

A: Yes. In connection with the execution of the merger agreement, holders of approximately 98% of the outstanding shares of Adicet capital stock on an as-converted to common stock basis have entered into the Adicet support agreement, as further described in the section entitled "*Agreements Related To The Merger*" beginning on page 220 of this proxy statement/prospectus/information statement, with resTORbio and Adicet that provides, among other things, that the stockholders of Adicet subject to this agreement will vote their shares in favor of the approval of the merger agreement and the contemplated transactions.

The merger agreement requires that, promptly after the registration statement on Form S-4, of which this proxy statement/prospectus/information statement forms a part, is declared effective, and no later than five (5) business days thereafter, Adicet must solicit for approval by written consent from Adicet's stockholders the approval and adoption of the merger agreement and other contemplated transactions.

Q: Have any of resTORbio's stockholders agreed to vote in favor of the issuance of the shares in the merger and the reverse stock split?

A: Yes. In connection with the execution of the merger agreement, holders of approximately 24% of the outstanding shares of resTORbio common stock have entered into a support agreement (referred to as the "resTORbio support agreement"), as further described in the section entitled "*Agreements Related To The Merger*" beginning on page 220 of this proxy statement/prospectus/information statement, with resTORbio and Adicet that provides, among other things, that the stockholders of resTORbio subject to this agreement will vote their shares in favor of the share issuance proposal and the reverse stock split proposal.

Q: What risks should I consider in deciding whether to vote in favor of Proposal No. 1 and Proposal No. 2 or to execute and return the written consent, as applicable?

A: You should carefully review the section entitled "*Risk Factors*" beginning on page 25 of this proxy statement/prospectus/information statement, which sets forth certain risks and uncertainties related to the merger, risks and uncertainties to which the combined company's business will be subject, and risks and uncertainties to which each of resTORbio and Adicet, as an independent company, is subject.

Q: When do you expect the merger to be consummated?

A: resTORbio and Adicet anticipate that the merger will occur sometime in the second half of 2020 but neither can predict the exact timing. For more information, please see the section entitled "*The Merger Agreement—Conditions to the Completion of the Merger*" beginning on page 203 of this proxy statement/prospectus/information statement.

Q: What are the material U.S. federal income tax consequences of the merger to U.S. Holders of Adicet capital stock?

A: The merger is intended to qualify as a "reorganization" within the meaning of Section 368(a) of the Internal Revenue Code of 1986, as amended (the "Code"). Assuming the merger so qualifies, a U.S. Holder (as defined in the section entitled "*The Merger—Material U.S. Federal Income Tax Considerations of the Merger*" beginning on page 191 of this proxy statement/prospectus/information statement) generally will not recognize gain or loss for U.S. federal income tax purposes on the exchange of Adicet capital stock for shares of resTORbio common stock pursuant to the merger. Adicet's obligation to effect the merger is subject to the satisfaction or waiver, at or prior to the closing date of the merger, of the condition that Adicet receive an opinion of tax counsel, dated as of the closing date of the merger, to the effect that the merger will qualify as a "reorganization" within the meaning of Section 368(a) of the Code.

Please review the information in the section entitled "*The Merger—Material U.S. Federal Income Tax Considerations of the Merger*" beginning on page 191 of this proxy statement/prospectus/information statement for a more complete description of the material U.S. federal income tax consequences of the merger to U.S. Holders. The tax consequences to you of the merger will depend on your particular facts and circumstances. Please consult your tax advisors as to the specific tax consequences to you of the merger.

Q: What are the material U.S. federal income tax considerations of the receipt of the CVRs and the resTORbio Reverse Stock Split to resTORbio U.S. Holders?

A: resTORbio intends to report the issuance of the CVRs to resTORbio U.S. Holders (as defined in the section entitled "*The Merger—Material U.S. Federal Income Tax Considerations of the Merger*" beginning on page 191 of this proxy statement/prospectus/information statement) as a distribution of property with respect to its stock. Please review the information in the section entitled "*Agreements Related to the Merger—Contingent Value Rights Agreement—Material U.S. Federal Income Tax Considerations of the Receipt of CVRs*" on page 224 of this proxy statement/prospectus/information statement for a more

complete description of the material U.S. federal income tax consequences of the receipt of CVRs to resTORbio U.S. Holders, including possible alternative treatments. A resTORbio U.S. Holder generally should not recognize gain or loss upon the resTORbio reverse stock split, except to the extent a resTORbio U.S. Holder receives cash in lieu of a fractional share of resTORbio common stock. Please review the information in the section entitled "*Matters Being Submitted to a Vote of resTORbio Stockholders—Material U.S. Federal Income Tax Consequences of the Reverse Stock Split*" on page 232 of this proxy statement/prospectus/information statement for a more complete description of the material U.S. federal income tax consequences of the resTORbio reverse stock split to resTORbio U.S. Holders.

The tax consequences to you of the receipt of CVRs and the resTORbio reverse stock split will depend on your particular facts and circumstances. Please consult your tax advisors as to the specific tax consequences to you.

Q: What do I need to do now?

A: resTORbio and Adicet urge you to read this proxy statement/prospectus/information statement carefully, including its annexes, and to consider how the merger affects you.

If you are a stockholder of resTORbio, you may provide your proxy instructions in one of two different ways. First, you can mail your signed proxy card in the enclosed return envelope. You may also provide your proxy instructions via phone or via the internet by following the instructions on your proxy card or voting instruction form. Please provide your proxy instructions only once, unless you are revoking a previously delivered proxy instruction, and as soon as possible so that your shares can be voted at the special meeting.

If you are a stockholder of Adicet, you may execute and return your written consent to Adicet in accordance with the instructions provided by Adicet.

Q: What happens if I do not return a proxy card or otherwise provide proxy instructions, as applicable?

A: The failure to return your proxy card or otherwise fail to provide proxy instructions will have the same effect as voting against Proposal No. 2, and your shares will not be counted for purposes of determining whether a quorum is present at the special meeting. If your shares are held in "street name", and you do not provide voting instructions, your broker or nominee can still vote the shares with respect to matters that are considered to be "discretionary," but may not vote the shares with respect to "non-discretionary" matters. Under rules applicable to broker-dealers, Proposal No. 1 and Proposal No. 3 are considered non-discretionary matters. Proposal No. 2 qualifies as a discretionary matter.

Q: When and where is the special meeting of resTORbio's stockholders?

A: The special meeting will be held at [●], Eastern Time, on [●], 2020, unless postponed or adjourned to a later date. In light of the COVID-19 (coronavirus) pandemic and to support the well-being of resTORbio's stockholders and partners, the special meeting will be completely virtual.

Q: How can resTORbio's stockholders attend the special meeting?

A: You may attend the special meeting and vote your shares electronically during the meeting via live webcast by visiting [●]. You will need the control number that is printed on your proxy card to enter the special meeting. resTORbio recommends that you log in at least 15 minutes before the special meeting to ensure you are logged in when the meeting starts. Please note that you will not be able to attend the special meeting in person.

Q: Why is the special meeting a virtual meeting?

A: resTORbio has decided to hold the special meeting virtually due to the COVID-19 pandemic; resTORbio is sensitive to the public health and travel concerns of resTORbio's stockholders and employees and the

protocols that federal, state and local governments may impose. resTORbio believes that hosting a virtual meeting will enable greater stockholder attendance and participation from any location around the world.

Q: What if during the check-in time or during the special meeting I have technical difficulties or trouble accessing the virtual meeting website?

A: If you encounter any difficulties accessing the virtual meeting during the check-in or meeting time, please call the technical support number that will be posted on the virtual stockholder meeting log in page.

Q: As a resTORbio stockholder, how can I vote?

A: Whether or not you expect to attend the special meeting online, we urge you to vote your shares of resTORbio common stock as promptly as possible by: (1) accessing the internet website specified on your proxy card; (2) calling the toll-free number specified on your proxy card; or (3) signing and returning the enclosed proxy card in the postage-paid envelope provided, so that your shares of resTORbio common stock may be represented and voted at the special meeting. If your shares of resTORbio common stock are held in the name of a bank, broker or other fiduciary, please follow the instructions on the voting instruction card furnished by the record holder.

Stockholders who choose to participate in the special meeting can vote their shares electronically during the meeting via live webcast by visiting [●]. You will need the control number that is printed on your proxy card to enter the special meeting. resTORbio recommends that you log in at least 15 minutes before the meeting to ensure you are logged in when the meeting starts.

Even if you plan to participate in the special meeting online, we recommend that you also vote by proxy as described above so that your vote will be counted if you later decide not to participate in the special meeting.

Q: If my resTORbio shares are held in "street name" by my broker, will my broker vote my shares for me?

A: Broker non-votes occur when a beneficial owner of shares held in "street name" does not give instructions to the broker or nominee holding the shares as to how to vote on matters deemed "non-discretionary." Generally, if shares are held in "street name", the beneficial owner of the shares is entitled to give voting instructions to the broker or nominee holding the shares. If the beneficial owner does not provide voting instructions, the broker or nominee can still vote the shares with respect to matters that are considered to be "discretionary," but may not vote the shares with respect to "non-discretionary" matters. Your broker will not be able to vote your shares of resTORbio common stock without specific instructions from you for "non-discretionary" matters. You should instruct your broker to vote your shares, following the procedures provided by your broker. Under rules applicable to broker-dealers, Proposal No. 1 is considered a non-discretionary matter. Proposal No. 2 and Proposal No. 3 qualify as discretionary matters.

Q: May I change my vote after I have submitted a proxy or provided proxy instructions?

A: resTORbio's stockholders of record, other than those of resTORbio's stockholders who are parties to the resTORbio support agreement, may change their vote at any time before their proxy is voted at the special meeting virtually in one of three ways. First, a stockholder of record of resTORbio can send a written notice to the Secretary of resTORbio stating that it would like to revoke its proxy. Second, a stockholder of record of resTORbio can submit new proxy instructions either on a new proxy card or via the internet or telephone before 11:59 p.m. Eastern Time on [●]. Third, a stockholder of record of resTORbio can attend the special meeting virtually and vote online. Attendance alone will not revoke a proxy. If a stockholder of resTORbio of record or a stockholder who owns resTORbio shares in "street name" has instructed a broker to vote its shares of resTORbio common stock, the stockholder must follow directions received from its broker to change those instructions.

Q: How many shares must be represented to have a quorum and hold the special meeting?

A: A quorum of resTORbio stockholders is necessary to hold a valid meeting. A quorum will be present if resTORbio stockholders of record holding at least a majority of resTORbio's outstanding common stock entitled to vote at the special meeting are present or represented by proxy. Abstentions and broker non-votes will be counted toward a quorum. On the record date, there were [●] shares of resTORbio common stock outstanding and entitled to vote. Thus, the holders of [●] shares of resTORbio common stock must be represented by proxy or vote via the Internet at the special meeting to have a quorum. As a resTORbio stockholder, your shares will be counted towards the quorum if you submit a valid proxy (or one is submitted on your behalf by your broker, bank or other nominee) or if you vote via the Internet or telephone at the special meeting. Abstentions and broker non-votes, if applicable, will also be counted towards the quorum requirement. If there is no quorum, the holders of voting stock representing a majority of the voting power present at the meeting represented by proxy or voting via the Internet or telephone during the special meeting or the presiding officer may adjourn the meeting to another date.

Q: Who is paying for this proxy solicitation?

A: resTORbio and Adicet will share equally the cost of printing and filing of this proxy statement/prospectus/information statement and the proxy card. In addition, resTORbio has engaged The Proxy Advisory Group, LLC, a proxy solicitation firm, to assist in the solicitation of proxies and provide related advice and informational support, for a services fee and the reimbursement of customary disbursements, which are not expected to exceed $20,000 in total. Arrangements will also be made with brokerage firms and other custodians, nominees and fiduciaries who are record holders of resTORbio common stock for the forwarding of solicitation materials to the beneficial owners of resTORbio common stock. resTORbio will reimburse these brokers, custodians, nominees and fiduciaries for the reasonable out-of-pocket expenses they incur in connection with the forwarding of solicitation materials.

Q: Who can help answer my questions?

A: If you are a stockholder of resTORbio and would like additional copies, without charge, of this proxy statement/prospectus/information statement or if you have questions about the merger, including the procedures for voting your shares, you should contact:

The Proxy Advisory Group, LLC
Telephone: (212) 616-2181

If you are a stockholder of Adicet and would like additional copies, without charge, of this proxy statement/prospectus/information statement or if you have questions about the merger, including the procedures for voting your shares, you should contact:

Adicet Bio, Inc.
200 Construction Drive
Menlo Park, California 94025
Telephone: 650-503-9095
Attn: Anil Singhal, CEO

PROSPECTUS SUMMARY

This summary highlights selected information from this proxy statement/prospectus/information statement and may not contain all of the information that is important to you. To better understand the merger, the proposals being considered at the special meeting and Adicet's stockholders' actions that are the subject of the written consent, you should read this entire proxy statement/prospectus/information statement carefully, including the merger agreement attached as Annex A (referred to as the "merger agreement"), the opinion of JMP Securities LLC attached as Annex B and the other annexes to which you are referred herein and which are incorporated by reference herein. For more information, please see the section entitled "Where You Can Find More Information" on page 417 of this proxy statement/prospectus/information statement.

The Companies

resTORbio, Inc.
500 Boylston Street, 13th Floor
Boston, Massachusetts 02116
Tel: (857) 315-5528

resTORbio is a clinical-stage biopharmaceutical company developing innovative medicines that target the biology of aging to prevent or treat age-related diseases with the potential to extend healthy lifespan. resTORbio's lead program selectively inhibits the target of rapamycin complex 1, or TORC1, an evolutionarily conserved pathway that contributes to the age-related decline in function of multiple organ systems. resTORbio's lead product candidate, RTB101, is an oral, selective, and potent inhibitor of TORC1. RTB101 inhibits the phosphorylation of multiple targets downstream of TORC1. Inhibition of TORC1 has been observed to extend lifespan and healthspan in aging preclinical species and to enhance immune, neurologic and cardiac functions, suggesting potential benefits in several aging-related diseases. In May 2020, resTORbio initiated a randomized, double-blind, placebo-controlled trial to determine if prophylaxis with RTB101 as compared to placebo reduces the severity of laboratory-confirmed COVID-19 in adults age 65 years and older who reside in a nursing home with one or more residents or staff who have laboratory-confirmed novel coronavirus disease (referred to as "COVID-19"). The primary endpoint for the study is the percentage of subjects who develop laboratory-confirmed COVID-19 with protocol-defined progressive symptoms or are hospitalized or die beginning at randomization through Week 4. Approximately 550 subjects are expected to enroll in the study. Subjects will be randomized 1:1 to RTB101 10 mg once daily or matching placebo once daily. The study will be conducted in collaboration with Investigators at Brown University's Schools of Medicine and Public Health.

Adicet Bio, Inc.
200 Constitution Drive
Menlo Park, CA 94025
Tel: (650) 503-9095

Adicet is a biotechnology company that is advancing a new generation of chimeric antigen receptor (CAR)-modified-T cell therapies in oncology and other indications. Adicet's approach is based on gamma delta T cells, an immune cell population that Adicet believes has potentially significant advantages over alpha beta T cells, which are the basis of standard CAR-T cell therapies. Adicet believes that it is at the forefront to take tumor targeting gamma delta CAR-T cell product candidates into IND-enabling studies and clinical trials for specific tumor types. Adicet is developing proprietary processes for engineering and manufacturing product candidates based on gamma delta T cells from the blood of healthy donors, resulting in high yields of cells with efficacious tumor-killing activity in preclinical experiments. The ability to administer product candidates based on gamma delta T cells to patients without inducing a graft versus host immune response means that Adicet's products can potentially be produced as off-the-shelf therapies. This is in contrast to products based on alpha beta T cells,

which either must be manufactured for each patient from his or her own T cells or which require significant gene editing to manufacture allogeneic therapies, that is, therapies that are based on T cells derived from donors that are unrelated to the patient. Based on what Adicet believes is the enormous promise of these cells and associated modifications, Adicet is initially developing product candidates in oncology, both for hematological malignancies and for solid tumor indications. Due to certain unique properties of gamma delta T cells, Adicet believes that its product candidates will have an inherent capacity to recognize and kill circulating tumor cells and to infiltrate and kill solid tumors, the cause of over 90% of all cancer deaths as estimated by the American Cancer Society in 2020. Subject to the FDA's regulatory process for review of INDs, Adicet intends to initiate clinical development of ADI-001, the company's lead product candidate, in non-Hodgkin lymphoma by the end of 2020 or early 2021. Subject to the FDA's regulatory process for review of INDs, Adicet anticipates initiating clinical development of ADI-002, the company's first solid tumor product candidate, in 2021.

Project Oasis Merger Sub, Inc.

Project Oasis Merger Sub, Inc. is a wholly owned subsidiary of resTORbio, and was formed solely for the purposes of carrying out the merger.

The Merger (page 155)

Upon the terms and subject to the conditions of the merger agreement, at the effective time of the merger, the merger subsidiary will merge with and into Adicet, with Adicet surviving as a wholly owned subsidiary of resTORbio. The merger agreement provides that upon the consummation of the merger, the separate existence of merger subsidiary shall cease and Adicet will continue as the surviving corporation and as a wholly owned subsidiary of resTORbio.

At the effective time of the merger, each share of Adicet capital stock outstanding immediately prior to the effective time of the merger, excluding any shares of Adicet capital stock held as treasury stock and shares held by Adicet stockholders who have exercised and perfected appraisal rights as more fully described in the section entitled "*The Merger—Appraisal Rights*" below, will be converted into the right to receive approximately 0.8559 shares of resTORbio common stock, subject to adjustment to account for the reverse stock split at a ratio mutually agreed to by resTORbio and Adicet in the range of 1-for 4 to 1-for-12 shares outstanding (or any number in between), to be implemented immediately prior to and contingent upon the completion of the merger. This exchange ratio is an estimate only and is based upon resTORbio's and Adicet's capitalization as of June 16, 2020. The final exchange ratio will be determined pursuant to a formula described in more detail in the merger agreement and in the section entitled "*The Merger Agreement—Merger Consideration and Exchange Ratio*" on page 198 of this proxy statement/prospectus/information statement.

Immediately following the effective time of the merger, the former Adicet equityholders are expected to hold approximately 75% of the outstanding shares of resTORbio common stock on a fully-diluted basis and the current equityholders of resTORbio are expected to hold approximately 25% of the outstanding shares of resTORbio common stock on a fully-diluted basis (in each case excluding equity incentives available for grant).

The completion of the merger will occur no later than the second business day after all conditions to closing are satisfied or waived, or at such other time as resTORbio and Adicet agree. resTORbio and Adicet anticipate that the consummation of the merger will occur in the second half of fiscal year 2020. However, because the merger is subject to a number of conditions, neither resTORbio nor Adicet can predict exactly when the completion of the merger will occur or if it will occur at all. In connection with the completion of the merger, resTORbio will be renamed "Adicet Bio, Inc." and expects to trade on Nasdaq under the symbol " ."

Reasons for the Merger (page 172 and 174)

The resTORbio Board considered various reasons to reach its determination (i) that the contemplated transactions are advisable and fair to, and in the best interests of, resTORbio and resTORbio stockholders and (ii) to approve and declare advisable the authorization and issuance of shares of resTORbio common stock to the Adicet stockholders in accordance with the terms of the merger agreement.

The Adicet Board also considered various reasons to reach its determination (i) that the merger is advisable and fair to, and in the best interests of, Adicet and Adicet stockholders, (ii) to approve the merger agreement, and the contemplated transactions and deem the merger agreement advisable and (iii) to recommend that the Adicet stockholders vote to approve the merger agreement and the contemplated transactions.

The resTORbio Board considered reasons for the merger, including, among others, the following factors:

- resTORbio's business, financial performance (both past and prospective) and its financial condition, results of operation (both past and prospective), business and strategic objectives, as well as the risks of accomplishing those objectives;
- resTORbio's business and financial prospects if it were to remain an independent company and the resTORbio Board's determination that resTORbio could not continue to operate as an independent company and needed to enter into an agreement with a strategic partner;
- the possible alternatives to the merger, the range of possible benefits and risks to the resTORbio stockholders of those alternatives and the timing and the likelihood of accomplishing the goal of any of such alternatives and the resTORbio Board' assessment that the merger presented a superior opportunity to such alternatives for resTORbio stockholders;
- the resTORbio Board's view of the valuation of the potential merger candidates. In particular, the resTORbio Board's view that Adicet was the most attractive candidate because of its off-the-shelf gamma delta CAR-T cell therapy platform resulting in a potential pipeline of clinical candidates, and the resTORbio Board's belief that the merger would create a publicly traded company focused on the development of Adicet's off-the-shelf allogeneic gamma delta T cell therapies for oncology and other indications, and its belief that the merger with Adicet will create more value for resTORbio stockholders than any of the other proposals that the resTORbio Board had received or that resTORbio could create as a standalone company;
- the ability of resTORbio stockholders to participate in the future growth potential of the combined company following the merger, while potentially receiving all net proceeds derived from the commercialization of RTB101 for prophylaxis for COVID-19 on account of the CVR agreement to be executed at the closing of the merger;
- that the combined company will be led by an experienced senior management team, with Mr. Schor serving as the chief executive officer; and
- the results of discussions with third parties relating to a variety of strategic transactions, including a licensing transaction and possible business combination or similar transaction with resTORbio.

resTORbio's reasons for the merger and the negative factors considered by the resTORbio Board are described in more detail in the section entitled "*resTORbio Reasons for the Merger*" beginning on page 172 of this proxy statement/prospectus/information statement.

In addition, the Adicet Board approved the merger based on its consideration of a number of factors, including, among others:

- Adicet's need for capital to support the pre-clinical and clinical development of its product candidates and the potential to access public market capital, including sources of capital from a broader range of investors than it could otherwise obtain if it continued to operate as a privately-held company;
- the expectation that the merger would be a more time- and cost-effective means to access capital than other options considered;
- the potential to provide its current stockholders with greater liquidity by owning stock in a public company listed on Nasdaq;
- the Adicet Board's belief that no alternatives to the merger were reasonably likely to create greater value for Adicet's stockholders, after reviewing the various financing and other strategic options to enhance stockholder value that were considered by the Adicet Board, including remaining as an independent company;
- the historical operations, resources, assets, technology and reputation of resTORbio (including, without limitation, the failure of its main drug candidate to meet its primary endpoints in a previous clinical trial); and
- the projected financial position, operations, management structure, geographic locations, operating plans, cash burn rate and financial projections of the combined company, including the impact of the CVR agreement and the expected cash resources of the combined organization (including the ability to support the combined company's current and planned clinical trials and operations).

Adicet's reasons for the merger and the risks and uncertainties considered by the Adicet Board are described in more detail in the section entitled "*Adicet Reasons for the Merger*" beginning on page 174 of this proxy statement/prospectus/information statement.

Opinion of the resTORbio Financial Advisor (page 176)

JMP Securities LLC (referred to as "JMP") delivered its opinion to the resTORbio Board that, as of April 28, 2020 and based upon and subject to the factors and assumptions set forth therein, the exchange ratio (referred to as the "exchange ratio") was fair, from a financial point of view, to resTORbio.

The full text of the written opinion of JMP, dated April 28, 2020, which sets forth assumptions made, procedures followed, matters considered and limitations on the review undertaken in connection with the opinion, is attached as *Annex B* to this proxy statement/prospectus/information statement and incorporated herein by reference. JMP provided advisory services and its opinion for the information and assistance of the resTORbio Board in connection with its consideration of the merger. The JMP opinion is not a recommendation as to how any holder of resTORbio common stock should vote with respect to the merger or any other matter. Pursuant to an engagement letter between resTORbio and JMP, resTORbio has agreed to pay JMP a transaction fee estimated as of the date of the announcement of the merger at $1,250,000, $250,000 of which became payable upon the rendering of the opinion, and the remainder of which is contingent upon the completion of the merger.

Overview of the Merger Agreement

Merger Consideration (page 189)

At the effective time of the merger:

- any shares of Adicet capital stock held as treasury stock immediately prior to the effective time of the merger shall be canceled and retired and shall cease to exist with no consideration delivered in exchange therefor;

- each share of Adicet capital stock outstanding immediately prior to the effective time (excluding shares of Adicet capital stock held as treasury stock and any dissenting shares held by stockholders who have exercised and perfected appraisal rights as more fully described in the section entitled "*The Merger—Appraisal Rights*" beginning on page 194 of this proxy statement/prospectus/information statement below) shall be converted solely into the right to receive a number of shares of resTORbio common stock equal to the exchange ratio of approximately 0.8559; and
- no fractional shares of resTORbio common stock will be issuable to Adicet's stockholders pursuant to the merger; however, any fractional shares of resTORbio common stock a holder of Adicet capital stock would otherwise be entitled to receive is to be aggregated before eliminating any remaining fractional share.

This exchange ratio is an estimate only and is based upon resTORbio's and Adicet's capitalization as of June 16, 2020. The final exchange ratio will be determined pursuant to a formula described in more detail in the merger agreement and in the section entitled "*The Merger Agreement—Merger Consideration and Exchange Ratio*" beginning on page 198 of this proxy statement/prospectus/information statement, and is generally calculated by dividing (a) (i) the Adicet valuation per the merger agreement of $220,000,000 divided by (ii) the number of Adicet's outstanding shares immediately prior to the effective time on a fully diluted basis (excluding equity incentives available for grant) by (b) (i) the resTORbio valuation per the merger agreement of $73,333,333 divided by (ii) the number of resTORbio's outstanding shares immediately prior to the effective time on a fully diluted basis (excluding equity incentives available for grant).

Immediately following the effective time of the merger, the former Adicet equityholders are expected to hold approximately 75% of the outstanding shares of resTORbio common stock on a fully-diluted basis and the current equityholders of resTORbio are expected to hold approximately 25% of the outstanding shares of resTORbio common stock on a fully-diluted basis (in each case excluding equity incentives available for grant).

The merger agreement does not include a price-based termination right, and there will be no adjustment to the total number of shares of resTORbio's common stock that Adicet's stockholders will be entitled to receive for changes in the market price of resTORbio's common stock after the date the merger agreement was signed. Accordingly, the market value of the shares of resTORbio's common stock issued pursuant to the merger will depend on the market value of the shares of resTORbio's common stock at the time the merger closes, and could vary significantly from the market value on the date of this proxy statement/prospectus/information statement.

Treatment of resTORbio Equity Awards (page 200)

Prior to the completion of the merger, the resTORbio Board will adopt appropriate resolutions and take all other actions necessary and appropriate, including using commercially reasonable efforts to obtain any necessary consents from the holders of options to purchase resTORbio common stock (referred to as "resTORbio options"), to provide the following:

- that each unexpired, unexercised and unvested resTORbio option shall be accelerated in full effective as of immediately prior to the effective time of the merger. The number of shares of resTORbio common stock underlying such options and the exercise price for such options will be adjusted to account for the reverse stock split;
- that each unexpired and unexercised resTORbio option with an exercise price that equals or exceeds the volume weighted average share price of the resTORbio common stock for a five trading day period, starting with the opening of trading on the first trading day of such period to the closing of the second to last trading day prior to the effective time of the merger, as reported by Nasdaq (or, in the event Nasdaq does not report such information, such third-party service as is mutually agreed upon by the parties) (referred to as the "in-the-money price") shall be cancelled for no consideration; and

- that each unexpired and unexercised resTORbio option with an exercise price that is less than the in-the-money price shall remain outstanding after the close of the merger in accordance with its terms.

The resTORbio 2018 Stock Option and Incentive Plan (referred to as the "resTORbio 2018 Plan") and, the resTORbio 2017 Stock Incentive Plan (referred to as the "resTORbio 2017 Plan") and the resTORbio 2018 Employee Stock Purchase Plan (referred to as the "resTORbio 2018 ESPP," and with the resTORbio 2018 Plan and resTORbio 2017 Plan collectively referred to as the "resTORbio Stock Plans") shall remain in effect following the effective time of the merger.

Prior to the completion of the merger, the resTORbio Board will adopt appropriate resolutions and take all other actions necessary and appropriate to provide that (i) the vesting of each outstanding unvested equity award with respect to resTORbio common stock that represents the right to receive in the future shares of resTORbio common stock pursuant to any resTORbio Stock Plan (referred to as "resTORbio RSUs") shall be accelerated in full effective as of immediately prior to the effective time of the merger and (ii) for each outstanding and unsettled resTORbio RSU (including any resTORbio RSUs that are accelerated as stated in (i) above), each holder thereof shall receive, immediately prior to the effective time of the merger, a number of shares of resTORbio common stock equal to the number of vested and unsettled restricted stock units underlying such resTORbio RSU (reduced by the number of shares of resTORbio common stock necessary to satisfy applicable tax withholding obligations at the maximum statutory rate). The number of shares of resTORbio common stock underlying such resTORbio RSUs will be adjusted to account for the reverse stock split.

Treatment of Adicet Equity Awards and Warrants (page 200)

At the effective time of the merger, each outstanding and unexercised Adicet option, whether vested or unvested, issued pursuant to the Adicet 2015 plan and a subset of options issued pursuant to the Adicet 2014 plan will be converted into options to purchase a number of shares of resTORbio common stock based on the exchange ratio, subject to the terms of and adjustments in the merger agreement.

Pursuant to the merger agreement, at the effective time of the merger, each Adicet option that is outstanding and unexercised immediately prior to the effective time of the merger, whether or not vested, issued pursuant to the Adicet 2015 plan and a subset of options issued pursuant to the Adicet 2014 plan, without any action on the part of the holder thereof, will be converted into and become a resTORbio option, and resTORbio shall assume the Adicet plans and each such Adicet option in accordance with the terms of the Adicet plans (as in effect as of the date of the merger agreement) and the terms of the applicable stock option agreement. All rights with respect to Adicet options assumed by resTORbio shall thereupon be converted into rights with respect to resTORbio common stock. Accordingly, from and after the effective time of the merger: (i) each Adicet option assumed by resTORbio may be exercised solely for shares of resTORbio common stock; (ii) the number of shares of resTORbio common stock subject to each Adicet option assumed by resTORbio shall be determined by multiplying (A) the number of shares of Adicet common stock that were subject to such Adicet option, as in effect immediately prior to the effective time of the merger, by (B) the exchange ratio, and rounding the resulting number down to the nearest whole number of shares of resTORbio common stock and (iii) the per share exercise price for the resTORbio common stock issuable upon exercise of each Adicet option assumed by resTORbio shall be determined by dividing (A) the per share exercise price of Adicet common stock subject to such Adicet option, as in effect immediately prior to the effective time of the merger, by (B) the exchange ratio and rounding the resulting exercise price up to the nearest whole cent. Any restriction on the exercise of any Adicet option assumed by resTORbio shall continue in full force and effect and the term, exercisability, vesting schedule and other provisions of such Adicet option shall otherwise remain unchanged.

At the effective time of the merger, all rights with respect to Adicet capital stock under Adicet warrants shall be converted into rights with respect to resTORbio common stock and thereupon assumed by resTORbio.

Accordingly, from and after the effective time of the merger: (i) each Adicet warrant assumed by resTORbio may be exercised solely for shares of resTORbio common stock; (ii) the number of shares of resTORbio common stock subject to each Adicet warrant assumed by resTORbio shall be determined by multiplying (x) the number of shares of Adicet capital stock that were subject to such Adicet warrant (on an as-converted basis with respect to shares of Adicet preferred stock), as in effect immediately prior to the effective time of the merger, by (y) the exchange ratio, and rounding the resulting number down to the nearest whole number of shares of resTORbio common stock; (iii) the per share exercise price for the resTORbio common stock issuable upon exercise of each Adicet warrant assumed by resTORbio shall be determined by dividing (x) the exercise price per share of Adicet common stock subject to such Adicet warrant (or, in the case of Adicet warrants exercisable for shares of Adicet preferred stock, the exercise price per share of such series of Adicet preferred stock divided by the number of shares of Adicet common stock into which such share of Adicet preferred stock is then convertible), as in effect immediately prior to the effective time of the merger, by (y) the exchange ratio, and rounding the resulting exercise price up to the nearest whole cent; and (iv) any restriction on the exercise of any Adicet warrant assumed by resTORbio shall continue in full force and effect and the term, exercisability, vesting schedule and other provisions of such Adicet warrant shall otherwise remain unchanged.

Conditions to the Completion of the Merger (page 203)

To consummate the merger, resTORbio stockholders must approve (a) the issuance of shares of resTORbio common stock in the merger by a majority of the votes properly cast at the special meeting and (b) an amendment to the third amended and restated certificate of incorporation of resTORbio (referred to as the "resTORbio certificate of incorporation") effecting the reverse stock split by a majority of the outstanding shares of resTORbio common stock as of the record date for the special meeting.

Additionally, Adicet's stockholders must adopt the merger agreement thereby approving the merger and the contemplated transactions. The adoption of the merger agreement and the approval of the contemplated transactions by Adicet's stockholders requires the affirmative vote (or written consent) of the holders of a majority of (a) the outstanding shares of Adicet capital stock (on an as-converted to Adicet common stock basis), (b) the outstanding shares of Adicet preferred stock, voting together as one class (on an as-converted to Adicet common stock basis) and (c) the outstanding shares of Adicet Series B preferred stock, voting together as one class, in each case, outstanding on the record date for the Adicet written consent and entitled to vote thereon.

Additionally, each of the other closing conditions set forth in the merger agreement and described in the section entitled "*The Merger Agreement—Conditions to the Completion of the Merger*" on page 203 of this proxy statement/prospectus/information statement must be satisfied or waived.

No Solicitation (page 206)

Each of resTORbio and Adicet agreed that, except as described below, from the date of the merger agreement until the earlier of the consummation of the merger or the termination of the merger agreement in accordance with its terms, resTORbio and Adicet and any of their respective subsidiaries will not, nor will either party or any of its subsidiaries authorize any of the directors, officers, employees, agents, attorneys, accountants, investment bankers, advisors or representatives retained by it or any of its subsidiaries to, directly or indirectly:

- solicit, initiate or knowingly encourage, induce or facilitate the communication, making, submission or announcement of, any "acquisition proposal" (as defined in the section entitled "*The Merger Agreement—No Solicitation*" on page 206 of this proxy statement/prospectus/information statement), or "acquisition inquiry" (as defined in the section entitled "*The Merger Agreement—No Solicitation*" on page 206 of this proxy statement/prospectus/information statement);
- furnish any non-public information with respect to it to any person in connection with or in response to an acquisition proposal or acquisition inquiry;

- engage in discussions or negotiations with any person with respect to any acquisition proposal or acquisition inquiry;
- subject to certain exceptions, approve, endorse or recommend an acquisition proposal;
- execute or enter into any letter of intent or similar document or any contract contemplating or otherwise relating to an acquisition transaction (as defined in the section entitled "*The Merger Agreement—No Solicitation*" on page 206 of this proxy statement/prospectus/information statement);
- take any action that could reasonably be expected to lead to an acquisition proposal or acquisition inquiry; or
- publicly propose to do any of the foregoing.

Termination of the Merger Agreement (page 214)

Either resTORbio or Adicet can terminate the merger agreement under specified circumstances, which would prevent the merger from being consummated.

Termination Fee (page 216)

The merger agreement provides for the payment of a termination fee of $6,100,000 by each of resTORbio and Adicet to the other party upon termination of the merger agreement under specified circumstances.

Expense Reimbursement (page 217 and 218)

The merger agreement provides for the payment of an expense reimbursement of up to $1,000,000 by each of resTORbio and Adicet to the other party upon termination of the merger agreement under specified circumstances.

resTORbio Support Agreement (page 222)

Concurrently and in connection with the execution of the merger agreement, resTORbio and Adicet entered into the resTORbio support agreement with resTORbio's current directors and certain officers and resTORbio's largest stockholder, which collectively own an aggregate of approximately 24% of outstanding resTORbio common stock. The resTORbio support agreement provides, among other things, that each of such stockholders of resTORbio has agreed to vote or cause to be voted all of the shares of resTORbio common stock held by them in favor of the contemplated transactions, including the share issuance proposal and the reverse stock split proposal.

Adicet Support Agreement (page 221)

Concurrently with or promptly following with the execution of the merger agreement, resTORbio and Adicet also entered into the Adicet support agreement with Adicet's current directors and officers and certain stockholders, which collectively own an aggregate of approximately 98% of Adicet's outstanding capital stock on an as-converted to common stock basis. The Adicet support agreement provides, among other things, that the stockholders of Adicet subject to this agreement will vote their shares in favor of the approval of the merger agreement and the contemplated transactions.

The merger agreement requires that, promptly after the registration statement on Form S-4, of which this proxy statement/prospectus/information statement is a part, is declared effective by the SEC, and no later than five (5) business days thereafter, Adicet must solicit for approval by written consent from Adicet's stockholders sufficient for the approval and adoption of the merger agreement and other contemplated transactions.

In addition, following the registration statement on Form S-4, of which this proxy statement/prospectus/information statement is a part, being declared effective by SEC and pursuant to the conditions of the merger agreement and the Adicet support agreement, Adicet's stockholders who are party to the Adicet support agreement are each obligated to execute the written consent, adopting the merger agreement, thereby approving the contemplated transactions, including the merger, no later than five business days after the registration statement on Form S-4, of which this proxy statement/prospectus/information statement forms a part, is declared effective. Therefore, holders of a sufficient number of shares of Adicet capital stock required to adopt the merger agreement are expected to adopt the merger agreement, and no meeting of Adicet's stockholders to adopt the merger agreement and approve the merger and contemplated transactions is expected to be held.

Lock-up Agreements (page 223)

Concurrently with or promptly following the execution of the merger agreement, certain of Adicet's current directors and officers and certain stockholders of Adicet, which collectively own an aggregate of approximately 98% of Adicet's outstanding capital stock on an as-converted to common stock basis, and resTORbio's current directors, certain officers of resTORbio and resTORbio's largest stockholder, which collectively own an aggregate of approximately 24% of outstanding resTORbio common stock, entered into lock-up agreements with resTORbio and Adicet, pursuant to which each stockholder has agreed not to, except in limited circumstances, sell or transfer, or engage in swap or similar transactions with respect to, shares of resTORbio common stock, including, as applicable, shares received in the merger and issuable upon exercise of certain warrants and options, from the completion date of the merger until 180 days from the completion date of the merger.

Funding Agreement (page 220)

Concurrently with the execution of the merger agreement, Adicet and resTORbio entered into a funding agreement (referred to as the "funding agreement") with certain investors of Adicet (referred to as the "Investors"), pursuant to which the Investors committed to fund up to an aggregate of $15,000,000 (referred to as the "funding amount") into an escrow account, which will be used to subscribe for shares of resTORbio common stock in a concurrent private placement in connection with a private placement or public offering of resTORbio common stock for aggregate gross proceeds (including the funding amount) to the combined company of at least $30,000,000 (referred to as a "qualified financing"), on the same economic conditions (including the price per share paid by other investors in a qualified financing) and similar other terms and conditions as set forth in such a qualified financing. If resTORbio fails to consummate a qualified financing within twelve months of the completion of the merger or certain other events occur, the funding amount will be distributed back to the Investors.

Contingent Value Rights Agreement (page 223)

The merger agreement contemplates that at or prior to completion of the merger, resTORbio, the Holders' Representative (as defined therein) and the Rights Agent (as defined therein) will execute and deliver a contingent value rights agreement (referred to as the "CVR agreement"), pursuant to which each holder of resTORbio common stock as of immediately prior to the completion of the merger shall be entitled to one contractual contingent value right (each referred to as a "CVR") issued by resTORbio, subject to and in accordance with the terms and conditions of the CVR agreement, for each share of resTORbio common stock held by such holder. Each CVR shall entitle the holder thereof to receive net proceeds of the commercialization, if any, received from a third party commercial partner of RTB101, resTORbio's small molecule product candidate that is a potent inhibitor of target of rapamycin complex 1 (TORC1), for a COVID-19 related indication, with clinical data expected by the first quarter of 2021. The CVRs are not transferable, except in certain limited circumstances as will be provided in the CVR agreement, will not be certificated or evidenced by any instrument and will not be registered with the SEC or listed for trading on any exchange.

Management Following the Merger (page 350)

Effective as of the completion of the merger, the combined company's executive officers are expected to include:

Name	Position with the Combined Company	Current Position
Chen Schor	President and Chief Executive Officer	President and Chief Executive Officer of resTORbio
Stewart Abbot, Ph.D.	Senior Vice President, Chief Operating and Scientific Officer	Senior Vice President, Chief Operating and Scientific Officer of Adicet
Francesco Galimi, M.D., Ph.D.	Senior Vice President and Chief Medical Officer	Senior Vice President and Chief Medical Officer of Adicet
Lloyd Klickstein, M.D., Ph.D.	Chief Innovation Officer	Chief Scientific Officer of resTORbio
Carrie Krehlik	Senior Vice President and Chief Human Resource Officer	Senior Vice President and Chief Human Resource Officer of Adicet

Interests of Certain Directors, Officers and Affiliates of resTORbio and Adicet (pages 183 and 186)

In considering the recommendation of the resTORbio Board with respect to the issuance of resTORbio common stock pursuant to the merger agreement and the other matters to be acted upon by resTORbio stockholders at the special meeting, resTORbio stockholders should be aware that certain members of the resTORbio Board and executive officers of resTORbio have interests in the merger that may be different from, or in addition to, interests they have as resTORbio stockholders. For example, pursuant to the terms of certain employment offer letters or employment agreements in effect prior to the execution of the merger agreement, each of resTORbio's executive officers could receive cash severance payments and other benefits with a total value of approximately $2.6 million (collectively, not individually, and excluding the value attributable to any accelerated vesting of resTORbio options or resTORbio RSUs), the acceleration of resTORbio options and the acceleration of the vesting of resTORbio RSUs held by those officers, based on data available as of June 16, 2020 and assuming a qualifying termination of employment of each executive officer's employment as of such date.

resTORbio and Adicet have agreed that Mr. Schor will serve as the chief executive officer and a director of the combined company. Mr. Schor and Adicet expect to agree upon Mr. Schor's post-closing employment terms prior to completion of the merger and resTORbio will make appropriate disclosure of any such definitive terms.

As of June 16, 2020, resTORbio's directors and executive officers beneficially owned, in the aggregate, approximately 11.9% of the outstanding shares of resTORbio common stock. Certain of resTORbio's officers and directors, and their affiliates, have also entered into the resTORbio support agreement in connection with the merger. The resTORbio support agreement is discussed in greater detail in the section entitled "*Agreements Related to the Merger—resTORbio Support Agreement*" on page 222 of this proxy statement/prospectus/information statement.

In considering the recommendation of the Adicet Board with respect to approving the merger and contemplated transactions by written consent, Adicet's stockholders should be aware that certain members of the Adicet Board and certain of Adicet's executive officers have interests in the merger that may be different from, or in addition to, interests they have as Adicet's stockholders. For example, certain of Adicet's directors and executive officers have Adicet options, subject to vesting, which, at the completion of the merger, shall be converted into and become resTORbio options, certain of Adicet's directors and executive officers are expected to become directors and executive officers of resTORbio upon the completion of the merger, certain Adicet executive officers are

subject to employment agreements which provide for severance and benefit payments if employment of such officers terminates without cause or for good reason, certain affiliates of Adicet directors and resTORbio directors have overlapping ownership and/or commercial interests in resTORbio and Adicet and all of Adicet's directors and executive officers are entitled to certain indemnification and liability insurance coverage pursuant to the terms of the merger agreement.

As of June 16, 2020, all of Adicet's directors and executive officers, together with their affiliates, beneficially owned in the aggregate approximately 69.4% of the outstanding shares of Adicet capital stock, on an as-converted to common stock basis. Certain of Adicet's officers and directors, and their affiliates, have also entered into the Adicet support agreement in connection with the merger. The Adicet support agreement is discussed in greater detail in the section entitled "*Agreements Related to the Merger—Adicet Support Agreement*" on page 221 of this proxy statement/prospectus/information statement.

Risk Factors (page 25)

Both resTORbio and Adicet are subject to various risks associated with their businesses and their industries. In addition, the merger poses a number of risks to each company and its respective stockholders, including the possibility that the merger may not be completed and the following risks:

- The exchange ratio is not adjustable based on the market price of resTORbio common stock, so the merger consideration at the completion of the merger may have a greater or lesser value than at the time the merger agreement was signed;
- The exchange ratio is not adjustable based on the net cash of either resTORbio or Adicet at the effective time of the merger, so the relative ownership of the combined organization as between current stockholders of resTORbio and current stockholders of Adicet may not reflect the ratio of net cash of resTORbio and Adicet, respectively, at the closing of the merger;
- Failure to complete the merger may result in resTORbio and Adicet paying a termination fee or expenses to the other and could harm the price of resTORbio common stock and the future business and operations of each company;
- The merger may be completed even though material adverse changes may result solely from the announcement of the merger, changes in the industry in which resTORbio and Adicet operate that apply to all companies generally and other causes, including the COVID-19 pandemic;
- Some of resTORbio's and Adicet's respective officers and directors have interests that are different from or in addition to those considered by other stockholders of Adicet and resTORbio and which may influence them to support or approve the merger;
- The market price of the combined company's common stock may decline as a result of the merger;
- resTORbio's and Adicet's stockholders may not realize a benefit from the merger commensurate with the ownership dilution they will experience in connection with the merger;
- During the pendency of the merger, resTORbio and Adicet may not be able to enter into a business combination with another party under certain circumstances because of restrictions in the merger agreement, which could adversely affect their respective businesses;
- Certain provisions of the merger agreement may discourage third parties from submitting alternative takeover proposals, including proposals that may be superior to the arrangements contemplated by the merger agreement;
- resTORbio stockholders may not receive any payment on the CVRs and the CVRs may otherwise expire valueless;

- Because the lack of a public market for shares of Adicet capital stock makes it difficult to evaluate the fairness of the merger, Adicet's stockholders may receive consideration in the merger that is less than the fair market value of the shares of Adicet capital stock and/or resTORbio may pay more than the fair market value of the shares of Adicet capital stock; and
- If the conditions to the merger are not met, the merger will not occur.

These risks and other risks are discussed in greater detail under the section entitled "*Risk Factors*" on page 25 of this proxy statement/prospectus/information statement. resTORbio and Adicet both encourage you to read and consider all of these risks carefully.

Regulatory Approvals (page 191)

In the United States, resTORbio must comply with applicable federal and state securities laws and the rules and regulations of The Nasdaq Global Market (referred to as "Nasdaq") in connection with the issuance of shares of resTORbio common stock and the filing of this proxy statement/prospectus/information statement with the SEC. As of the date hereof, the registration statement of which this proxy statement/prospectus/information statement is a part has not become effective.

Nasdaq Stock Market Listing (page 193)

Pursuant to the merger agreement, resTORbio agreed to use its commercially reasonable best efforts to, among other things, cause the shares of resTORbio common stock being issued in the merger to be approved for listing on Nasdaq at or prior to the effective time of the merger.

Anticipated Accounting Treatment (page 194)

The merger will be treated by resTORbio as a reverse merger under the acquisition method of accounting in accordance with accounting principles generally accepted in the United States (referred to as "U.S. GAAP"). For accounting purposes, Adicet is considered to be acquiring resTORbio in the merger.

Appraisal Rights (page 194)

Holders of resTORbio common stock are not entitled to appraisal rights in connection with the merger. Adicet's stockholders are entitled to appraisal rights in connection with the merger under Delaware law. For more information about such rights, see the provisions of Section 262 of the General Corporation Law of the State of Delaware (referred to as the "DGCL") attached hereto as *Annex C* and incorporated herein by reference and the section entitled "*The Merger—Appraisal Rights*" on page 194 of this proxy statement/prospectus/information statement.

Material U.S. Federal Income Tax Consequences of the Merger (page 191)

The merger is intended to qualify as a "reorganization" within the meaning of Section 368(a) of the Internal Revenue Code of 1986, as amended (the "Code"). Adicet's obligation to effect the merger is subject to the satisfaction or waiver, at or prior to the closing date of the merger, of the condition that Adicet receive an opinion of counsel, dated as of the closing date of the merger, to the effect that the merger will qualify as a "reorganization" within the meaning of Section 368(a) of the Code. Assuming the merger so qualifies, a U.S. Holder (as defined in the section entitled "*The Merger—Material U.S. Federal Income Tax Considerations of the Merger*" beginning on page 191 of this proxy statement/prospectus/information statement) generally will not recognize gain or loss for U.S. federal income tax purposes on the exchange of Adicet capital stock for shares of resTORbio common stock pursuant to the merger.

Please review the information in the section entitled "*The Merger—Material U.S. Federal Income Tax Considerations of the Merger*" on page 191 of this proxy statement/prospectus/information statement for a more complete description of the material U.S. federal income tax consequences of the merger to U.S. Holders.

Material U.S. Federal Income Tax Consequences of the CVR Agreement (page 223)

resTORbio intends to report the issuance of the CVRs to be received by resTORbio stockholders pursuant to the merger agreement, to resTORbio U.S. Holders (as defined in the section entitled "*The Merger—Material U.S. Federal Income Tax Considerations of the Merger*" beginning on page 191 of this proxy statement/prospectus/information statement) as a distribution of property with respect to its stock. Please review the information in the section entitled "*Agreements Related to the Merger—Contingent Value Rights Agreement—Material U.S. Federal Income Tax Considerations of the Receipt of CVRs*" on page 224 of this proxy statement/prospectus/information statement for a more complete description of the material U.S. federal income tax consequences of the receipt of CVRs to resTORbio U.S. Holders, including possible alternative treatments.

Material U.S. Federal Income Tax Consequences of the Reverse Stock Split (page 232)

A resTORbio U.S. Holder (as defined in the section entitled "*The Merger—Material U.S. Federal Income Tax Considerations of the Merger*" beginning on page 191 of this proxy statement/prospectus/information statement) generally should not recognize gain or loss upon the resTORbio reverse stock split, except to the extent a resTORbio U.S. Holder receives cash in lieu of a fractional share of resTORbio common stock. Please review the information in the section entitled "*Matters Being Submitted to a Vote of resTORbio Stockholders—Material U.S. Federal Income Tax Consequences of the Reverse Stock Split*" on page 232 of this proxy statement/prospectus/information statement for a more complete description of the material U.S. federal income tax consequences of the resTORbio reverse stock split to resTORbio U.S. Holders.

Comparison of Stockholder Rights (page 393)

Both resTORbio and Adicet are incorporated under the laws of the State of Delaware and, accordingly, the rights of the stockholders of each are currently, and will continue to be, governed by the DGCL. If the merger is completed, Adicet's stockholders will become stockholders of resTORbio, and their rights will be governed by the DGCL, the bylaws of resTORbio (referred to as the "resTORbio bylaws") and, the resTORbio certificate of incorporation, as amended by the amendment set forth in *Annex D* assuming Proposal No. 2 is approved. The rights of resTORbio stockholders contained in the resTORbio certificate of incorporation and the resTORbio bylaws differ from the rights of Adicet's stockholders under Adicet's amended and restated certificate of incorporation and Adicet's bylaws, as more fully described under the section entitled "*Comparison of Rights of Holders of resTORbio Stock and Adicet Stock*" on page 393 of this proxy statement/prospectus/information statement.

COMPARATIVE HISTORICAL AND UNAUDITED PRO FORMA PER SHARE DATA

The information below reflects the historical per share information for resTORbio and Adicet and the unaudited pro forma per share information for the combined organization as if resTORbio and Adicet had been combined as of and for all periods presented.

The unaudited pro forma amounts in the tables below have been derived from the unaudited pro forma combined financial information included in the section titled "*Unaudited Pro Forma Condensed Combined Financial Information*" of this proxy statement/prospectus/information statement. The pro forma amounts are presented for illustrative purposes only and are not necessarily indicative of what the financial position, results of operations or per share information of the combined organization would have been had resTORbio and Adicet been combined as of or for the periods presented.

The tables below should be read in conjunction with the consolidated financial statements and related notes thereto of resTORbio and Adicet included elsewhere in this proxy statement/prospectus/information statement.

	Three Months Ended March 31, 2020	Year Ended December 31, 2019
resTORbio		
Book value per share—historical(1)	$ 2.07	$ 2.24
Basic and diluted net loss per share—historical	$ (0.19)	$ (2.41)
Cash dividends declared per share—historical	$ —	$ —
Adicet		
Book value per share—historical(1)	$ (3.68)	$ (3.47)
Basic and diluted net loss per share—historical	$ (0.26)	$ (1.63)
Cash dividends declared per share—historical	$ —	$ —
Pro Forma Combined		
Book value per share—pro forma(2)	$ 0.92	N/A
Basic and diluted net loss per share—pro forma	$ (0.08)	$ (1.10)
Cash dividends declared per share—pro forma	$ —	$ —
Adicet Pro Forma Equivalent Per Common Share (3)		
Book value per share—pro forma	$ 0.79	N/A
Basic and diluted net loss per share—pro forma	$ (0.07)	$ (0.94)
Cash dividends declared per share—pro forma	$ —	$ —

(1) Historical book value per share is calculated by taking total stockholders' equity divided by total outstanding common shares.

(2) Combined pro forma book value per share is calculated by taking pro forma combined total stockholders' equity divided by pro forma combined total outstanding common shares.

(3) Adicet pro forma equivalent data per common share is calculated by applying the assumed Common Stock Exchange Ratio of 0.8559 to the unaudited pro forma combined per share data.

MARKET PRICE AND DIVIDEND INFORMATION

resTORbio Common Stock

resTORbio common stock is currently listed on The Nasdaq Global Select Market under the symbol "TORC." The closing price of resTORbio common stock on April 28, 2020, the full trading day immediately prior to the public announcement of the merger on April 29, 2020, as reported on The Nasdaq Global Select Market, was $1.22 per share. The closing price of resTORbio common stock on [●], 2020, the last trading day before the date of this proxy statement/prospectus/information statement, as reported on The Nasdaq Global Select Market, was $[●] per share.

Because the market price of resTORbio common stock is subject to fluctuation, the market value of the shares of resTORbio common stock that Adicet equityholders will be entitled to receive in the merger may increase or decrease.

Assuming successful application for initial listing with Nasdaq, following the consummation of the merger, resTORbio anticipates that the resTORbio common stock will continue to be listed on The Nasdaq Global Select Market and will trade under resTORbio's new name "Adicet Bio, Inc." and new trading symbol " " on The Nasdaq Global Select Market.

As of June 16, 2020, there were approximately 5 holders of record of the resTORbio common stock.

Adicet Capital Stock

Adicet is a private company and there is no established public trading market for its common stock or preferred stock. As of June 16, 2020, there were approximately 56 holders of record of the Adicet common stock and 21 holders of record of the Adicet preferred stock.

Dividends

resTORbio has never declared or paid any cash dividends on the resTORbio common stock and does not anticipate paying cash dividends on the resTORbio common stock for the foreseeable future. Notwithstanding the foregoing, any determination to pay cash dividends subsequent to the merger will be at the discretion of the combined company's then-current board of directors and will depend upon a number of factors, including the combined company's results of operations, financial condition, future prospects, contractual restrictions, restrictions imposed by applicable law and other factors the then-current board of directors deems relevant.

Adicet has never declared or paid any cash dividends on shares of the Adicet capital stock. Adicet anticipates that the combined company will retain all of its future earnings to advance the clinical trials for its products, and does not anticipate paying any cash dividends on shares of the combined company's capital stock in the foreseeable future. Any future determination to declare cash dividends on shares of the combined company's common stock will be made at the discretion of its board of directors, subject to applicable law and contractual restrictions and will depend on its financial condition, results of operations, capital requirements, general business conditions and other factors that its board of directors may deem relevant.

RISK FACTORS

The combined company will be faced with a market environment that cannot be predicted and that involves significant risks, many of which will be beyond its control. In addition to the other information contained in this proxy statement/prospectus/information statement, you should carefully consider the material risks described below before deciding how to vote your shares of stock. In addition, you should read and consider the risks associated with resTORbio's business and Adicet's business because these risks may also affect the combined company. These risks can be found under the section entitled "Risk Factors—Risks Related to resTORbio" beginning on page 32 and "Risk Factors — Risks Related to Adicet" beginning on page 97 of this proxy statement/prospectus/information statement, including the financial statements appearing elsewhere herein and the annexes hereto, which are incorporated by reference herein. You should also read and consider the other information in this proxy statement/prospectus/information statement, including the financial statements appearing elsewhere herein and the annexes hereto, which are incorporated by reference herein. Please see the section entitled "Where You Can Find More Information" on page 417 in this proxy statement/prospectus/information statement."

Risks Related to the Merger

Failure to complete the merger may result in resTORbio or Adicet paying a termination fee or expenses to the other party and could significantly harm the market price of resTORbio common stock and negatively affect the future business and operations of each company.

The consummation of the merger is subject to a number of closing conditions, including the approval by resTORbio's and Adicet's stockholders, approval by Nasdaq of resTORbio's application for initial listing of resTORbio common stock in connection with the merger, and other customary closing conditions. The parties are targeting a closing of the transaction in the second half of 2020.

If the merger is not consummated, resTORbio and Adicet may be subject to a number of material risks, and their respective businesses and resTORbio's stock price could be adversely affected, as follows:

- Each company has incurred and expects to continue to incur significant expenses related to the merger even if the merger is not consummated;
- The merger agreement contains covenants relating to each company's solicitation of competing acquisition proposals and the conduct of each company's respective businesses between the date of signing the merger agreement and the completion of the merger. As a result, significant business decisions and transactions of either resTORbio or Adicet before the completion of the merger require the consent of the other party. Accordingly, each company may be unable to pursue business opportunities that would otherwise be in its respective best interests as standalone companies. If the merger agreement is terminated after resTORbio has invested significant time and resources in the transaction process, resTORbio will have a limited ability to continue its current operations without obtaining additional financing to fund its operations;
- resTORbio or Adicet could be obligated to pay the other party a $6,100,000 termination fee in connection with the termination of the merger agreement, depending on the reason for the termination;
- resTORbio or Adicet could be obligated to pay the other party a $1,000,000 out-of-pocket expense reimbursement in connection with the termination of the merger agreement, depending on the reason for the termination;
- resTORbio's or Adicet's collaborators and other business partners and investors in general may view the failure to consummate the merger as a poor reflection on its business or prospects;
- Some of resTORbio's or Adicet's suppliers, collaborators and other business partners may seek to change or terminate their relationships with resTORbio or Adicet, as applicable, as a result of the merger;
- As a result of the proposed merger, current and prospective employees of resTORbio or Adicet could experience uncertainty about their future roles within the combined company. This uncertainty may

adversely affect either company's ability to retain its respective key employees, who may seek other employment opportunities;

- resTORbio's or Adicet's respective management teams may be distracted from day to day operations as a result of the merger; and
- The market price of resTORbio common stock may decline to the extent that the current market price reflects a market assumption that the merger will be completed.

In addition, if the merger agreement is terminated and the resTORbio Board or the Adicet Board determines to seek another business combination, there can be no assurance that either resTORbio or Adicet will be able to find a third party willing to provide equivalent or more attractive consideration than the consideration to be provided by each party in the merger. In such circumstances, the resTORbio Board may elect to, among other things, divest all or a portion of resTORbio's business, or take the steps necessary to liquidate all of resTORbio's business and assets, and in either such case, the consideration that resTORbio receives may be less attractive than the consideration to be received by resTORbio pursuant to the merger agreement.

If resTORbio does not successfully consummate the merger or another strategic transaction, the resTORbio Board may decide to pursue a dissolution and liquidation of resTORbio. In such an event, the amount of cash available for distribution to resTORbio stockholders will depend heavily on the timing of such liquidation as well as the amount of cash that will need to be reserved for commitments and contingent liabilities.

There can be no assurance that the merger will be completed on the timeline anticipated or at all. If the merger is not completed, the resTORbio Board may decide to pursue a dissolution and liquidation of resTORbio. In such an event, the amount of cash available for distribution to resTORbio stockholders will depend heavily on the timing of such decision and, as with the passage of time the amount of cash available for distribution will be reduced as resTORbio continues to fund its operations. In addition, if the resTORbio Board were to approve and recommend, and resTORbio stockholders were to approve, a dissolution and liquidation of resTORbio, resTORbio would be required under Delaware corporate law to pay its outstanding obligations, as well as to make reasonable provision for contingent and unknown obligations, prior to making any distributions in liquidation to resTORbio stockholders. As a result of this requirement, a portion of resTORbio's assets may need to be reserved pending the resolution of such obligations, and the timing of any such resolution is uncertain. In addition, resTORbio may be subject to litigation or other claims related to a dissolution and liquidation of resTORbio. If a dissolution and liquidation were pursued, the resTORbio Board, in consultation with its advisors, would need to evaluate these matters and make a determination about a reasonable amount to reserve. Accordingly, holders of resTORbio common stock could lose all or a significant portion of their investment in the event of a liquidation, dissolution or winding up of resTORbio.

Some of resTORbio's and Adicet's officers and directors have conflicts of interest that may influence them to support or approve the merger.

Certain officers and directors of resTORbio and Adicet participate in arrangements that provide them with interests in the merger that are different from yours, including, among others, their continued service as an officer or a director of the combined company, retention and severance benefits, the acceleration of restricted stock units and option vesting, overlapping ownership and/or commercial interests of their affiliates in Adicet and resTORbio and continued indemnification. These interests, among others, may influence the officers and directors of resTORbio or Adicet to support or approve the merger. For a more detailed discussion please see the section entitled "*The Merger—Interests of the resTORbio Directors and Executive Officers in the Merger*" beginning on page 183 of this proxy statement/prospectus/information statement and "*The Merger—Interests of the Adicet Directors and Executive Officers in the Merger*" beginning on page 186 of this proxy statement/prospectus/information statement.

The merger may be completed even though material adverse changes may result from the announcement of the merger, industry-wide changes and other causes.

In general, either party can refuse to complete the merger if there is a material adverse change affecting the other party between April 28, 2020, the date of the merger agreement, and the completion of the merger. However, some types of changes do not permit either party to refuse to complete the merger, even if such changes would have a material adverse effect on resTORbio or Adicet, to the extent they resulted from the following and do not have a materially disproportionate effect on resTORbio or Adicet, as the case may be:

- the announcement or pendency of the merger agreement or the contemplated transactions;
- the taking of any action, or the failure to take any action, by any party that is required to comply with the terms of the merger agreement;
- any natural disaster or epidemics, pandemics or other force majeure events, or any act or threat of terrorism or war, any armed hostilities or terrorist activities (including any escalation or general worsening of any of the foregoing) anywhere in the world, or any governmental or other response or reaction to any of the foregoing;
- any change in generally accepted accounting principles or any change in applicable laws, rules or regulations or the interpretation thereof;
- general economic or political conditions or conditions generally affecting the industries in which either party or its subsidiaries operate;
- with respect to resTORbio, any change in the stock price or trading volume of resTORbio common stock (it being understood, however, that any effect causing or contributing to, or resulting from, any change in stock price or trading volume of resTORbio common stock may be taken into account in determining whether a material adverse effect has occurred, unless such effects are otherwise excepted from causing a material adverse effect under the merger agreement);
- with respect to resTORbio, subject to certain exceptions, the suspension of trading in or delisting of resTORbio common stock on Nasdaq; or
- with respect to Adicet, any change in the cash position of Adicet or its subsidiary which results from operations in the ordinary course of business.

If adverse changes occur but resTORbio and Adicet must still complete the merger, the combined company's stock price may suffer. This in turn may reduce the value of the merger to the stockholders of resTORbio, Adicet or both.

The market price of the combined company's stock may decline as a result of the merger.

The market price of the combined company's stock may decline as a result of the merger for a number of reasons including if:

- the combined company does not achieve the perceived benefits of the merger as rapidly or to the extent anticipated by financial or industry analysts;
- the effect of the merger on the combined company's business and prospects is not consistent with the expectations of financial or industry analysts;
- investors react negatively to the effect on the combined company's business and prospects from the merger; or
- the combined company fails to demonstrate appropriate pre-clinical or clinical efficacy in oncology and other indications.

resTORbio's and Adicet's stockholders may not realize a benefit from the merger commensurate with the ownership dilution they will experience in connection with the merger.

If the combined company is unable to realize the strategic and financial benefits currently anticipated from the merger, resTORbio's and Adicet's stockholders will have experienced substantial dilution of their ownership interest without receiving any commensurate benefit. Significant management attention and resources will be required to integrate the two companies. Delays in this process could adversely affect the combined company's business, financial results, financial condition and stock price following the merger.

During the pendency of the merger, resTORbio or Adicet may not be able to enter into a business combination with another party and will be subject to contractual limitations on certain actions because of restrictions in the merger agreement.

Covenants in the merger agreement impede the ability of resTORbio or Adicet to make acquisitions or complete other transactions that are not in the ordinary course of business pending completion of the merger. As a result, if the merger is not completed, the parties may be at a disadvantage to their competitors. In addition, while the merger agreement is in effect and subject to limited exceptions, each party is prohibited from soliciting, initiating, encouraging or taking actions designed to facilitate any inquiries or the making of any proposal or offer that could lead to the entering into of certain extraordinary transactions with any third party, such as a sale of assets, an acquisition of resTORbio common stock, a tender offer for resTORbio common stock, a merger or other business combination outside the ordinary course of business. Any such transactions could be favorable to such party's stockholders.

Because the lack of a public market for Adicet capital stock makes it difficult to evaluate the fairness of the merger, Adicet's stockholders may receive consideration in the merger that is greater than or less than the fair market value of Adicet capital stock.

The outstanding share capital of Adicet is privately held and is not traded in any public market. The lack of a public market makes it extremely difficult to determine the fair market value of Adicet. Since the percentage of resTORbio's equity to be issued to Adicet's stockholders was determined based on negotiations between the parties, it is possible that the value of the resTORbio common stock to be issued in connection with the merger will be greater than the fair market value of Adicet. Alternatively, it is possible that the value of the shares of resTORbio common stock to be issued in connection with the merger to Adicet's stockholders will be less than the fair market value of Adicet.

The combined company will incur significant transaction costs as a result of the merger, including investment banking, legal and accounting fees. In addition, the combined company will incur significant consolidation and integration expenses which cannot be accurately estimated at this time. These costs could include the possible relocation of certain operations from Massachusetts to other offices of the combined company as well as costs associated with terminating existing office leases and the loss of benefits of certain favorable office leases. Actual transaction costs may substantially exceed Adicet's estimates and may have an adverse effect on the combined company's financial condition and operating results.

If the merger does not qualify as a "reorganization" for U.S. federal income tax purposes, Adicet stockholders may be required to pay substantial U.S. federal income taxes.

The U.S. federal income tax consequences of the merger will depend on whether the merger qualifies as a "reorganization" within the meaning of Section 368(a) of the Code. Adicet's obligation to effect the merger is subject to the satisfaction or waiver, at or prior to the closing date of the merger, of the condition that Adicet receive an opinion of counsel, dated as of the closing date of the merger, to the effect that the merger will qualify as a "reorganization" within the meaning of Section 368(a) of the Code. The opinion will be based on customary assumptions and representations from Adicet and resTORbio, as well as certain covenants and undertakings by

Adicet and resTORbio. If any of the representations, assumptions, covenants or undertakings upon which the opinion is based is incorrect, incomplete, inaccurate or violated, the validity of the opinion may be affected and the tax consequences of the merger could differ from those described in this proxy statement/prospectus/information statement. An opinion of counsel represents such counsel's best legal judgment, but is not binding on the Internal Revenue Service (the "IRS") or any court. Neither Adicet nor resTORbio intends to obtain a ruling from the IRS with respect to the tax consequences of the merger. Accordingly, there can be no assurances that the IRS will not assert, or that a court will not sustain, a position contrary to that contained in such opinion. If, contrary to the opinion from counsel, the IRS or a court determines that the merger does not qualify as a "reorganization" within the meaning of Section 368(a) of the Code, a holder of Adicet capital stock would recognize gain or loss for U.S. federal income tax purposes on each share of Adicet capital stock surrendered in the merger for resTORbio common stock. For a more complete discussion of the material U.S. federal income tax consequences of the merger, please carefully review the information set forth in the section entitled "*The Merger—Material U.S. Federal Income Tax Considerations of the Merger*" on page 191 of this proxy statement/prospectus/information statement.

Certain stockholders could attempt to influence changes within resTORbio which could adversely affect resTORbio's operations, financial condition and the value of resTORbio common stock.

resTORbio stockholders may from time-to-time seek to acquire a controlling stake in resTORbio, engage in proxy solicitations, advance stockholder proposals or otherwise attempt to effect changes. Campaigns by stockholders to effect changes at publicly-traded companies are sometimes led by investors seeking to increase short-term stockholder value through actions such as financial restructuring, increased debt, special dividends, stock repurchases or sales of assets or the entire company. Responding to proxy contests and other actions by activist stockholders can be costly and time-consuming, and could disrupt resTORbio's operations and divert the attention of the resTORbio Board and senior management from the pursuit of the merger. These actions could adversely affect resTORbio's operations, financial condition, ability to consummate the merger and resTORbio's common stock value.

resTORbio and Adicet may become involved in securities litigation or stockholder derivative litigation in connection with the merger, and this could divert the attention of resTORbio and Adicet management and harm the combined company's business, and insurance coverage may not be sufficient to cover all related costs and damages.

Securities litigation or stockholder derivative litigation frequently follows the announcement of certain significant business transactions, such as a business combination transaction. resTORbio and Adicet may become involved in this type of litigation in connection with the merger, and the combined company may become involved in this type of litigation in the future. Litigation often is expensive and diverts management's attention and resources, which could adversely affect the business of resTORbio, Adicet and the combined company.

Failure to complete the merger may result in resTORbio and Adicet paying a termination fee or expenses to the other party and could harm the price of resTORbio common stock and the future business and operations of each company.

If the merger is not completed and the merger agreement is terminated under certain circumstances, resTORbio or Adicet may be required to pay the other party a termination fee of $6,100,000 and/or an out-of-pocket expense reimbursement of up to $1,000,000. Even if a termination fee or out-of-pocket expense reimbursement is not payable in connection with a termination of the merger agreement, each of resTORbio and Adicet will have incurred significant fees and expenses, which must be paid whether or not the merger is completed. Further, if the merger is not completed, it could significantly harm the market price of resTORbio common stock.

The exchange ratio is not adjustable based on the market price of resTORbio common stock, so the merger consideration at the completion of the merger may have greater or lesser value than the market price at the time the merger agreement was signed.

The merger agreement has set the exchange ratio for Adicet capital stock, and the exchange ratio is based on valuations ascribed to each company in the merger agreement and the outstanding Adicet capital stock and the outstanding resTORbio common stock, in each case immediately prior to the completion of the merger as described under the section entitled "*The Merger—Merger Consideration*" on page 189 of this proxy statement/prospectus/information statement. Applying the exchange ratio formula in the merger agreement, the former equityholders of Adicet are expected to hold 75% of the outstanding capital stock of resTORbio immediately following the merger, and the current equityholders of resTORbio are expected to hold approximately 25% of the outstanding capital stock of resTORbio immediately following merger (in each case excluding equity incentives available for grant), subject to certain assumptions.

Any changes in the market price of resTORbio common stock before the completion of the merger will not affect the number of shares of resTORbio common stock issuable to Adicet's stockholders pursuant to the merger agreement. Therefore, if before the completion of the merger the market price of resTORbio common stock declines from the market price on the date of the merger agreement, then Adicet's stockholders could receive merger consideration with substantially lower value than the value of such merger consideration on the date of the merger agreement. Similarly, if before the completion of the merger the market price of resTORbio common stock increases from the market price of resTORbio common stock on the date of the merger agreement, then Adicet's stockholders could receive merger consideration with substantially greater value than the value of such merger consideration on the date of the merger agreement. The merger agreement does not include a price-based termination right. Because the exchange ratio does not adjust as a result of changes in the market price of resTORbio common stock, for each one percentage point change in the market price of resTORbio common stock, there is a corresponding one percentage point rise or decline, respectively, in the value of the total merger consideration payable to Adicet's stockholders pursuant to the merger agreement.

Certain provisions of the merger agreement may discourage third parties from submitting alternative takeover proposals, including proposals that may be superior to the arrangements contemplated by the merger agreement.

The terms of the merger agreement prohibit each of resTORbio and Adicet from soliciting alternative takeover proposals or cooperating with persons making unsolicited takeover proposals, except in limited circumstances when the resTORbio Board or the Adicet Board determines in good faith that a bona fide written acquisition proposal, after consultation with such party's financial advisors and outside legal counsel, constitutes, or is reasonably likely to result in, a superior takeover proposal and the board of directors of such party concludes in good faith based on the advice of outside legal counsel that the failure to cooperate with the proponent of the proposal would be reasonably be expected to be inconsistent with the resTORbio Board's or the Adicet Board's respective fiduciary duties.

resTORbio stockholders may not receive any payment on the CVRs and the CVRs may otherwise expire valueless.

The merger agreement contemplates that at or prior to completion of the merger, resTORbio, the Holders' Representative (as defined in the CVR agreement) and the Rights Agent (as defined in the CVR agreement) will execute and deliver the CVR agreement, pursuant to which each holder of resTORbio common stock as of immediately prior to the completion of the merger shall be entitled to one contractual CVR issued by resTORbio, subject to and in accordance with the terms and conditions of the CVR agreement, for each share of resTORbio common stock held by such holder. Each CVR shall entitle the holder thereof to receive net proceeds of the commercialization, if any, received from a third party commercial partner of RTB101, resTORbio's small molecule product candidate that is a potent inhibitor of target of rapamycin complex 1 (TORC1), for a

COVID-19 related indication, with clinical data expected by the first quarter of 2021. The CVRs are not transferable, except in certain limited circumstances as will be provided in the CVR Agreement, will not be certificated or evidenced by any instrument and will not be registered with the SEC or listed for trading on any exchange.

The right of any resTORbio stockholder to receive any future payment on or derive any value from the CVRs will be contingent solely upon the achievement of certain events within the time periods specified in the CVR Agreement and if these events are not achieved for any reason within the time periods specified in the CVR Agreement, no payments will be made under the CVRs, and the CVRs will expire valueless. In addition, the combined company has agreed only to use commercially reasonable efforts through September 30, 2021 to reasonably support Finder (as such term is defined in the CVR agreement) to identify one or more partners and negotiate a CVR Commercial Agreement (as such term is defined in the CVR agreement) with such partner for the commercialization of RTB101 for a COVID-19 related indication, subject to certain limitations, which allow for the consideration of a variety of factors in determining the efforts that the combined company is required to use to reasonably support Finder to identify one or more partners and negotiate a CVR Commercial Agreement with such partner for the commercialization of RTB101 for a COVID-19 related indication and it does not require the combined company to take all possible actions to continue efforts to reasonably support Finder to identify one or more partners and negotiate a CVR Commercial Agreement with such partner for the commercialization of RTB101 for a COVID-19 related indication. Accordingly, under certain circumstances the combined company may not be required to continue efforts to reasonably support Finder to identify one or more partners and negotiate a CVR Commercial Agreement with such partner for the commercialization of RTB101 for a COVID-19 related indication, or may allocate resources to other projects, which would have an adverse effect on the value, if any, of the CVRs. Furthermore, the CVRs will be unsecured obligations of the combined company and all payments under the CVRs, all other obligations under the CVR agreement and the CVRs and any rights or claims relating thereto will be subordinated in right of payment to the prior payment in full of all current or future senior obligations of the combined company. Finally, the U.S. federal income tax treatment of the CVRs is unclear. There is no legal authority directly addressing the U.S. federal income tax treatment of the receipt of, and payments on, the CVRs. The CVR agreement is discussed in greater detail in the section entitled "*Agreements Related to the Merger—Contingent Value Rights Agreement*" on page 223 of this proxy statement/prospectus/information statement.

If the conditions to the merger are not met, the merger may not occur.

Even if the share issuance proposal and the reverse stock split proposal are approved by resTORbio stockholders and the merger is approved by the Adicet stockholders, specified conditions must be satisfied or waived to complete the merger. These conditions are set forth in the merger agreement and described in the section entitled "*The Merger Agreement—Conditions to the Completion of the Merger*" on page 203 of this proxy statement/prospectus/information statement. resTORbio and Adicet cannot assure you that all of the conditions will be satisfied or waived. If the conditions are not satisfied or waived, the merger will not occur or will be delayed, and resTORbio and Adicet each may lose some or all of the intended benefits of the merger.

Risks Related to the Reverse Stock Split

The reverse stock split may not increase the combined company's stock price over the long-term.

The principal purpose of the reverse stock split is to increase the per-share market price of resTORbio common stock above the minimum bid price requirement under the Nasdaq rules so that the listing of the combined company and the shares of resTORbio common stock being issued in the merger on Nasdaq will be approved. It cannot be assured, however, that the reverse stock split will accomplish this objective for any meaningful period of time. While it is expected that the reduction in the number of outstanding shares of common stock will proportionally increase the market price of resTORbio common stock, it cannot be assured that the reverse stock split will increase the market price of its common stock by a multiple of the reverse stock split ratio, or result in

any permanent or sustained increase in the market price of resTORbio common stock, which is dependent upon many factors, including the combined company's business and financial performance, general market conditions, and prospects for future success. Thus, while the stock price of the combined company might meet the continued listing requirements for Nasdaq initially, it cannot be assured that it will continue to do so.

The reverse stock split may decrease the liquidity of resTORbio common stock.

Although the resTORbio Board believes that the anticipated increase in the market price of resTORbio common stock could encourage interest in its common stock and possibly promote greater liquidity for its stockholders, such liquidity could also be adversely affected by the reduced number of shares outstanding after the reverse stock split. The reduction in the number of outstanding shares may lead to reduced trading and a smaller number of market makers for resTORbio common stock.

The reverse stock split may lead to a decrease in resTORbio's overall market capitalization.

Should the market price of resTORbio common stock decline after the reverse stock split, the percentage decline may be greater, due to the smaller number of shares outstanding, than it would have been prior to the reverse stock split. A reverse stock split is often viewed negatively by the market and, consequently, can lead to a decrease in resTORbio's overall market capitalization. If the per share market price does not increase in proportion to the reverse stock split ratio, then the value of the combined company, as measured by its stock capitalization, will be reduced. In some cases, the per-share stock price of companies that have effected reverse stock splits subsequently declined back to pre-reverse split levels, and accordingly, it cannot be assured that the total market value of resTORbio common stock will remain the same after the reverse stock split is effected, or that the reverse stock split will not have an adverse effect on resTORbio's stock price due to the reduced number of shares outstanding after the reverse stock split.

Risks Related to resTORbio

Risks Related to resTORbio's Financial Position and Need for Capital

resTORbio has incurred significant losses since inception. resTORbio anticipates that it will continue to incur significant losses for the foreseeable future, and may never achieve or maintain profitability.

resTORbio is a clinical-stage biopharmaceutical company with a limited operating history. Investment in biopharmaceutical product development is highly speculative because it entails substantial upfront capital expenditures and significant risk that any potential product candidate will fail to demonstrate adequate effect or an acceptable safety profile, gain regulatory approval and become commercially viable. resTORbio has no products approved for commercial sale and has not generated any revenue from product sales to date, and resTORbio will continue to incur significant research and development and other expenses related to resTORbio's ongoing operations. As a result, resTORbio is not profitable and has incurred losses in each period since resTORbio's inception in July 2016. resTORbio has devoted a majority of resTORbio's financial resources and efforts to research and development, including preclinical studies and resTORbio's clinical trials. resTORbio's financial condition and operating results, including net losses, may fluctuate significantly from quarter to quarter and year to year. Accordingly, you should not rely upon the results of any quarterly or annual periods as indications of future operating performance. Additionally, net losses and negative cash flows have had, and will continue to have, an adverse effect on resTORbio stockholders' equity and working capital. For the years ended December 31, 2019 and 2018, resTORbio reported a net loss of $82.7 million and $37.6 million, respectively. For the three months ended March 31, 2020, resTORbio reported a net loss of $7.0 million. As of March 31, 2020, resTORbio had an accumulated deficit of $161.2 million. resTORbio expects to continue to incur significant losses for the foreseeable future, and resTORbio expects these losses to increase as resTORbio continues research and development of, and seek regulatory approvals for, RTB101, alone or in combination with a rapalog, such as everolimus or sirolimus, and other product candidates.

resTORbio anticipates that its expenses will increase substantially if and as it:

- continues to develop and conduct clinical trials for resTORbio's lead product candidate, RTB101, alone or in combination with a rapalog, such as everolimus or sirolimus;
- initiates and continues research, preclinical and clinical development efforts for any current or future product candidates;
- seeks to identify additional product candidates;
- seeks regulatory approvals for RTB101, alone or in combination with a rapalog, such as everolimus or sirolimus, or any other product candidates that successfully complete clinical development, if any;
- establishes sales, marketing, distribution, manufacturing, supply chain and other commercial infrastructure in the future to commercialize various products for which resTORbio may obtain regulatory approval, if any;
- requires the manufacture of larger quantities of RTB101 alone or in fixed dose combination with a rapalog, such as everolimus or sirolimus, for clinical development and, potentially, commercialization;
- maintains, expands and protects resTORbio's intellectual property portfolio;
- hires and retains additional personnel, such as clinical, quality control, scientific and commercial personnel;
- adds operational, financial and management information systems and personnel, including personnel to support resTORbio's product development and help it comply with resTORbio's obligations as a public company;
- adds equipment and physical infrastructure to support resTORbio's research and development; and
- acquires or in-licenses other product candidates and technologies.

resTORbio's ability to become and remain profitable depends on resTORbio's ability to generate revenue. resTORbio does not expect to generate significant revenue unless and until resTORbio is, or any future collaborator is, able to obtain regulatory approval for, and successfully commercialize, RTB101, alone or in combination with a rapalog, such as everolimus or sirolimus, or any other product candidates. Successful commercialization will require achievement of key milestones, including demonstrating safety and efficacy in clinical trials, obtaining regulatory, including marketing, approval for these product candidates, manufacturing, marketing and selling those products for which resTORbio, or any of resTORbio's future collaborators, may obtain regulatory approval, satisfying any post-marketing requirements and obtaining reimbursement for resTORbio's products from private insurance or government payors. Because of the uncertainties and risks associated with these activities, resTORbio is unable to accurately and precisely predict the timing and amount of revenues, the extent of any further losses or if or when resTORbio might achieve profitability. resTORbio, and any future collaborators, may never succeed in these activities and, even if resTORbio does, or any future collaborators do, resTORbio may never generate revenues that are large enough for it to achieve profitability. Even if resTORbio does achieve profitability, resTORbio may not be able to sustain or increase profitability on a quarterly or annual basis. Additionally, resTORbio's expenses could increase if resTORbio is required by the FDA or any comparable foreign regulatory authority to perform studies in addition to those currently expected, or if there are any delays in completing resTORbio's clinical trials or the development of any of resTORbio's product candidates.

resTORbio's failure to become and remain profitable would depress the market price of resTORbio common stock and could impair resTORbio's ability to raise capital, expand resTORbio's business, diversify resTORbio's product offerings or continue resTORbio's operations. If resTORbio continues to suffer losses as resTORbio has in the past, investors may not receive any return on their investment and may lose their entire investment.

resTORbio has a limited operating history and no history of commercializing pharmaceutical products, which may make it difficult to evaluate the prospects for its future viability.

resTORbio was formed in July 2016 and commenced research and development operations in March 2017. resTORbio's operations to date have been limited to organizing, staffing and financing, raising capital, in-licensing resTORbio's technology and conducting research and development activities for resTORbio's product candidates. resTORbio has not yet demonstrated an ability to obtain regulatory approvals, manufacture a commercial-scale product, or arrange for a third party to do so on resTORbio's behalf, or conduct sales and marketing activities necessary for successful product commercialization. Accordingly, you should consider resTORbio's prospects in light of the costs, uncertainties, delays and difficulties frequently encountered by companies in clinical development, especially clinical-stage biopharmaceutical companies such as resTORbio. Any predictions you make about resTORbio's future success or viability may not be as accurate as they could be if resTORbio had a longer operating history or a history of successfully developing and commercializing pharmaceutical products.

resTORbio may encounter unforeseen expenses, difficulties, complications, delays and other known or unknown factors in achieving resTORbio's business objectives. resTORbio will eventually need to transition from a company with a development focus to a company capable of supporting commercial activities. resTORbio may not be successful in such a transition.

resTORbio will need substantial additional funding, and if resTORbio is unable to raise capital when needed, resTORbio could be forced to delay, reduce or eliminate resTORbio's product discovery and development programs or commercialization efforts.

resTORbio's operations have required substantial amounts of cash since inception. Developing pharmaceutical products, including conducting preclinical studies and clinical trials, is a very time-consuming, expensive and uncertain process that takes years to complete. For the foreseeable future, resTORbio expects to continue to rely on additional financing to achieve resTORbio's business objectives.

For the years ended December 31, 2019 and 2018, resTORbio used $73.7 million and $35.5 million, respectively, in net cash for resTORbio's operating activities, of which a majority related to research and development activities. For the three months ended March 31, 2020, resTORbio used $15.0 million in net cash for resTORbio's operating activities, of which a majority related to research and development activities. If resTORbio obtains regulatory approval for RTB101, alone or in combination with a rapalog, such as everolimus or sirolimus, or any other product candidates, resTORbio expects to incur significant commercialization expenses related to product sales, marketing, manufacturing and distribution. Some of these expenses may be incurred in advance of regulatory approval and could be substantial. Furthermore, resTORbio expects to incur significant additional costs associated with resTORbio's continued operation as a public company. Accordingly, resTORbio will need to obtain substantial additional funding in connection with resTORbio's continuing operations. If resTORbio is unable to raise capital when needed or on attractive terms, it may be forced to delay, reduce or eliminate resTORbio's research and development programs or any future commercialization efforts.

resTORbio may use resTORbio's existing cash, cash equivalents and marketable securities, to fund the development of RTB101, alone or in combination with a rapalog, such as everolimus or sirolimus, for Parkinson's disease (referred to as "PD") and other indications, and the remainder, if any, for working capital and general corporate purposes. resTORbio will be required to expend significant funds in order to advance the development of RTB101 alone or in combination with a rapalog, such as everolimus or sirolimus, as well as other product candidates resTORbio may seek to develop or acquire. In addition, while resTORbio may seek one or more collaborators for future development of RTB101 alone or in combination with a rapalog, such as everolimus or sirolimus, for one or more additional indications beyond PD or in geographies outside of the United States, Europe and key territories, resTORbio may not be able to enter into a collaboration for RTB101 or any other product candidates for such indications or in such geographies on suitable terms, on a timely basis, or

at all. In any event, resTORbio's existing cash, cash equivalents, and marketable securities will not be sufficient to fund all of the efforts that resTORbio plans to undertake or to activities related to the development of RTB101, alone or in combination with a rapalog, such as everolimus or sirolimus, for PD and other indications, and the development of other pipeline candidates. Accordingly, resTORbio will be required to obtain substantial additional funding through public or private equity offerings, debt financings, collaborations and licensing arrangements or other sources.

resTORbio cannot be certain that additional funding will be available on acceptable terms, or at all. Other than the funding agreement, resTORbio has no committed source of additional capital and if resTORbio is unable to raise additional capital in sufficient amounts or on terms acceptable to resTORbio, resTORbio may have to significantly delay, scale back or discontinue the development or commercialization of resTORbio's product candidates or other research and development initiatives. Any of resTORbio's current or future license agreements may also be terminated if resTORbio is unable to meet the payment or other obligations under the agreements. resTORbio could be required to seek collaborators for product candidates at an earlier stage than otherwise would be desirable or on terms that are less favorable than might otherwise be available or relinquish or license on unfavorable terms resTORbio's rights to product candidates in markets where resTORbio otherwise would seek to pursue development or commercialization itself.

resTORbio believes resTORbio's existing cash, cash equivalents and marketable securities, will enable resTORbio to fund its operating expenses and capital expenditure requirements at least into 2022. resTORbio's estimate may prove to be wrong, and resTORbio could use available capital resources sooner than resTORbio currently expects. Further, changing circumstances, some of which may be beyond resTORbio's control, could cause resTORbio to consume capital significantly faster than resTORbio currently anticipates, and may need to seek additional funds sooner than planned. resTORbio's future funding requirements, both short- and long-term, will depend on many factors, including:

- the scope, progress, timing, costs and results of clinical trials of, and research and preclinical development efforts for, RTB101, alone or in combination with a rapalog, such as everolimus or sirolimus, and any future product candidates;
- resTORbio's ability to enter into, and the terms and timing of, any collaborations, licensing or other arrangements on favorable terms, if at all;
- the number of future product candidates that resTORbio pursues and their development requirements;
- the outcome, timing and costs of seeking regulatory approvals;
- if approved, the costs of commercialization activities for RTB101, alone or in combination with a rapalog, such as everolimus or sirolimus, or any other product candidate that receives regulatory approval to the extent such costs are not the responsibility of any future collaborators, including the costs and timing of establishing product sales, marketing, distribution and manufacturing capabilities;
- subject to receipt of regulatory approval, revenue, if any, received from commercial sales of RTB101, alone or in combination with a rapalog, such as everolimus or sirolimus, or any future product candidates;
- the extent to which resTORbio in-licenses or acquires rights to other products, product candidates or technologies;
- resTORbio's headcount growth and associated costs as resTORbio expands resTORbio's research and development and establish a commercial infrastructure;
- the amount and timing of any payments resTORbio may be required to make, or that resTORbio may receive, in connection with the licensing, filing, prosecution, defense and enforcement of any patents or other intellectual property rights, including milestone and royalty payments and patent prosecution fees that resTORbio is obligated to pay pursuant to resTORbio's license agreement;

- the costs of preparing, filing and prosecuting patent applications, maintaining and protecting resTORbio's intellectual property rights including enforcing and defending intellectual property related claims; and
- the costs of operating as a public company.

Raising additional capital may cause dilution to resTORbio stockholders, restrict resTORbio's operations or require resTORbio to relinquish rights to resTORbio's technologies or product candidates.

Unless and until resTORbio can generate a substantial amount of revenue from resTORbio's product candidates, resTORbio expects to finance resTORbio's future cash needs through public or private equity offerings, debt financings, collaborations, licensing arrangements or other sources, or any combination of the foregoing. In addition, resTORbio may seek additional capital due to favorable market conditions or strategic considerations, even if resTORbio believes that it has sufficient funds for resTORbio's current or future operating plans.

To the extent that resTORbio raises additional capital through the sale of common stock, convertible securities or other equity securities, your ownership interest may be diluted, and the terms of these securities could include liquidation or other preferences and anti-dilution protections that could adversely affect your rights as a common stockholder. In addition, debt financing, if available, may result in fixed payment obligations and may involve agreements that include restrictive covenants that limit resTORbio's ability to take specific actions, such as incurring additional debt, making capital expenditures, creating liens, redeeming stock or declaring dividends, that could adversely impact resTORbio's ability to conduct resTORbio's business. In addition, securing financing could require a substantial amount of time and attention from resTORbio's management and may divert a disproportionate amount of their attention away from day-to-day activities, which may adversely affect resTORbio's management's ability to oversee the development of resTORbio's product candidates.

In April 2020, resTORbio entered into the merger agreement. There is no assurance that the merger will be completed.

If resTORbio raises additional funds through collaborations or marketing, distribution or licensing arrangements with third parties, resTORbio may have to relinquish valuable rights to its technologies, future revenue streams or product candidates or grant licenses on terms that may not be favorable to resTORbio. If resTORbio is unable to raise additional funds when needed, resTORbio may be required to delay, limit, reduce or terminate its product development or future commercialization efforts or grant rights to develop and market product candidates that resTORbio would otherwise prefer to develop and market itself.

Risks Related to the Discovery, Development and Commercialization of resTORbio's Product Candidates

resTORbio's business depends virtually entirely upon the success of RTB101 alone or in combination with a rapalog, such as everolimus or sirolimus. If resTORbio is unable to successfully develop, obtain regulatory approval for or successfully commercialize RTB101, alone or in combination with a rapalog, such as everolimus or sirolimus, resTORbio's business may be materially harmed.

resTORbio currently has no products approved for sale and is investing the majority of resTORbio's efforts and financial resources in the development of resTORbio's lead product candidate, RTB101, either alone or in combination with a rapalog, such as everolimus or sirolimus. Successful continued development and ultimate regulatory approval of RTB101, alone or in combination with a rapalog, such as everolimus or sirolimus, for the treatment of aging-related diseases is critical to the future success of resTORbio's business. resTORbio will need to raise sufficient funds for, and successfully enroll and complete, resTORbio's clinical development program for RTB101, alone or in combination with a rapalog, such as everolimus or sirolimus, for indications such as PD and possibly other aging-related diseases. The future regulatory and commercial success of this product candidate is subject to a number of risks, including the following:

- resTORbio may not have sufficient financial and other resources to initiate or complete the necessary clinical trials for RTB101, alone or in combination with a rapalog, such as everolimus or sirolimus;

- resTORbio may not be able to obtain adequate evidence of clinical efficacy and safety for RTB101, alone or in combination with a rapalog, such as everolimus or sirolimus, or to obtain regulatory approval of RTB101 for PD or other indications;
- even if RTB101 monotherapy succeeds in its clinical development and is approved for one or more targeted indications, there can be no assurance that RTB101 in combination with a rapalog, such as everolimus or sirolimus, would be developed successfully and approved, and vice versa;
- resTORbio may not be able to maintain an acceptable safety profile for RTB101 alone or in combination with a rapalog, such as everolimus or sirolimus, even if approved;
- resTORbio does not know the degree to which RTB101 alone or in combination with a rapalog, such as everolimus or sirolimus, will have market uptake as a therapy by patients, the medical community or third-party payors, among others, if approved;
- in resTORbio's clinical programs, resTORbio may experience variability in the response of subjects to treatment, the need to adjust clinical trial procedures and the need for additional clinical trial sites, which could delay resTORbio's clinical trial progress;
- the results of resTORbio's clinical trials may not meet the level of statistical significance required by the FDA, the European Medicines Agency, or EMA, or comparable foreign regulatory bodies for regulatory approval for the treatment of PD or for other indications;
- resTORbio may have difficulty enrolling subjects in trials if, for instance, a current or future effective standard of care limits the desire of patients, physicians, or regulatory agencies to participate in or support clinical trials, or if patients choose to participate in the trials of other sponsors' product candidates;
- patients in resTORbio's clinical trials may die or suffer other adverse effects for reasons that may or may not be related to RTB101, which could delay or prevent further clinical development;
- the requirements implemented by regulatory agencies may change at any time;
- the FDA, EMA or foreign regulatory agencies may require efficacy endpoints for a future clinical trial that differ from the endpoints of resTORbio's current or future trials, which may require resTORbio to conduct additional clinical trials;
- the mechanism of action of RTB101, alone or in combination with a rapalog, such as everolimus or sirolimus, is complex and resTORbio cannot guarantee the degree to which it will translate into a medical benefit in any indications;
- competitor products including generic products may be developed that may have similar or better safety and efficacy or lower costs than RTB101 alone or in combination with a rapalog, such as everolimus or sirolimus;
- resTORbio may not be able to establish sales, marketing, distribution and other commercial infrastructure in the future to commercialize various products for which resTORbio may obtain regulatory approval;
- resTORbio or its contract manufacturers may not be able to manufacture RTB101, rapalogs, such as everolimus or sirolimus, the fixed dose combination of RTB101 with a rapalog, such as everolimus or sirolimus, or other future product candidates at the appropriate quality or sufficient quantities to support further clinical development and/or commercialization;
- resTORbio's investigational drug products or manufacturing processes may be considered by regulatory authorities, such as the FDA or EMA, to be unsuitable for continued development and/or commercialization;
- resTORbio may observe unexpected toxicities in preclinical safety or efficacy animal studies that delay, limit or prevent further clinical development;

- resTORbio's intellectual property may not be patentable, valid or enforceable; and
- resTORbio may not be able to obtain, maintain, defend, protect or enforce resTORbio's patents, resTORbio's trade secrets, regulatory exclusivities and other intellectual property rights, both in the United States and internationally, including those that resTORbio has licensed under resTORbio's license agreement with Novartis.

Many of these risks are beyond resTORbio's control, including the risks related to clinical development, the regulatory submission process, potential threats to resTORbio's intellectual property rights and the manufacturing, marketing and sales efforts of any future collaborator. If resTORbio is unable to develop, receive regulatory approval for, or successfully commercialize RTB101 alone or in combination with a rapalog, such as everolimus or sirolimus, or if resTORbio experiences delays as a result of any of these risks or otherwise, resTORbio's business could be materially harmed.

In addition, of the large number of drugs in development in the pharmaceutical industry, only a small percentage result in the submission of an NDA to the FDA and even fewer are approved for commercialization. Furthermore, even if resTORbio does receive regulatory approval for RTB101, alone or in combination with a rapalog, such as everolimus or sirolimus, any such approval may be subject to limitations on the indicated uses or patient populations for which resTORbio may market the product. Accordingly, even if resTORbio is able to obtain the requisite financing to continue to fund resTORbio's development programs, it cannot assure you that it will successfully develop or commercialize RTB101, alone or in combination with a rapalog, such as everolimus or sirolimus, for PD or any other indications. If resTORbio or any of resTORbio's future collaborators are unable to develop, or obtain regulatory approval for, or, if approved, successfully commercialize RTB101, alone or in combination with a rapalog, such as everolimus or sirolimus, for PD or any other indications, resTORbio may not be able to generate sufficient revenue to continue resTORbio's business.

resTORbio depends on the successful initiation and completion of clinical trials for RTB101 alone or in combination with a rapalog, such as everolimus or sirolimus. The positive clinical results, if any, obtained in prior or ongoing clinical trials may not be predictive of future results or repeated in later-stage clinical trials.

Before obtaining regulatory approval for the sale of RTB101, alone or in combination with a rapalog, such as everolimus or sirolimus, or any other potential product candidate, resTORbio must conduct additional clinical trials to demonstrate safety and efficacy in humans. The regulatory requirements for demonstrating efficacy and safety for obtaining approval for RTB101 alone or in combination with a rapalog, such as everolimus or sirolimus, may differ. A failure of one or more clinical trials can occur at any stage of testing. For example, in November 2019, resTORbio announced that top line data from the PROTECTOR 1 Phase 3 study, evaluating the safety and efficacy of RTB101 in preventing clinically symptomatic respiratory illness in adults age 65 and older, did not meet its primary endpoint and that resTORbio has stopped the development of RTB101 for clinically symptomatic respiratory illness. A number of companies in the pharmaceutical and biotechnology industries, including those with greater resources and experience than resTORbio, have suffered significant setbacks in late stage clinical development, even after seeing promising results in earlier clinical trials.

resTORbio may experience a number of unforeseen events during, or as a result of, clinical trials for RTB101, alone or in combination with a rapalog, such as everolimus or sirolimus, or any other potential product candidate that could adversely affect the costs, timing, or successful completion of resTORbio's clinical trials, including:

- regulators or other comparable foreign regulatory authorities may disagree as to the design or implementation of resTORbio's clinical trials;
- regulators, and/or institutional review boards, or IRBs, or other reviewing bodies may not authorize resTORbio or resTORbio's investigators to commence a clinical trial, or to conduct or continue a clinical trial at a prospective or specific trial site;

- resTORbio may not reach agreement on acceptable terms with prospective contract research organizations, or CROs, and clinical trial sites, the terms of which can be subject to extensive negotiation and may vary significantly among different CROs and trial sites;
- clinical trials of RTB101, alone or in combination with a rapalog, such as everolimus or sirolimus, or any other potential product candidate may produce negative or inconclusive results, and resTORbio may decide, or regulators may require resTORbio, to conduct additional clinical trials or abandon product development programs;
- the number of subjects or patients required for clinical trials of RTB101, alone or in combination with a rapalog, such as everolimus or sirolimus, or any other potential product candidate may be larger than resTORbio anticipates, enrollment in these clinical trials may be insufficient or slower than resTORbio anticipates, and the number of clinical trials being conducted at any given time may be high and result in fewer available patients for any given clinical trial, or patients may drop out of these clinical trials at a higher rate than resTORbio anticipates;
- resTORbio's third-party contractors, including those manufacturing resTORbio's product candidates or conducting clinical trials on resTORbio's behalf, may fail to comply with regulatory requirements or meet their contractual obligations to resTORbio in a timely manner, or at all;
- resTORbio might have to suspend or terminate clinical trials of RTB101, alone or in combination with a rapalog, such as everolimus or sirolimus, or any other potential product candidate for various reasons, including as a result of the impact of the COVID-19 pandemic, a finding that the subjects are being exposed to unacceptable health risks or other unrelated reasons;
- resTORbio may have to amend a clinical trial protocol submitted to regulatory authorities or conduct additional studies to reflect changes in regulatory requirements or guidance, which resTORbio may be required to resubmit to an IRB and regulatory authorities for re-examination;
- regulators, IRBs or data monitoring committees may require or recommend that resTORbio or its investigators suspends or terminates clinical research for various reasons, including safety signals or noncompliance with regulatory requirements;
- the cost of clinical trials of RTB101, alone or in combination with a rapalog, such as everolimus or sirolimus, or any other potential product candidate may be greater than resTORbio anticipates;
- regulators, IRBs or other reviewing bodies may fail to approve or subsequently find fault with the manufacturing processes or facilities of third-party manufacturers with which resTORbio enters into agreement for clinical and commercial supplies, or the supply or quality of RTB101, rapalogs, such as everolimus or sirolimus, or the fixed dose combination of RTB101 and a rapalog, such as everolimus, or sirolimus or any other potential product candidate or other materials necessary to conduct clinical trials of resTORbio's product candidates may be insufficient, inadequate or not available at an acceptable cost, or resTORbio may experience interruptions in supply;
- the potential for approval policies or regulations of the FDA or the applicable foreign regulatory agencies to significantly change in a manner rendering resTORbio's clinical data insufficient for approval; and
- RTB101, alone or in combination with a rapalog, such as everolimus or sirolimus, or any other potential product candidate may have undesirable side effects or other unexpected characteristics.

Regulators, IRBs of the institutions in which clinical trials are being conducted or data monitoring committees may suspend or terminate a clinical trial due to a number of factors, including failure to conduct the clinical trial in accordance with regulatory requirements or resTORbio's clinical protocols, inspection of the clinical trial operations or trial site by the FDA or other regulatory authorities resulting in the imposition of a clinical hold, unforeseen safety issues or adverse side effects, failure to demonstrate a benefit from using a drug, or changes in governmental regulations or administrative actions or resTORbio may have a lack of adequate funding to continue the clinical trial.

Negative or inconclusive results from resTORbio's clinical trials of RTB101 alone or in combination with a rapalog, such as everolimus or sirolimus, or any other clinical trial or preclinical studies in animals that resTORbio conducts, could mandate repeated or additional clinical trials. resTORbio does not know whether any clinical trials that resTORbio may conduct will demonstrate adequate efficacy and safety to result in regulatory approval to market RTB101, alone or in combination with a rapalog, such as everolimus or sirolimus, or any other potential product candidate. If later stage clinical trials do not produce favorable results, resTORbio's ability to obtain regulatory approval for RTB101, alone or in combination with a rapalog, such as everolimus or sirolimus, or any other potential product candidate may be adversely impacted.

Clinical trials must be conducted in accordance with the laws and regulations of the FDA, EMA and other applicable regulatory authorities' laws, and are subject to oversight by these governmental agencies and IRBs at the medical institutions where the clinical trials are conducted. In addition, clinical trials must be conducted with supplies of resTORbio's product candidates produced under cGMP, requirements and other regulations. Furthermore, resTORbio relies on CROs, and clinical trial sites to ensure the proper and timely conduct of resTORbio's clinical trials and while resTORbio has agreements governing their committed activities, resTORbio has limited influence over their actual performance. resTORbio depends on resTORbio's collaborators and on medical institutions and CROs to conduct resTORbio's clinical trials in compliance with GCP, requirements. To the extent resTORbio's collaborators or the CROs fail to enroll participants for resTORbio's clinical trials, fail to conduct the study to GCP standards or are delayed for a significant time in the execution of trials, including achieving full enrollment, resTORbio may be affected by increased costs, program delays or both. In addition, clinical trials that are conducted in countries outside the United States and EU may subject resTORbio to further delays and expenses as a result of increased shipment costs, additional regulatory requirements and the engagement of non-U.S. and non-EU CROs, as well as expose resTORbio to risks associated with clinical investigators who are unknown to the FDA or the EMA, and different standards of diagnosis, screening and medical care.

resTORbio may be subject to additional risks because resTORbio is administering RTB101 in combination with other mTOR inhibitors, including rapalogs, such as everolimus or sirolimus.

resTORbio is evaluating RTB101 in combination with other mTOR inhibitors. The use of RTB101 in combination with other compounds may subject resTORbio to risks that resTORbio would not face if RTB101 were being administered as a monotherapy. For example, other mTOR inhibitors, including rapalogs, such as everolimus or sirolimus, may have safety issues that are improperly attributed to RTB101 or the administration of RTB101 with such other therapies may result in safety issues that such other therapies or RTB101 would not have when used alone. In addition, other mTOR inhibitors with which resTORbio may administer RTB101, including a rapalog, such as everolimus or sirolimus, could be removed from the market and thus be unavailable for testing or commercial use concomitantly with RTB101. The outcome and cost of developing a product candidate to be used with other compounds is difficult to predict and dependent on a number of factors that are outside resTORbio's reasonable control. If resTORbio experiences efficacy or safety issues in resTORbio's clinical trials in which RTB101 is being administered with a rapalog, such as everolimus or sirolimus, resTORbio may not receive regulatory approval for RTB101, which could prevent resTORbio from ever generating revenue or achieving profitability.

Competitive products may reduce or eliminate the commercial opportunity for RTB101, alone or in combination with a rapalog, such as everolimus or sirolimus. If resTORbio's competitors develop technologies or product candidates more rapidly than resTORbio does, or their technologies are more effective or safer than resTORbio's, resTORbio's ability to develop and successfully commercialize RTB101 alone or in combination with a rapalog, such as everolimus or sirolimus, may be adversely affected.

The clinical and commercial landscape for aging-related diseases is highly competitive and subject to rapid and significant technological change. New data from competitors' product candidates continue to emerge. It is possible that these data may alter the current standard of care, completely precluding resTORbio from further

developing RTB101, alone or in combination with a rapalog, such as everolimus or sirolimus, for PD or other aging-related diseases. Further, it is possible that resTORbio may initiate a clinical trial or trials for RTB101, alone or in combination with a rapalog, such as everolimus or sirolimus, or any other potential product candidate only to find that data from competing products make it impossible for resTORbio to complete enrollment in clinical trials, resulting in resTORbio's inability to submit applications for regulatory approval with regulatory agencies. Even if RTB101 were approved, alone or in combination with a rapalog, such as everolimus or sirolimus, it may have limited sales due to competition in the specific indications approved.

Competitive therapeutic treatments for aging-related diseases, including PD, include those that are currently in development and any new treatments that enter the market. resTORbio believes that a significant number of product candidates are currently under development, and may become commercially available in the future, for the treatment of conditions for which resTORbio may try to develop product candidates. resTORbio's potential competitors include large pharmaceutical and biotechnology companies, specialty pharmaceutical and generic drug companies, academic institutions, government agencies and research institutions. resTORbio considers Navitor Pharmaceuticals, Inc. to be resTORbio's most direct competitor in developing novel therapeutics targeting the TORC1 for aging-related diseases. Additionally, resTORbio is also aware of other companies seeking to develop treatments to prevent or treat aging-related diseases through biological pathways unrelated to mTOR inhibition, including Calico Life Sciences LLC, or Calico, and UNITY Biotechnology, Inc., or Unity. Calico has not yet disclosed any pipeline candidates, and Unity's most advanced candidate, based on publicly disclosed information, is in Phase 1 clinical trials for osteoarthritis.

resTORbio is also aware of other companies that are potential competitors for prevention or treatment of aging-associated pathologies such as neurodegeneration. Companies pursuing prevention or treatment of aging-associated pathologies such as neurodegeneration in PD include: Denali Therapeutics, Inc., Acorda Therapeutics, Inc., Prothena Biosciences, Inc., Takeda Pharmaceutical Company (formerly Shire plc), Affiris AG, Biogen Inc., Inflazome Ltd., Casma Therapeutics, Inc., Neuropore Therapies, Inc., Caraway Therapeutics, Inc. (previously called Rheostat Therapeutics), Selphagy Therapeutics Inc., and others. Companies pursuing treatments for levodopa-induced dyskinesia in PD include: VistaGen Therapeutics, Inc., Prilienia Therapeutics, Inc., IRLAB Therapeutics AB, Neurolixis Inc, and others.

Many of resTORbio's competitors have greater financial, technical, manufacturing, marketing, sales and supply resources, and human resources or experience than resTORbio and significantly greater experience in the discovery and development of product candidates, obtaining FDA and other regulatory approvals of products and the commercialization of those products. Accordingly, resTORbio's competitors may be more successful than it is in obtaining regulatory approval for therapies and achieving widespread market acceptance. resTORbio's competitors' products may be more effective, or more effectively marketed and sold, than any product candidate resTORbio may commercialize and may render its therapies obsolete or non-competitive before resTORbio can recover development and commercialization expenses. If RTB101, alone or in combination with a rapalog, such as everolimus or sirolimus, is approved for the indications resTORbio is currently pursuing, it could compete with a range of therapeutic treatments that are in development. In addition, resTORbio's competitors may succeed in developing, acquiring or licensing technologies and drug products that are more effective or less costly than RTB101 alone or in combination with a rapalog, such as everolimus or sirolimus, or any other product candidates that resTORbio is currently developing or that resTORbio may develop, which could render its product candidates obsolete and noncompetitive.

If resTORbio obtains approval for RTB101, alone or in combination with a rapalog, such as everolimus or sirolimus, or any other future product candidate, resTORbio may face competition based on many different factors, including the efficacy, safety and tolerability of its products, the ease with which its products can be administered, the timing and scope of regulatory approvals for these products, the availability and cost of manufacturing, marketing and sales capabilities, price, reimbursement coverage and patent position. Existing and future competing products could present superior treatment alternatives, including being more effective, safer, less expensive or marketed and sold more effectively than any products resTORbio may develop. Competitive

products may make any products resTORbio develops obsolete or noncompetitive before resTORbio recovers the expense of developing and commercializing resTORbio's product candidates. Such competitors could also recruit resTORbio's employees, which could negatively impact resTORbio's level of expertise and resTORbio's ability to execute resTORbio's business plan. Mergers and acquisitions in the pharmaceutical and biotechnology industries may result in even more resources being concentrated among a small number of competitors.

resTORbio also competes with other clinical stage companies and institutions for clinical trial participants, which could reduce resTORbio's ability to recruit participants for resTORbio's clinical trials. Delay in recruiting clinical trial participants could adversely affect resTORbio's ability to bring a product to market prior to resTORbio's competitors. Further, research and discoveries by others may result in breakthroughs that render resTORbio's product candidates obsolete even before they begin to generate any revenue.

In addition, resTORbio's competitors may obtain patent protection, regulatory exclusivities, or FDA approval and commercialize products more rapidly than resTORbio does, which may impact future approvals or sales of any of resTORbio's product candidates that receive regulatory approval. If the FDA approves the commercial sale of RTB101, alone or in combination with a rapalog, such as everolimus or sirolimus, or any other product candidate, resTORbio will also be competing with respect to marketing capabilities and manufacturing efficiency. resTORbio expects competition among products will be based on product efficacy and safety, the timing and scope of regulatory approvals, availability of supply, marketing and sales capabilities, product price, reimbursement coverage by government and private third-party payors, regulatory exclusivities and patent position. resTORbio's profitability and financial position will suffer if resTORbio's product candidates receive regulatory approval, but cannot compete effectively in the marketplace.

Many of resTORbio's competitors have significantly greater financial resources and expertise in research and development, manufacturing, preclinical testing, conducting clinical trials, obtaining regulatory approvals and marketing approved products than resTORbio does. Mergers and acquisitions in the pharmaceutical and biotechnology industries may result in even more resources being concentrated among a smaller number of resTORbio's competitors. Smaller and other early stage companies may also prove to be significant competitors, particularly through collaborative arrangements with large and established companies. These third parties compete with resTORbio in recruiting and retaining qualified scientific and management personnel and establishing clinical trial sites, as well as in acquiring technologies complementary to, or necessary for, resTORbio's programs.

Furthermore, regulatory authorities' assessment of the data and results required to demonstrate safety and efficacy can change over time and can be affected by many factors, such as the emergence of new information, including on other products, changing policies and agency funding, staffing and leadership. resTORbio cannot be sure whether future changes to the regulatory environment will be favorable or unfavorable to resTORbio's business prospects. For example, average review times at the FDA for regulatory approval applications can be affected by a variety of factors, including budget and funding levels and statutory, regulatory and policy changes.

The regulatory approval processes of the FDA, the European Medicines Agency (the "EMA") and comparable foreign authorities are lengthy, time consuming and inherently unpredictable. If clinical trials of RTB101, alone or in combination with a rapalog, such as everolimus or sirolimus, fail to satisfactorily demonstrate safety and efficacy to the FDA or other regulators, or do not otherwise produce favorable results, resTORbio, or any future collaborators, may incur additional costs or experience delays in completing, or ultimately be unable to complete, the development and commercialization of RTB101 alone or in combination with a rapalog, such as everolimus or sirolimus.

resTORbio, and any future collaborators, are not permitted to commercialize, market, promote or sell any product candidate in the United States without obtaining regulatory approval from the FDA. Foreign regulatory authorities, such as the EMA, impose similar requirements. The time required to obtain approval by the FDA, EMA and comparable foreign authorities is unpredictable, but typically takes many years following the

commencement of clinical trials and depends upon numerous factors, including substantial discretion of the regulatory authorities. In addition, approval policies, regulations, or the type and amount of clinical data necessary to gain approval may change during the course of a product candidate's clinical development and may vary among jurisdictions. To date, resTORbio has not submitted an NDA to the FDA or similar drug approval submissions to comparable foreign regulatory authorities for RTB101, alone or in combination with a rapalog, such as everolimus or sirolimus, or any other product candidate. resTORbio, and any future collaborators, must complete additional preclinical or nonclinical studies and clinical trials to demonstrate the safety and efficacy of resTORbio's product candidates in humans before resTORbio will be able to obtain these approvals.

Clinical testing is expensive, difficult to design and implement, can take many years to complete and is inherently uncertain as to outcome. resTORbio cannot guarantee that any clinical trials will be conducted as planned or completed on schedule, if at all. The clinical development of RTB101 alone or in combination with a rapalog, such as everolimus or sirolimus, or other drugs is susceptible to the risk of failure inherent at any stage of development, including failure to demonstrate efficacy in a clinical trial or across a broad population of patients, the occurrence of adverse events that are severe or medically or commercially unacceptable, failure to comply with protocols or applicable regulatory requirements, and determination by the FDA or any comparable foreign regulatory authority that a product candidate may not continue development or is not approvable. It is possible that even if RTB101, alone or in combination with a rapalog, such as everolimus or sirolimus, or any other product candidate has a beneficial effect, that effect will not be detected during clinical evaluation as a result of one or more of a variety of factors, including the size, duration, design, measurements, conduct or analysis of resTORbio's clinical trials. Conversely, as a result of the same factors, resTORbio's clinical trials may indicate an apparent positive effect of RTB101, alone or in combination with a rapalog, such as everolimus or sirolimus, or any other product candidate that is greater than the actual positive effect, if any. For example, in a topline analysis of resTORbio's Phase 2b clinical trial, resTORbio observed that certain cohorts responded better to study drug treatment than others, and that certain cohorts did not respond at all. Similarly, in resTORbio's clinical trials resTORbio may fail to detect toxicity of or intolerability caused by RTB101, everolimus or any other product candidate, or mistakenly believe that resTORbio's product candidates are toxic or not well tolerated when that is not in fact the case.

Any inability to successfully complete preclinical and clinical development could result in additional costs to resTORbio, or any future collaborators. Moreover, if resTORbio, or any future collaborators, is required to conduct additional clinical trials or other testing of RTB101, alone or in combination with a rapalog, such as everolimus or sirolimus, or any other product candidate beyond the trials and testing that resTORbio or they contemplate, if resTORbio or they are unable to successfully complete clinical trials of resTORbio's product candidates or other testing or the results of these trials or tests are unfavorable, uncertain or are only modestly favorable, or there are unacceptable safety concerns associated with resTORbio's product candidates, resTORbio, or any future collaborators may:

- incur additional unplanned costs;
- be delayed in obtaining regulatory approval for resTORbio's product candidates;
- not obtain regulatory approval at all;
- obtain approval for indications or patient populations that are not as broad as intended or desired;
- obtain approval with labeling that includes significant use or distribution restrictions or significant safety warnings, including boxed warnings;
- be subject to additional post-marketing testing or other requirements; or
- be required to remove the product from the market after obtaining regulatory approval.

resTORbio's failure to successfully initiate and complete clinical trials of RTB101, alone or in combination with a rapalog, such as everolimus or sirolimus, or any other product candidate and to demonstrate the efficacy and

safety necessary to obtain regulatory approval to market RTB101, alone or in combination with a rapalog, such as everolimus or sirolimus, or any other product candidate would significantly harm resTORbio's business. resTORbio's product candidate development costs will also increase if resTORbio experiences delays in testing or regulatory approvals and resTORbio may be required to obtain additional funds to complete clinical trials. resTORbio cannot assure you that resTORbio's clinical trials will begin as planned or be completed on schedule, if at all, or that resTORbio will not need to restructure resTORbio's trials after they have begun. Significant clinical trial delays also could shorten any periods during which resTORbio may have the exclusive right to commercialize resTORbio's product candidates or allow resTORbio's competitors to bring products to market before resTORbio does and impair resTORbio's ability to successfully commercialize resTORbio's product candidates, which may harm resTORbio's business and results of operations. In addition, many of the factors that cause, or lead to, delays of clinical trials may ultimately lead to the denial of regulatory approval of RTB101 alone or in combination with a rapalog, such as everolimus or sirolimus, or any other product candidate.

resTORbio's product candidates may cause undesirable side effects or have other properties that could delay or prevent their regulatory approval, limit the commercial profile of an approved label, or result in significant negative consequences following regulatory approval, if obtained.

Undesirable side effects caused by RTB101, alone or in combination with a rapalog, such as everolimus or sirolimus, or any other product candidate could cause resTORbio or regulatory authorities to interrupt, delay or halt clinical trials and could result in a more restrictive label or the delay or denial of regulatory approval by the FDA or comparable foreign regulatory authorities. Results of resTORbio's clinical trials could reveal a high and unacceptable severity and prevalence of side effects or unexpected characteristics. In clinical trials of RTB101, alone and in combination with everolimus, to date, there were no observed study drug-related serious adverse events in the Phase 2a clinical trial. In the Phase 2b clinical trial, 4.5% of subjects in the RTB101 10 mg once daily cohort had a serious adverse event, none of which were related to the study drug, though 4.5% of subjects in that arm discontinued the study drug due to an adverse event. The majority of observed study-drug related adverse events were mild or moderate in severity, transient and resolved without stopping the study drug. However, there can be no guarantee that resTORbio would observe a similar tolerability profile of RTB101, alone or in combination with a rapalog, such as everolimus or sirolimus, in future clinical trials. Many compounds that initially showed promise in clinical or earlier stage testing are later found to cause undesirable or unexpected side effects that prevented further development of the compound.

If unacceptable side effects arise in the development of resTORbio's product candidates, resTORbio, the FDA or comparable foreign regulatory authorities, the IRBs, or independent ethics committees at the institutions in which resTORbio's trials are conducted, or the Data Safety Monitoring Board, or DSMB, could suspend or terminate resTORbio's clinical trials or the FDA or comparable foreign regulatory authorities could order resTORbio to cease clinical trials or deny approval of resTORbio's product candidates for any or all targeted indications. Treatment-emergent side effects that are deemed to be treatment-related could also affect subject recruitment or the ability of enrolled subjects to complete the trial or result in potential product liability claims. In addition, these side effects may not be appropriately recognized or managed by the treating medical staff. resTORbio expects to have to train medical personnel using resTORbio's product candidates to understand the side effect profiles for resTORbio's clinical trials and upon any commercialization of any of resTORbio's product candidates. Inadequate training in recognizing or managing the potential side effects of resTORbio's product candidates could result in patient injury or death. Any of these occurrences may harm resTORbio's business, financial condition and prospects significantly.

Moreover, clinical trials of resTORbio's product candidates are conducted in carefully defined sets of patients who have agreed to enter into clinical trials. Consequently, it is possible that resTORbio's clinical trials, or those of any future collaborator, may indicate an apparent positive effect of a product candidate that is greater than the actual positive effect, if any, or alternatively fail to identify undesirable side effects. If, following approval of a product candidate, resTORbio, or others, discovers that the product is less effective than previously believed or

causes undesirable side effects that were not previously identified, any of the following adverse consequences could occur:

- regulatory authorities may withdraw their approval of the product, seize the product, or seek an injunction against its manufacture or distribution;
- resTORbio, or any future collaborators, may need to recall the product, or be required to change the way the product is administered or conduct additional clinical trials, or develop a surveillance program;
- additional restrictions may be imposed on the marketing of, or the manufacturing processes for, the particular product;
- regulatory authorities may require one or more post-market studies;
- regulatory authorities may impose distribution and/or use requirements, such as under a REMS;
- resTORbio may be subject to fines, injunctions or the imposition of civil or criminal penalties;
- regulatory authorities may require the addition of labeling statements, such as a “black box” warning or a contraindication, or issue safety alerts, Dear Healthcare Provider letters, press releases or other communications containing warnings or other safety information about the product;
- resTORbio, or any future collaborators, may be required to create a Medication Guide outlining the risks of the previously unidentified side effects for distribution to patients;
- resTORbio, or any future collaborators, could be sued and held liable for harm caused to patients;
- the product may become less competitive; and
- resTORbio’s reputation may suffer.

Any of these events could harm resTORbio’s business and operations and could negatively impact resTORbio’s stock price.

If resTORbio fails to develop RTB101, alone or in combination with a rapalog, such as everolimus or sirolimus, for additional indications or fail to discover, develop and commercialize other product candidates, resTORbio may be unable to grow resTORbio’s business and resTORbio’s ability to achieve resTORbio’s strategic objectives would be impaired.

As part of resTORbio’s longer-term growth strategy, resTORbio may evaluate RTB101, alone or in combination with a rapalog, such as everolimus or sirolimus, in other indications beyond PD, such as COVID-19 related indications and develop other product candidates. resTORbio intend to evaluate strategic alternatives and internal opportunities from RTB101, alone or in combination with a rapalog, such as everolimus or sirolimus, or other product candidates from resTORbio’s TORC1 program, and also may choose to in-license or acquire other product candidates as well as commercial products to treat patients suffering from other disorders with significant unmet medical needs and limited treatment options. These other product candidates will require additional, time-consuming development efforts prior to commercial sale, including preclinical studies, clinical trials and approval by the FDA and/or applicable foreign regulatory authorities. All product candidates are prone to the risks of failure that are inherent in pharmaceutical product development, including the possibility that the product candidate will not be shown to be sufficiently safe and effective for approval by regulatory authorities. In addition, resTORbio cannot assure you that any such products that are approved will be manufactured or produced economically, successfully commercialized or widely accepted in the marketplace or be more effective than other commercially available alternatives.

Research programs to identify product candidates require substantial technical, financial and human resources, whether or not any product candidates are ultimately identified. resTORbio’s research programs may initially

show promise in identifying potential product candidates, yet fail to yield product candidates for clinical development for many reasons, including the following:

- the research methodology used may not be successful in identifying potential product candidates;
- competitors may develop alternatives that render resTORbio's product candidates obsolete;
- product candidates that resTORbio develops may nevertheless be covered by third parties' patents or other exclusive rights;
- a product candidate may, on further study, be shown to have harmful side effects or other characteristics that indicate it is unlikely to be effective or otherwise does not meet applicable regulatory criteria;
- a product candidate may not be capable of being produced in commercial quantities at an acceptable cost, or at all; and
- a product candidate may not be accepted as safe and effective by patients, the medical community or third-party payors.

If resTORbio is unsuccessful in identifying and developing additional product candidates, resTORbio's potential for growth and achieving resTORbio's strategic objectives may be impaired.

resTORbio's preclinical programs may not produce new product candidates that are suitable for clinical trials or that can be successfully commercialized or generate revenue through collaborations.

resTORbio must successfully complete preclinical testing for resTORbio's preclinical programs, which may include demonstrating activity and comprehensive studies to show the lack of toxicity and other adverse effects in established animal models, before commencing clinical trials for any product candidate. Many pharmaceutical products do not successfully complete preclinical testing and, even if preclinical testing is successfully completed, may fail in clinical trials. In addition, there can be no assurance that positive results from preclinical studies will be predictive of results obtained from subsequent preclinical studies or clinical trials. Many pharmaceutical candidates are not suitable for manufacture on the scale or of the quality required for clinical trials or commercialization. Some pharmaceutical candidates that initially seem suitable may later be found to be insufficiently stable or may generate toxic impurities over time. resTORbio also cannot be certain that any product candidates that do advance into clinical trials will successfully demonstrate safety and efficacy in clinical trials. Even if resTORbio achieves positive results in early preclinical studies or clinical trials, they may not be predictive of the results in later trials.

Results of preclinical studies and early clinical trials may not be predictive of results of future clinical trials, and such results do not guarantee approval of a product candidate by regulatory authorities.

The outcome of preclinical studies and early clinical trials may not be predictive of the success of later clinical trials, and interim results of clinical trials do not necessarily predict success in the results of completed clinical trials. Many companies in the pharmaceutical and biotechnology industries have suffered significant setbacks in late-stage clinical trials after achieving positive results in earlier development, and resTORbio could face similar setbacks. The design of a clinical trial can determine whether its results will support approval of a product and flaws in the design of a clinical trial may not become apparent until the clinical trial is well advanced. In addition, preclinical and clinical data are often susceptible to varying interpretations and analyses. Many companies that believed their product candidates performed satisfactorily in preclinical studies and clinical trials have nonetheless failed to obtain the same positive results in later studies or regulatory approval for their product candidates.

For example, in November 2019, resTORbio announced that top line data from the PROTECTOR 1 Phase 3 study, evaluating the safety and efficacy of RTB101 in preventing clinically symptomatic respiratory illness in adults age 65 and older, did not meet its primary endpoint and that resTORbio has stopped the development of RTB101 for clinically symptomatic respiratory illness.

In some instances, there can be significant variability in safety or efficacy results between different clinical trials of the same product candidate due to numerous factors, including changes in trial procedures set forth in protocols, differences in the size and type of the patient populations, changes in and adherence to the dosing regimen and other clinical trial procedures and the rate of dropout among clinical trial participants. If resTORbio fails to receive positive results in clinical trials of resTORbio's product candidates, the development timeline and regulatory approval and commercialization prospects for resTORbio's most advanced product candidate, and, correspondingly, resTORbio's business and financial prospects would be negatively impacted.

resTORbio may expend resTORbio's resources to pursue a particular product candidate or indication and forgo the opportunity to capitalize on product candidates or indications that may ultimately be more profitable or for which there is a greater likelihood of success.

Because resTORbio has limited financial and managerial resources, resTORbio intends to focus on developing product candidates for specific indications that resTORbio identifies as most likely to succeed, in terms of both their potential for regulatory approval and commercialization. As a result, resTORbio may forego or delay pursuit of opportunities with other product candidates or for other indications that may prove to have greater commercial potential.

resTORbio's resource allocation decisions may cause resTORbio to fail to capitalize on viable commercial products or profitable market opportunities. resTORbio's spending on current and future research and development programs and product candidates for specific indications may not yield any commercially viable product candidates. If resTORbio does not accurately evaluate the commercial potential or target market for a particular product candidate, resTORbio may relinquish valuable rights to that product candidate through collaboration, licensing or other royalty arrangements in cases in which it would have been more advantageous for resTORbio to retain sole development and commercialization rights to the product candidate.

If the FDA or comparable foreign regulatory authorities approve generic versions of RTB101, alone or in combination with a rapalog, such as everolimus or sirolimus, or any other product candidate of resTORbio's that receives regulatory approval, or such authorities do not grant resTORbio's products appropriate periods of non-patent exclusivity before approving generic versions of such products, the sales of such products could be adversely affected.

Once an NDA is approved, the product covered thereby becomes a "listed drug" in the FDA's publication, "Approved Drug Products with Therapeutic Equivalence Evaluations," or the Orange Book. Manufacturers may seek approval of generic versions of reference listed drugs through submission of abbreviated new drug applications, or AND As, in the United States. In support of an ANDA, a generic manufacturer generally must show that its product has the same active ingredient(s), dosage form, strength, route of administration, conditions of use and labeling as the reference listed drug and that the generic version is bioequivalent to the reference listed drug, meaning, in part, that it is absorbed in the body at the same rate and to the same extent. Generic products may be significantly less costly to bring to market than the reference listed drug and companies that produce generic products are generally able to offer them at lower prices. Moreover, many states allow or require substitution of therapeutically equivalent generic drugs at the pharmacy level even if the branded drug is prescribed. Thus, following the introduction of a generic drug, a significant percentage of the sales of any branded product or reference listed drug may be lost to the generic product.

The FDA may not approve (or in some cases, accept) an ANDA for a generic product until any applicable period of non-patent exclusivity for the reference listed drug has expired. The Federal Food, Drug, and Cosmetic Act, or FDCA, provides a period of five years of non-patent exclusivity for a new drug containing NCE. Specifically, in cases where such exclusivity has been granted, an ANDA may not be filed with the FDA until the expiration of five years unless the submission is accompanied by a Paragraph IV certification that a patent covering the listed drug is invalid, unenforceable or will not be infringed by the generic product, in which case the applicant may submit its application four years following approval of the listed drug. It is unclear whether the FDA will treat

the active ingredients in resTORbio's product candidates as NCEs and, therefore, afford them five years of NCE data exclusivity if they are approved. If any product resTORbio develops does not receive five years of NCE exclusivity, it may nevertheless receive three years of exclusivity if it meets applicable requirements. If so, the FDA may not approve generic versions of such product until three years after its date of approval. Three-year exclusivity is given to a drug if it contains an active moiety that has previously been approved, and the NDA includes reports of one or more new clinical investigations, other than bioavailability or bioequivalence studies, that were conducted by or for the applicant and are essential to the approval of the NDA. If approved, manufacturers may seek to launch these generic products following the expiration of the applicable marketing exclusivity period, even if resTORbio still has patent protection for resTORbio's product.

Competition that resTORbio's products, if approved, may face from generic versions of resTORbio's products could negatively impact resTORbio's future revenue, profitability and cash flows and substantially limit resTORbio's ability to obtain a return on resTORbio's investments in those product candidates.

If resTORbio encounters difficulties enrolling patients in resTORbio's future clinical trials, resTORbio's clinical development activities could be delayed or otherwise adversely affected.

resTORbio may experience difficulties in patient enrollment in resTORbio's clinical trials for a variety of reasons. The timely completion of clinical trials in accordance with their protocols depends, among other things, on resTORbio's ability to enroll a sufficient number of patients who remain in the study until its conclusion.

Patient enrollment is affected by many factors, including:

- the patient eligibility criteria defined in the protocol;
- the size of the patient population required for analysis of the trial's primary endpoints;
- the proximity of patients to study sites;
- the design of the trial;
- resTORbio's ability to recruit clinical trial investigators with the appropriate competencies and experience;
- competing clinical trials and clinicians' and patients' perceptions as to the potential advantages and risks of the product candidate being studied in relation to other available therapies, including any new drugs that may be approved for the indications that resTORbio is investigating;
- resTORbio's ability to obtain and maintain patient consents; and
- the risk that patients enrolled in clinical trials will drop out of the trials before completion.

In addition, resTORbio's clinical trials will compete with other clinical trials for product candidates that are in the same therapeutic areas as resTORbio's product candidates, and this competition will reduce the number and types of patients available to resTORbio, because some patients who might have opted to enroll in resTORbio's trials may instead opt to enroll in a trial being conducted by one of resTORbio's competitors. Since the number of qualified clinical investigators is limited, resTORbio expects to conduct some of resTORbio's clinical trials at the same clinical trial sites that some of resTORbio's competitors use, which will reduce the number of patients who are available for resTORbio's clinical trials in such clinical trial site.

resTORbio's inability to enroll a sufficient number of patients for resTORbio's clinical trials would result in significant delays or might require resTORbio to abandon one or more clinical trials altogether. Delays in patient enrollment may result in increased costs, affect the timing or outcome of the planned clinical trials, product candidate development and approval process and jeopardize resTORbio's ability to seek and obtain the regulatory approval required to commence product sales and generate revenue, which could prevent completion of these trials, adversely affect resTORbio's ability to advance the development of its product candidates, cause the value of resTORbio to decline and limit resTORbio's ability to obtain additional financing if needed.

Ingredients, excipients and other materials necessary to manufacture RTB101 or rapalogs, such as everolimus or sirolimus, may not be available on commercially reasonable terms, or at all, which may adversely affect the development and commercialization of RTB101, alone or in combination with a rapalog, such as everolimus or sirolimus.

resTORbio and resTORbio's third-party manufacturers must obtain from other third-party suppliers the active pharmaceutical ingredients, excipients and primary and secondary packaging materials necessary for resTORbio's contract manufacturers to produce RTB101 or rapalogs, such as everolimus or sirolimus, for resTORbio's clinical trials and, to the extent approved or commercialized, for commercial distribution. There is no guarantee that resTORbio would be able to enter into all the necessary agreements with third-party suppliers that resTORbio requires for the supply of such materials on commercially reasonable terms, or at all. Even if resTORbio was able to secure such agreements or guarantees, resTORbio's suppliers may be unable or choose not to provide resTORbio the ingredients, excipients or materials in a timely manner or in the quantities required. If resTORbio's or its third-party manufacturers is unable to obtain the quantities of these ingredients, excipients or materials that are necessary for the manufacture of commercial supplies of RTB101 or rapalogs, such as everolimus or sirolimus, resTORbio's ability to generate revenue from the sale of RTB101 alone or in combination with a rapalog, such as everolimus or sirolimus, would be materially and adversely affected.

Further, if resTORbio or its third-party manufacturers is unable to obtain active pharmaceutical ingredients, excipients and materials as necessary for resTORbio's clinical trials or for the manufacture of commercial supplies of resTORbio's product candidates, if approved, potential regulatory approval or commercialization would be delayed, which would materially and adversely affect resTORbio's ability to generate revenue from the sale of resTORbio's product candidates. As a result of these and other factors, the cost of manufacturing drug material may not support continued development or commercialization or may materially reduce revenue. resTORbio is also unable to predict how changing global economic conditions or potential global health concerns such as the coronavirus will affect resTORbio's third-party suppliers and manufacturers. Any negative impact of such matters on resTORbio's third-party suppliers and manufacturers may also have an adverse impact on resTORbio's results of operations or financial condition.

Even if RTB101, alone or in combination with a rapalog, such as everolimus or sirolimus, or any other product candidate of resTORbio's receives regulatory approval, it may fail to achieve the degree of market acceptance by physicians, patients, third-party payors and others in the medical community necessary for commercial success, in which case resTORbio may not generate significant revenues or become profitable.

resTORbio has never commercialized a product, and even if RTB101, alone or in combination with a rapalog, such as everolimus or sirolimus, or any other product candidate of resTORbio's is approved by the appropriate regulatory authorities for marketing and sale, it may nonetheless fail to gain sufficient market acceptance by physicians, patients, third-party payors and others in the medical community. The market for therapies targeting PD with a TORC1 inhibitor is novel, and physicians may be reluctant to adopt novel therapies. In addition, patients and their physicians may not desire to add RTB101, alone or in combination with a rapalog, such as everolimus or sirolimus, even if approved, to their existing treatment regime. Further, patients often acclimate to the treatment regime that they are currently taking and do not want to switch unless their physicians recommend switching products or they are required to switch due to lack of coverage and reimbursement. In addition, even if resTORbio is able to demonstrate resTORbio's product candidates' safety and efficacy to the FDA and other regulators, safety or efficacy concerns in the medical community may hinder market acceptance.

Efforts to educate the medical community and third-party payors on the benefits of resTORbio's product candidates may require significant resources, including management time and financial resources, and may not be successful. If RTB101, alone or in combination with a rapalog, such as everolimus or sirolimus, or any other product candidate is approved but does not achieve an adequate level of market acceptance, resTORbio may not generate significant revenues and resTORbio may not become profitable. The degree of market acceptance of resTORbio's product candidates, if approved for commercial sale, will depend on a number of factors, including:

- the efficacy and safety of the product;

- the potential advantages of the product compared to competitive therapies;
- the prevalence and severity of any side effects;
- whether the product is recommended under physician guidelines;
- whether the product is designated under physician treatment guidelines as a first-, second- or third-line therapy;
- resTORbio's ability, or the ability of any future collaborators, to offer the product for sale at competitive prices;
- the product's convenience and ease of administration compared to alternative treatments;
- the willingness of the target patient population to try, and of physicians to prescribe, the product;
- limitations or warnings, including distribution or use restrictions contained in the product's approved labeling;
- the strength of sales, marketing and distribution support;
- changes in the standard of care for the targeted indications for the product; and
- availability and adequacy of coverage and reimbursement from government payors, managed care plans and other third-party payors.

Any failure by RTB101 alone or in combination with a rapalog, such as everolimus or sirolimus, or any other product candidate of resTORbio's that obtains regulatory approval to achieve market acceptance or commercial success would adversely affect resTORbio's business prospects.

Even if resTORbio, or any future collaborators, is able to commercialize any product candidate that resTORbio, or they, develop, the product may become subject to unfavorable pricing regulations or third-party payor coverage and reimbursement policies, any of which could harm resTORbio's business.

Patients who are provided medical treatment for their conditions generally rely on third party payors to reimburse all or part of the costs associated with their treatment. Therefore, resTORbio's ability, and the ability of any future collaborators to commercialize any of resTORbio's product candidates will depend in part on the extent to which coverage and reimbursement for these products and related treatments will be available from third-party payors including government health administration authorities and private health coverage insurers. Third-party payors decide which medications they will cover and establish reimbursement levels. resTORbio cannot be certain that coverage will be available and that reimbursement will be adequate for RTB101, alone or in combination with a rapalog, such as everolimus or sirolimus, or any of resTORbio's other product candidates. Also, resTORbio cannot be certain that reimbursement policies will not reduce the demand for, or the price paid for, resTORbio's products.

If coverage and reimbursement are not available, or reimbursement is available only to limited levels, resTORbio, or any future collaborators, may be limited in resTORbio's ability to successfully commercialize resTORbio's product candidates. Even if coverage is provided, the approved reimbursement amount may not be high enough to allow resTORbio, or any future collaborators, to establish or maintain pricing to realize a sufficient return on resTORbio's or their investment. In the United States, no uniform policy of coverage and reimbursement for products exists among third-party payors and coverage and reimbursement for products can differ significantly from payor to payor. As a result, the coverage determination process is often a time-consuming and costly process that will require resTORbio to provide scientific and clinical support for the use of resTORbio's products to each payor separately, with no assurance that coverage and adequate reimbursement will be applied consistently or obtained in the first instance.

There is significant uncertainty related to third-party payor coverage and reimbursement of newly approved drugs. Regulatory approvals, pricing and reimbursement for new drug products vary widely from country to

country. Some countries require approval of the sale price of a drug before it can be marketed. In many countries, the pricing review period begins after marketing or product licensing approval is granted. In some foreign markets, prescription pharmaceutical pricing remains subject to continuing governmental control even after initial approval is granted. As a result, resTORbio, or any future collaborators, might obtain regulatory approval for a product in a particular country, but then be subject to price regulations that delay commercial launch of the product, which may negatively impact the revenues resTORbio is able to generate from the sale of the product in that country. Adverse pricing limitations may hinder resTORbio's ability or the ability of any future collaborators to recoup resTORbio's or their investment in one or more product candidates, even if resTORbio's product candidates obtain regulatory approval.

The healthcare industry is acutely focused on cost containment, both in the United States and elsewhere. Government authorities and other third-party payors have attempted to control costs by limiting coverage and the amount of reimbursement for certain medications, which could affect resTORbio's ability or that of any future collaborators to sell resTORbio's product candidates profitably. These payors may not view resTORbio's products, if any, as cost-effective, and coverage and reimbursement may not be available to resTORbio's customers, or those of any future collaborators, or may not be sufficient to allow resTORbio's products, if any, to be marketed on a competitive basis. Cost-control initiatives could cause resTORbio, or any future collaborators, to decrease the price resTORbio, or they, might establish for products, which could result in lower than anticipated product revenues. If the prices for resTORbio's products, if any, decrease or if governmental and other third-party payors do not provide coverage or adequate reimbursement, resTORbio's prospects for revenue and profitability will suffer.

There may also be delays in obtaining coverage and reimbursement for newly approved drugs, and coverage may be more limited than the indications for which the drug is approved by the FDA or comparable foreign regulatory authorities. Moreover, eligibility for reimbursement does not imply that any drug will be paid for in all cases or at a rate that covers resTORbio's costs, including research, development, manufacture, sale and distribution. Reimbursement rates may vary, by way of example, according to the use of the product and the clinical setting in which it is used. Reimbursement rates may also be based on reimbursement levels already set for lower cost drugs or may be incorporated into existing payments for other services.

In addition, increasingly, third-party payors are requiring higher levels of evidence of the benefits and clinical outcomes of new technologies and are challenging prices. resTORbio cannot be sure that coverage will be available for any product candidate that resTORbio, or any future collaborator, commercializes and, if available, that the reimbursement rates will be adequate. Further, the net reimbursement for drug products may be subject to additional reductions if there are changes to laws that presently restrict imports of drugs from one country to another. An inability to promptly obtain coverage and adequate payment rates from both government-funded and private payors for any of resTORbio's product candidates for which resTORbio, or any future collaborator, obtains regulatory approval could significantly harm resTORbio's operating results, resTORbio's ability to raise capital needed to commercialize products and resTORbio's overall financial condition.

Product liability lawsuits against resTORbio or any of resTORbio's future collaborators could divert resTORbio's resources and attention, cause resTORbio to incur substantial liabilities and limit commercialization of resTORbio's product candidates.

resTORbio is exposed to potential product liability and professional indemnity risks that are inherent in the research, development, manufacturing, marketing and use of pharmaceutical products. Currently, resTORbio has no products that have been approved for commercial sale; however, the current and future use of resTORbio's product candidates by resTORbio and any collaborators in clinical trials, and the sale of these product candidates, if approved, in the future, may expose resTORbio to liability claims. resTORbio faces an inherent risk of product liability lawsuits related to the use of resTORbio's product candidates in elderly patients and will face an even greater risk if product candidates are approved by regulatory authorities and introduced commercially. Product liability claims may be brought against resTORbio or resTORbio's partners by participants enrolled in

resTORbio's clinical trials, patients, health care providers, pharmaceutical companies, resTORbio's collaborators or others using, administering or selling any of resTORbio's future approved products. If resTORbio cannot successfully defend itself against any such claims, resTORbio may incur substantial liabilities or be required to limit commercialization of resTORbio's product candidates. Regardless of the merits or eventual outcome, liability claims may result in:

- decreased demand for any of resTORbio's future approved products;
- injury to resTORbio's reputation;
- withdrawal of clinical trial participants;
- termination of clinical trial sites or entire trial programs;
- significant litigation costs;
- substantial monetary awards to, or costly settlements with, patients or other claimants;
- product recalls or a change in the indications for which they may be used;
- loss of revenue;
- diversion of management and scientific resources from resTORbio's business operations; and
- the inability to commercialize resTORbio's product candidates.

Although the clinical trial process is designed to identify and assess potential side effects, clinical development does not always fully characterize the safety and efficacy profile of a new medicine, and it is always possible that a drug, even after regulatory approval, may exhibit unforeseen side effects. If resTORbio's product candidates were to cause adverse side effects during clinical trials or after approval, resTORbio may be exposed to substantial liabilities. Physicians and patients may not comply with any warnings that identify known potential adverse effects and patients who should not use resTORbio's product candidates. If any of resTORbio's product candidates are approved for commercial sale, resTORbio will be highly dependent upon consumer perceptions of resTORbio and the safety and quality of resTORbio's products. resTORbio could be adversely affected if resTORbio is subject to negative publicity associated with illness or other adverse effects resulting from patients' use or misuse of resTORbio's products or any similar products distributed by other companies.

Although resTORbio maintains product liability insurance coverage in the amount of up to $10.0 million in the aggregate, including clinical trial liability, this insurance may not fully cover potential liabilities that resTORbio may incur. The cost of any product liability litigation or other proceeding, even if resolved in resTORbio's favor, could be substantial. resTORbio will need to increase resTORbio's insurance coverage if resTORbio commercializes any product that receives regulatory approval. In addition, insurance coverage is becoming increasingly expensive. If resTORbio is unable to maintain sufficient insurance coverage at an acceptable cost or to otherwise protect against potential product liability claims, it could prevent or inhibit the development and commercial production and sale of resTORbio's product candidates, which could harm resTORbio's business, financial condition, results of operations and prospects.

resTORbio currently has limited marketing, sales or distribution infrastructure. If resTORbio is unable to develop its sales, marketing and distribution capability on its own or through collaborations with marketing partners, resTORbio will not be successful in commercializing its product candidates.

resTORbio currently has limited marketing, sales or distribution infrastructure. Factors that may inhibit resTORbio's efforts to commercialize its products on its own include:

- resTORbio's inability to recruit and retain adequate numbers of effective sales and marketing personnel;
- the inability of sales personnel to obtain access to or persuade adequate numbers of physicians to prescribe any future products;

- the lack of complementary products to be offered by sales personnel, which may put resTORbio at a competitive disadvantage relative to companies with more extensive product lines; and
- unforeseen costs and expenses associated with creating an independent sales and marketing organization.

With respect to resTORbio's existing and future product candidates, resTORbio may choose to collaborate with third parties that have direct sales forces and established distribution systems to serve as an alternative to resTORbio's own sales force and distribution systems. resTORbio's product revenue may be lower than if resTORbio directly marketed or sold resTORbio's products, if approved. In addition, any revenue resTORbio receives will depend in whole or in part upon the efforts of these third parties, which may not be successful and are generally not within resTORbio's control. If resTORbio is not successful in commercializing any approved products, resTORbio's future product revenue will suffer, and resTORbio may incur significant additional losses.

If resTORbio does not establish sales and marketing capabilities successfully, either on resTORbio's own or in collaboration with third parties, resTORbio will not be successful in commercializing resTORbio's product candidates.

If resTORbio, or any future collaborators, experiences any of a number of possible unforeseen events in connection with clinical trials of RTB101, alone or in combination with a rapalog, such as everolimus or sirolimus, or any other product candidate, potential clinical development, regulatory approval or commercialization of resTORbio's product candidates could be delayed or prevented.

resTORbio, or any future collaborators, may experience numerous unforeseen events during, or as a result of, clinical trials that could delay or prevent clinical development, regulatory approval or commercialization of resTORbio's product candidates, including:

- resTORbio's product candidates may produce unfavorable or inconclusive results;
- regulators may require resTORbio or any future collaborators, to conduct additional clinical trials or abandon product development programs;
- the number of patients required for clinical trials of resTORbio's product candidates may be larger than resTORbio, or any future collaborators anticipates, patient enrollment in these clinical trials may be slower than resTORbio, or any future collaborators, may anticipate or participants may drop out of these clinical trials at a higher rate than resTORbio, or any future collaborators, anticipates;
- the cost of planned clinical trials of resTORbio's product candidates may be greater than resTORbio anticipates;
- resTORbio's third-party contractors or those of any future collaborators, including those manufacturing resTORbio's product candidates or components or ingredients thereof or conducting clinical trials on resTORbio's behalf or on behalf of any future collaborators, may fail to comply with regulatory requirements or meet their contractual obligations to resTORbio or any future collaborators in a timely manner, or at all;
- regulators, IRBs or independent ethics committees may not authorize resTORbio, any future collaborators or resTORbio or their investigators to commence a clinical trial or conduct a clinical trial at a prospective trial site;
- delays in reaching or failure to reach agreement on acceptable clinical trial contracts or clinical trial protocols with prospective trial sites;
- patients who enroll in a clinical trial may misrepresent their eligibility to do so or may otherwise not comply with the clinical trial protocol, resulting in the need to drop the patients from the clinical trial, increase the needed enrollment size for the clinical trial or extend the clinical trial's duration;

- delay, suspension or termination of clinical trials of resTORbio's product candidates for various reasons, including a finding that the participants are being exposed to unacceptable health risks, undesirable side effects or other unexpected characteristics of the product candidate; and
- regulators, IRBs or independent ethics committees may require that resTORbio, or any future collaborators, or resTORbio or its investigators suspends or terminates clinical research for various reasons, including noncompliance with regulatory requirements or their standards of conduct, a finding that the participants are being exposed to unacceptable health risks, undesirable side effects or other unexpected characteristics of the product candidate or findings of undesirable effects caused by a chemically or mechanistically similar product or product candidate.

Further, conducting clinical trials in foreign countries, as resTORbio has done and plan to do for resTORbio's product candidates, presents additional risks that may delay completion of resTORbio's clinical trials. These risks include the failure of enrolled patients in foreign countries to adhere to clinical protocol as a result of differences in healthcare services or cultural customs, managing additional administrative burdens associated with foreign regulatory schemes, as well as political and economic risks relevant to such foreign countries.

Product development costs for resTORbio, or any future collaborators, will increase if resTORbio, or they, experiences delays in testing or pursuing regulatory approvals and resTORbio, or they, may be required to obtain additional funds to complete clinical trials and prepare for possible commercialization of resTORbio's product candidates. resTORbio does not know whether any preclinical studies or clinical trials will begin as planned, will need to be restructured, or will be completed on schedule, or at all. Significant preclinical study or clinical trial delays also could shorten any periods during which resTORbio, or any future collaborators, may have the exclusive right to commercialize resTORbio's product candidates or allow resTORbio's competitors, or the competitors of any future collaborators, to bring products to market before resTORbio, or any future collaborators, does and impair resTORbio's ability, or the ability of any future collaborators, to successfully commercialize resTORbio's product candidates and may harm resTORbio's business and results of operations. In addition, many of the factors that lead to clinical trial delays may ultimately lead to the denial of regulatory approval of any of resTORbio's product candidates.

Business interruptions resulting from the coronavirus disease (COVID-19) outbreak or similar public health crises could cause a disruption of the development of resTORbio's product candidates and adversely impact resTORbio's business.

Public health crises such as pandemics or similar outbreaks could adversely impact resTORbio's business. In December 2019, a novel strain of a virus named SARS-CoV-2 (severe acute respiratory syndrome coronavirus 2), or coronavirus, which causes coronavirus disease, or COVID-19, surfaced in Wuhan, China and has reached multiple other regions and countries, including Boston, Massachusetts where resTORbio's primary office and laboratory space are located. The coronavirus pandemic is evolving, and to date has led to the implementation of various responses, including government-imposed quarantines, travel restrictions and other public health safety measures. The extent to which the coronavirus impacts resTORbio's operations or those of resTORbio's third party partners will depend on future developments, which are highly uncertain and cannot be predicted with confidence, including the duration of the outbreak, new information that will emerge concerning the severity of the coronavirus and the actions to contain the coronavirus or treat its impact, among others.

Additionally, timely enrollment in planned clinical trials is dependent upon clinical trial sites which will be adversely affected by global health matters, such as pandemics. resTORbio plans to conduct clinical trials for resTORbio's product candidates in geographies which are currently being affected by the coronavirus. Some factors from the coronavirus outbreak that will delay or otherwise adversely affect enrollment in the clinical trials of resTORbio's product candidates, as well as resTORbio's business generally, include:

- the potential diversion of healthcare resources away from the conduct of clinical trials to focus on pandemic concerns, including the attention of physicians serving as resTORbio's clinical trial

investigators, hospitals serving as resTORbio's clinical trial sites and hospital staff supporting the conduct of resTORbio's prospective clinical trials;

- limitations on travel that could interrupt key trial and business activities, such as clinical trial site initiations and monitoring, domestic and international travel by employees, contractors or patients to clinical trial sites, including any government-imposed travel restrictions or quarantines that will impact the ability or willingness of patients, employees or contractors to travel to resTORbio's clinical trial sites or secure visas or entry permissions, a loss of face-to-face meetings and other interactions with potential partners, any of which could delay or adversely impact the conduct or progress of resTORbio's prospective clinical trials;
- interruption in global shipping affecting the transport of clinical trial materials, such as patient samples, investigational drug product and conditioning drugs and other supplies used in resTORbio's prospective clinical trials; and
- business disruptions caused by potential workplace, laboratory and office closures and an increased reliance on employees working from home, disruptions to or delays in ongoing laboratory experiments and operations, product manufacturing and supply, staffing shortages, travel limitations or mass transit disruptions, any of which could adversely impact resTORbio's business operations or delay necessary interactions with local regulators, ethics committees and other important agencies and contractors.

Risks Related to Regulatory Approval and Marketing of resTORbio's Product Candidates and Other Legal Compliance Matters

Even if resTORbio completes the necessary preclinical studies and clinical trials, the regulatory approval process for product candidates is expensive, time consuming and uncertain and may prevent resTORbio or any future collaborators from obtaining approvals for the commercialization of RTB101 alone or in combination with a rapalog, such as everolimus or sirolimus, or any other product candidate. As a result, resTORbio cannot predict when or if, and in which territories, resTORbio, or any future collaborators, will obtain regulatory approval to commercialize a product candidate.

The research, testing, manufacturing, labeling, approval, selling, marketing, promotion and distribution of products are subject to extensive regulation by the FDA and comparable foreign regulatory authorities. resTORbio, and any future collaborators, are not permitted to market RTB101, alone or in combination with a rapalog, such as everolimus or sirolimus, or any other product candidate in the United States or in other countries until resTORbio, or any future collaborators, or they, receive approval of an NDA from the FDA or regulatory approval from applicable regulatory authorities outside the United States. RTB101 is in clinical development and is subject to the risks of failure inherent in drug development. resTORbio has not submitted an application for or received regulatory approval for RTB101, alone or in combination with a rapalog, such as everolimus or sirolimus, or any other product candidate in the United States or in any other jurisdiction. resTORbio has limited experience in conducting and managing the clinical trials necessary to obtain regulatory approvals, including obtaining FDA approval of an NDA.

The process of obtaining regulatory approvals, both in the United States and abroad, is lengthy, expensive and uncertain. It may take many years, if approval is obtained at all, and can vary substantially based upon a variety of factors, including the type, complexity and novelty of the product candidates involved. Securing regulatory approval requires the submission of extensive preclinical and clinical data and supporting information to regulatory authorities for each therapeutic indication to establish the product candidate's safety and efficacy. Securing regulatory approval also requires the submission of information about the product manufacturing process to, and inspection of manufacturing facilities by, the regulatory authorities. The FDA or other regulatory authorities may determine that RTB101, alone or in combination with a rapalog, such as everolimus or sirolimus, or any other product candidates are not safe and effective, only moderately effective or have undesirable or unintended side effects, toxicities or other characteristics that preclude resTORbio's obtaining regulatory approval or prevent or limit commercial use. Any regulatory approval resTORbio ultimately obtains may be

limited or subject to restrictions or post-approval commitments that render the approved product not commercially viable.

In addition, changes in regulatory approval policies during the development period, changes in or the enactment or promulgation of additional statutes, regulations or guidance or changes in regulatory review for each submitted product application, may cause delays in the approval or rejection of an application. Regulatory authorities have substantial discretion in the approval process and may refuse to accept any application or may decide that resTORbio's data are insufficient for approval and require additional preclinical, clinical or other studies. In addition, varying interpretations of the data obtained from preclinical and clinical testing could delay, limit or prevent regulatory approval of a product candidate. Any regulatory approval resTORbio, or any future collaborators, ultimately obtain may be limited or subject to restrictions or post-approval commitments that render the approved product not commercially viable.

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

Any delay in obtaining or failure to obtain required approvals could negatively impact resTORbio's ability or that of any future collaborators to generate revenue from the particular product candidate, which likely would result in significant harm to resTORbio's business and adversely impact resTORbio's stock price.

resTORbio's failure to obtain regulatory approval in foreign jurisdictions would prevent resTORbio's product candidates from being marketed abroad, and any approval resTORbio is granted for RTB101, alone or in combination with a rapalog, such as everolimus or sirolimus, or any of resTORbio's other product candidates in the United States would not assure approval of product candidates in foreign jurisdictions.

In order to market any products outside of the United States, resTORbio must establish and comply with numerous and varying regulatory requirements of other countries regarding clinical trial design, safety and efficacy. Clinical trials conducted in one country may not be accepted by regulatory authorities in other countries, and regulatory approval in one country does not mean that regulatory approval will be obtained in any other country. Approval procedures vary among countries and can involve additional product testing and validation and additional administrative review periods. Seeking foreign regulatory approvals could result in significant delays, difficulties and costs for resTORbio and may require additional preclinical studies or clinical trials which would be costly and time consuming and could delay or prevent introduction of RTB101, alone or in combination with a rapalog, such as everolimus or sirolimus, or any of resTORbio's other product candidates in those countries. resTORbio does not have experience in obtaining regulatory approval in international markets. If resTORbio or resTORbio's partners fail to comply with regulatory requirements or to obtain and maintain required approvals, resTORbio's target market will be reduced and resTORbio's ability to realize the full market potential of resTORbio's product candidates will be harmed.

The exit of the United Kingdom, or the UK, from the European Union, or the EU, may materially affect the regulatory regime that governs resTORbio's handling of EU personal data and expose resTORbio to legal and business risks under European data privacy and protection law.

On June 23, 2016, the UK held a referendum in which a majority of the eligible members of the electorate voted to leave the EU. The UK's withdrawal from the EU is commonly referred to as Brexit. Pursuant to Article 50 of

the Treaty on European Union, the UK ceased being a Member State of the EU on January 31, 2020. However, the terms of the withdrawal have yet to be fully negotiated. The implementation period began February 1, 2020 and will continue until December 31, 2020. During this 11-month period, the UK will continue to follow all of the EU's rules and its trading relationship will remain the same. However, regulations (including data protection laws, health and safety laws and regulations and medicine licensing and regulations), have yet to be addressed. This lack of clarity on future UK laws and regulations and their interaction with EU laws and regulations could add legal risk, uncertainty, complexity and cost to resTORbio's handling of EU personal information and resTORbio's privacy and data security compliance programs. It is possible that over time the UK Data Protection Act could become less aligned with the EU General Data Protection Regulation, or GDPR, which could require resTORbio to implement different compliance measures for the UK and the European Union and result in potentially enhanced compliance obligations for EU personal data. This risk would apply more immediately in the event of a "no-deal" Brexit (including no transition period).

It is unclear whether the European Commission, or EC, will grant an adequacy finding to the UK (a finding that the UK privacy legal framework provides an adequate level of privacy protection to EU individuals). Absent an adequacy finding, transfers of personal data from the EU to the UK would be impermissible without adequate safeguards provided for under EC-approved mechanisms, such as current standard contractual clauses or, if approved in the future, an EU—UK privacy shield similar to the current framework in place between the EU and the U.S. The extensive authority of UK intelligence and law enforcement agencies, including to conduct surveillance on personal data flows, could reduce the likelihood that the EC would give the UK an adequacy finding, and reduce the likelihood that the EC would approve an EU—UK privacy shield. Accordingly, resTORbio would be exposed to legal risk for any of resTORbio's EU-UK personal data transfers, including those that involve sensitive data such as patient and genetic data.

Even if resTORbio, or any future collaborators, obtain regulatory approvals for resTORbio's product candidates, the terms of approvals and ongoing regulation of resTORbio's products may limit how resTORbio manufactures and markets resTORbio's products, which could impair resTORbio's ability to generate revenue.

Once regulatory approval has been granted, an approved product and its manufacturer and marketer are subject to ongoing review and extensive regulation. resTORbio, and any future collaborators, must therefore comply with requirements concerning advertising and promotion for any of resTORbio's product candidates for which resTORbio or its future collaborators obtain regulatory approval. Promotional communications with respect to prescription drugs are subject to a variety of legal and regulatory restrictions and must be consistent with the information in the product's approved labeling. Thus, resTORbio and any future collaborators will not be able to promote any products resTORbio develops for indications or uses for which they are not approved.

In addition, manufacturers of approved products and those manufacturers' facilities are required to comply with extensive FDA requirements, including ensuring that quality control and manufacturing procedures conform to cGMPs, which include requirements relating to quality control and quality assurance as well as the corresponding maintenance of records and documentation and reporting requirements. resTORbio, resTORbio's contract manufacturers, any future collaborators and their contract manufacturers could be subject to periodic unannounced inspections by the FDA to monitor and ensure compliance with cGMPs. Despite resTORbio's efforts to inspect and verify regulatory compliance, one or more of resTORbio's third-party manufacturing vendors may be found on regulatory inspection by FDA or other authorities to be not in compliance with cGMP regulations, which may result in shutdown of the third-party vendor or invalidation of drug product lots or processes. In some cases, a product recall may be warranted or required, which would materially affect resTORbio's ability to supply and market resTORbio's drug products.

Accordingly, assuming resTORbio, or any future collaborators, receive regulatory approval for one or more of resTORbio's product candidates, resTORbio, and any future collaborators, and resTORbio and their contract manufacturers will continue to expend time, money and effort in all areas of regulatory compliance, including manufacturing, production, product surveillance and quality control.

If resTORbio, and any future collaborators, are not able to comply with post-approval regulatory requirements, resTORbio, and any future collaborators, could have the regulatory approvals for resTORbio's products withdrawn by regulatory authorities and resTORbio's, or any future collaborators', ability to market any future products could be limited, which could adversely affect resTORbio's ability to achieve or sustain profitability. Further, the cost of compliance with post-approval regulations may have a negative effect on resTORbio's operating results and financial condition.

resTORbio is subject to extensive government regulation and the failure to comply with these regulations may have a material adverse effect on resTORbio's operations and business.

Both before and after approval of any product, resTORbio and its suppliers, contract manufacturers and clinical investigators are subject to extensive regulation by governmental authorities in the United States and other countries, covering, among other things, testing, manufacturing, quality control, clinical trials, post-marketing studies, labeling, advertising, promotion, distribution, import and export, governmental pricing, price reporting and rebate requirements. Failure to comply with applicable requirements could result in one or more of the following actions: warning or untitled letters; unanticipated expenditures; delays in approval or refusal to approve a product candidate; voluntary product recall; product seizure; interruption of manufacturing or clinical trials; operating or marketing restrictions; injunctions; criminal prosecution and civil or criminal penalties including fines and other monetary penalties; exclusion from federal health care programs such as Medicare and Medicaid; adverse publicity; and disruptions to resTORbio's business. Further, government investigations into potential violations of these laws would require resTORbio to expend considerable resources and face adverse publicity and the potential disruption of resTORbio's business even if resTORbio is ultimately found not to have committed a violation.

Obtaining FDA approval of resTORbio's product candidates requires substantial time, effort and financial resources and may be subject to both expected and unforeseen delays, and there can be no assurance that any approval will be granted for any of resTORbio's product candidates on a timely basis, if at all. The FDA may decide that resTORbio's data are insufficient for approval of resTORbio's product candidates and require additional preclinical, clinical or other studies or additional work related to chemistry, manufacturing and controls. In addition, resTORbio, the FDA, IRBs or independent ethics committees may suspend or terminate human clinical trials at any time on various grounds, including a finding that the patients are or would be exposed to an unacceptable health risk or because of the way in which the investigators on which resTORbio relies to carry out the trials. If resTORbio is required to conduct additional trials or to conduct other testing of resTORbio's product candidates beyond that which resTORbio currently contemplates for regulatory approval, if resTORbio is unable to complete successfully its clinical trials or other testing, or if the results of these and other trials or tests fail to demonstrate efficacy or raise safety concerns, resTORbio may face substantial additional expenses, be delayed in obtaining regulatory approval for its product candidates or may never obtain regulatory approval.

resTORbio is also required to comply with extensive governmental regulatory requirements after a product has received marketing authorization. Governing regulatory authorities may require post-marketing studies that may negatively impact the commercial viability of a product. Once on the market, a product may become associated with previously undetected adverse effects and/or may experience manufacturing or other commercial difficulties. As a result of any of these or other problems, a product's regulatory approval could be withdrawn, suspended or modified which could harm resTORbio's business and operating results.

Any of resTORbio's product candidates for which resTORbio, or any future collaborators, obtain regulatory approval in the future will be subject to ongoing obligations and continued regulatory review, which may result in significant additional expense. If approved, resTORbio's product candidates could be subject to post-marketing restrictions or withdrawal from the market and resTORbio, or any future collaborators, may be subject to substantial penalties if resTORbio, or future collaborators, fail to comply with regulatory requirements or if resTORbio, or future collaborators, experience unanticipated problems with resTORbio's products following approval.

Any of resTORbio's product candidates for which resTORbio, or any future collaborators, obtain regulatory approval, as well as the manufacturing processes, post-approval studies, labeling, advertising and promotional activities for such product, among other things, will be subject to ongoing requirements of and review by the FDA, EMA and other regulatory authorities. These requirements include submissions of safety and other post-marketing information and reports, registration and listing requirements, requirements relating to manufacturing, quality control, quality assurance and corresponding maintenance of records and documents, requirements regarding the distribution of samples to physicians and recordkeeping. resTORbio and resTORbio's contract manufacturers will also be subject to user fees and periodic inspection by the FDA, EMA and other regulatory authorities to monitor compliance with these requirements and the terms of any product approval resTORbio may obtain. Even if regulatory approval of a product candidate is granted, the approval may be subject to limitations on the indicated uses for which the product may be marketed or to the conditions of approval, including the requirement to implement a REMS.

The FDA, EMA and other regulatory authorities may also impose requirements for costly post-marketing studies or clinical trials and surveillance to monitor the safety or efficacy of a product. The FDA and other agencies, including the Department of Justice, closely regulate and monitor the post-approval marketing and promotion of products to ensure that they are manufactured, marketed and distributed only for the approved indications and in accordance with the provisions of the approved labeling. The FDA imposes stringent restrictions on manufacturers' communications regarding off-label use and if resTORbio, or any future collaborators, do not market any of resTORbio's product candidates for which resTORbio, or they, receive regulatory approval for only their approved indications, resTORbio, or they, may be subject to warnings or enforcement action for off-label marketing if it is alleged that resTORbio is doing so. Violation of the Federal Food, Drug and Cosmetic Act, or FDCA, and other statutes relating to the promotion and advertising of prescription drugs may lead to investigations or allegations of violations of federal and state health care fraud and abuse laws and state consumer protection laws, including the False Claims Act.

In addition, later discovery of previously unknown adverse events or other problems with resTORbio's products or their manufacturers or manufacturing processes, or failure to comply with regulatory requirements, may yield various results, including:

- restrictions on the manufacturing of such products;
- restrictions on the labeling or marketing of such products;
- restrictions on product distribution or use;
- requirements to conduct post-marketing studies or clinical trials;
- warning letters or untitled letters;
- withdrawal of the products from the market;
- refusal to approve pending applications or supplements to approved applications that resTORbio submits;
- recall of products;
- restrictions on coverage by third-party payors;
- fines, restitution or disgorgement of profits or revenues;

- exclusion from federal health care programs such as Medicare and Medicaid;
- suspension or withdrawal of regulatory approvals;
- refusal to permit the import or export of products;
- product seizure; or
- injunctions or the imposition of civil or criminal penalties.

The efforts of the current administration to pursue regulatory reform may limit FDA's ability to engage in oversight and implementation activities in the normal course, and that could negatively impact resTORbio's business.

The policies of the FDA and of other regulatory authorities may change and additional government regulations may be enacted that could prevent, limit or delay regulatory approval of resTORbio's product candidates. resTORbio cannot predict the likelihood, nature or extent of government regulation that may arise from future legislation or administrative or executive action, either in the United States or abroad. For example, certain policies of the current administration may impact resTORbio's business and industry. Namely, the current administration has taken several executive actions, including the issuance of a number of executive orders, that could impose significant burdens on, or otherwise materially delay, the FDA's ability to engage in routine regulatory and oversight activities such as implementing statutes through rulemaking, issuance of guidance, and review and approval of marketing applications. On January 30, 2017, President Trump issued an executive order, applicable to all executive agencies, including the FDA, that requires that for each notice of proposed rulemaking or final regulation to be issued in fiscal year 2017, the agency shall identify at least two existing regulations to be repealed, unless prohibited by law. These requirements are referred to as the "two-for-one" provisions. This executive order includes a budget neutrality provision that requires the total incremental cost of all new regulations in the 2017 fiscal year, including repealed regulations, to be no greater than zero, except in limited circumstances. For fiscal years 2018 and beyond, the executive order requires agencies to identify regulations to offset any incremental cost of a new regulation. In interim guidance issued by the Office of Information and Regulatory Affairs within OMB on February 2, 2017, the administration indicates that the "two-for-one" provisions may apply not only to agency regulations, but also to significant agency guidance documents, and on September 8, 2017, the FDA published notices in the Federal Register soliciting broad public comment to identify regulations that could be modified in compliance with these Executive Orders. It is difficult to predict how these requirements will be implemented, and the extent to which they will impact the FDA's ability to exercise its regulatory authority. If these executive actions impose constraints on FDA's ability to engage in oversight and implementation activities in the normal course, resTORbio's business may be negatively impacted.

resTORbio's relationships with healthcare providers, physicians and third-party payors will be subject to applicable anti-kickback, fraud and abuse, privacy and transparency and other healthcare laws and regulations, which could expose resTORbio to criminal sanctions, civil penalties, exclusion from government healthcare programs, contractual damages, reputational harm and diminished profits and future earnings.

Healthcare providers, physicians and third-party payors will play a primary role in the recommendation and prescription of any products for which resTORbio obtains regulatory approval. resTORbio's future arrangements with third party payors, healthcare providers and physicians may expose resTORbio to broadly applicable fraud and abuse and other healthcare laws and regulations, in addition to legal obligations related to privacy, data protection and information security, that may constrain the business or financial arrangements and relationships through which resTORbio conducts its operations, including how resTORbio researches, markets, sells and distributes any products for which resTORbio obtains regulatory approval. These include the following:

- **Anti-Kickback Statute**-The federal healthcare anti-kickback statute prohibits, among other things, persons from knowingly and willfully soliciting, offering, receiving or providing remuneration, directly or indirectly, in cash or in kind, to induce or reward, or in return for, either the referral of an individual

for, or the purchase, order or recommendation or arranging of, any good or service, for which payment may be made under a federal healthcare program such as Medicare and Medicaid. A person or entity can be found guilty of violating the federal Anti-Kickback Statute without actual knowledge of the statute or specific intent to violate it in order to have committed a violation. In addition, the government may assert that a claim including items or services resulting from a violation of the Anti-Kickback Statute constitutes a false or fraudulent claim for purposes of the federal False Claims Act or federal civil money penalties statute;

- **False Claims Act**-The federal False Claims Act imposes criminal and civil penalties, including through civil whistleblower or qui tam actions, against individuals or entities for, among other things, knowingly presenting, or causing to be presented false or fraudulent claims for payment by a federal healthcare program; making a false statement or record material to a false or fraudulent claim or an obligation to pay money to the federal government; or avoiding, decreasing or concealing an obligation to pay money to the federal government. A claim that includes items or services resulting from a violation of the Anti-Kickback Statute constitutes a false or fraudulent claim under the False Claims Act. Potential liability for violating the False Claims Act includes mandatory treble damages and significant per-claim penalties;
- **HIPAA**-The federal Health Insurance Portability and Accountability Act of 1996, or HIPAA, imposes criminal and civil liability for executing a scheme to defraud any healthcare benefit program or making false statements relating to healthcare matters. Similar to the Anti-Kickback Statute, a person or entity does not need to have actual knowledge of the statute or specific intent to violate it in order to have committed a violation. In addition, HIPAA and, as amended by the Health Information Technology for Economic and Clinical Health Act and its implementing regulations, also imposes obligations on covered entities and their business associates, including mandatory contractual terms and technical safeguards, with respect to maintaining the privacy, security and transmission of individually identifiable health information;
- **Transparency Requirements**-Federal laws require applicable manufacturers of covered drugs to report payments and other transfers of value to physicians, including doctors, dentists, optometrists, podiatrists and chiropractors, and teaching hospitals, as well as information regarding ownership and investment interests held by the physicians described above and their immediate family members. Effective January 1, 2022, these reporting obligations will extend to include transfers of value made to certain non-physician providers such as physician assistants and nurse practitioners;
- **Analogous State and Foreign Laws**-Analogous state and foreign fraud and abuse laws and regulations, such as state anti-kickback and false claims laws, can apply to resTORbio's business practices, including but not limited to research, distribution, sales or marketing arrangements and claims involving healthcare items or services reimbursed by non-governmental third party payors and are generally broad and are enforced by many different federal and state agencies as well as through private actions; and
- **European Privacy Laws**-The data privacy regime in the EU imposes obligations and restrictions on the collection and use of personal data relating to individuals located in the EU and includes the GDPR, and any national laws implementing or supplementing the GDPR. If resTORbio does not comply with resTORbio's obligations under the EU privacy regime, resTORbio could be exposed to significant fines and resTORbio may be the subject of litigation and/or adverse publicity, which could have material adverse effect on resTORbio's reputation and business.

Some state laws require pharmaceutical companies to comply with the pharmaceutical industry's voluntary compliance guidelines and the relevant compliance guidance promulgated by the federal government and require manufacturers to report information related to payments and other transfers of value to physicians and other healthcare providers or marketing expenditures and pricing information. State and foreign laws also govern the privacy and security of health information in some circumstances, many of which differ from each other in significant ways and often are not pre-empted by HIPAA, thus complicating compliance efforts.

Efforts to ensure that resTORbio's business arrangements with third parties, and resTORbio's business generally, will comply with applicable healthcare laws and regulations will involve substantial costs. It is possible that governmental authorities will conclude that resTORbio's business practices may not comply with current or future statutes, regulations, agency guidance or case law involving applicable fraud and abuse or other healthcare laws and regulations. If resTORbio's operations are found to be in violation of any of these laws or any other governmental regulations that may apply to resTORbio, resTORbio may be subject to significant civil, criminal and administrative penalties, damages, fines, imprisonment, exclusion from government funded healthcare programs, such as Medicare and Medicaid, and the curtailment or restructuring of resTORbio's operations. Defending against any such actions can be costly, time-consuming and may require significant financial and personnel resources. Therefore, even if resTORbio is successful in defending against any such actions that may be brought against resTORbio, resTORbio's business may be impaired. If any of the physicians or other healthcare providers or entities with whom resTORbio expects to do business is found to be not in compliance with applicable laws, they may be subject to criminal, civil or administrative sanctions, including exclusions from government funded healthcare programs.

The provision of benefits or advantages to physicians to induce or encourage the prescription, recommendation, endorsement, purchase, supply, order or use of medicinal products is generally not permitted in the countries that form part of the EU. Some EU Member States, like the United Kingdom, through the United Kingdom Bribery Act 2010, have enacted laws explicitly prohibiting the provision of these type of benefits and advantages. Infringements of these laws can result in substantial fines and imprisonment.

Payments made to physicians in certain EU Member States (e.g., France or Belgium) must be publicly disclosed. Moreover, agreements with physicians often must be the subject of prior notification and approval by the physician's employer, his or her competent professional organization and/or the regulatory authorities of the individual EU Member States. These requirements are provided in the EU Member State national laws, industry codes (e.g. the European Federation of Pharmaceutical Industries and Associations Disclosure and Healthcare Professionals Codes) or professional codes of conduct. Failure to comply with these requirements could result in reputational risk, public reprimands, administrative penalties, fines or imprisonment.

resTORbio is subject to governmental regulation and other legal obligations, particularly related to privacy, data protection and information security, and resTORbio is subject to consumer protection laws that regulate resTORbio's marketing practices and prohibit unfair or deceptive acts or practices. resTORbio's actual or perceived failure to comply with such obligations could harm resTORbio's business.

The EU General Data Protection Regulation, or GDPR, imposes strict requirements on controllers and processors of personal data, including special protections for "special category data," which includes health, biometric and genetic information of data subjects located in the EU. Further, GDPR provides a broad right for EU Member States to create supplemental national laws, such as laws relating to the processing of health, genetic and biometric data, which could further limit resTORbio's ability to use and share such data or could cause resTORbio's costs to increase, and harm resTORbio's business and financial condition. GDPR grants individuals the opportunity to object to the processing of their personal information, allows them to request deletion of personal information in certain circumstances, and provides the individual with an express right to seek legal remedies in the event the individual believes his or her rights have been violated. Further, the GDPR imposes strict rules on the transfer of personal data out of the EU to the United States or other regions that have not been deemed to offer "adequate" privacy protections.

Failure to comply with the requirements of the GDPR and the related national data protection laws of the EU Member States, which may deviate slightly from the GDPR, may result in fines of up to 4% of global revenues, or €20,000,000, whichever is greater, and in addition to such fines, resTORbio may be the subject of litigation and/or adverse publicity, which could have material adverse effect on resTORbio's reputation and business. As a result of the implementation of the GDPR, resTORbio is required to put in place additional mechanisms to ensure compliance with the new data protection rules. For example, the GDPR requires resTORbio to make more

detailed disclosures to data subjects, requires disclosure of the legal basis on which resTORbio can process personal data, may make it harder for resTORbio to obtain valid consent for processing, will require the appointment of a data protection officer where sensitive personal data (i.e., health data) is processed on a large scale, introduces mandatory data breach notification requirements throughout the EU, imposes additional obligations on resTORbio when resTORbio is contracting with service providers and requires resTORbio to adopt appropriate privacy governance including policies, procedures, training and data audit.

resTORbio is subject to the supervision of local data protection authorities in those jurisdictions where resTORbio monitors the behavior of individuals in the EU (i.e., undertaking clinical trials).

resTORbio is also subject to evolving European privacy laws on electronic marketing and cookies. The EU is in the process of replacing the e-Privacy Directive (2002/58/EC) with a new set of rules taking the form of a regulation, which will be directly implemented in the laws of each EU state, without the need for further enactment. While the e-Privacy Regulation was originally intended to be adopted on May 25, 2018 (alongside the GDPR), it is still going through the European legislative process. Draft regulations were rejected by the Permanent Representatives Committee of the Council of EU on November 22, 2019; it is not clear when new regulations will be adopted.

Current and future legislation may increase the difficulty and cost for resTORbio and any collaborators to obtain regulatory approval of and commercialize resTORbio's product candidates and affect the prices resTORbio, or future collaborators, may obtain.

In the United States and foreign jurisdictions, there have been a number of legislative and regulatory changes and proposed changes regarding the healthcare system that could prevent or delay regulatory approval of resTORbio's product candidates, restrict or regulate post-approval activities and affect resTORbio's ability to profitably sell any product candidates for which resTORbio obtains regulatory approval. resTORbio expects that current laws, as well as other healthcare reform measures that may be adopted in the future, may result in additional reductions in Medicare and other healthcare funding, more rigorous coverage criteria, new payment methodologies and additional downward pressure on the price that resTORbio, or any collaborators, may receive for any approved products.

In March 2010, President Obama signed into law the Patient Protection and Affordable Care Act, as amended by the Health Care and Education Reconciliation Act, or collectively the Affordable Care Act. Among the provisions of the Affordable Care Act of potential importance to resTORbio's business and resTORbio's product candidates are the following:

- an annual, non-deductible fee on any entity that manufactures or imports specified branded prescription products and biologic products;
- an increase in the statutory minimum rebates a manufacturer must pay under the Medicaid Drug Rebate Program;
- a new methodology by which rebates owed by manufacturers under the Medicaid Drug Rebate Program are calculated for products that are inhaled, infused, instilled, implanted or injected;
- expansion of healthcare fraud and abuse laws, including the civil False Claims Act and the federal Anti-Kickback Statute, new government investigative powers and enhanced penalties for noncompliance;
- a new Medicare Part D coverage gap discount program, in which manufacturers must agree to offer 70% point-of-sale discounts (increased pursuant to the Bipartisan Budget Act of 2018, effective as of 2019) off negotiated prices of applicable brand products to eligible beneficiaries during their coverage gap period, as a condition for the manufacturer's outpatient products to be covered under Medicare Part D;

- extension of manufacturers' Medicaid rebate liability to individuals enrolled in Medicaid managed care organizations;
- expansion of eligibility criteria for Medicaid programs;
- expansion of the entities eligible for discounts under the Public Health Service pharmaceutical pricing program;
- new requirements to report certain financial arrangements with physicians and teaching hospitals;
- a new requirement to annually report product samples that manufacturers and distributors provide to physicians;
- a new Patient-Centered Outcomes Research Institute to oversee, identify priorities in, and conduct comparative clinical effectiveness research, along with funding for such research; and
- established the Center for Medicare and Medicaid Innovation within CMS to test innovative payment and service delivery models.

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

In addition, other legislative changes have been proposed and adopted since the Affordable Care Act was enacted. In August 2011, the Budget Control Act of 2011, among other things, included aggregate reductions to Medicare payments to providers of 2% per fiscal year, which went into effect in April 2013 and will remain in effect through 2029 unless additional Congressional action is taken. The American Taxpayer Relief Act of 2012, among other things, reduced Medicare payments to several providers and increased the statute of limitations period for the government to recover overpayments to providers from three to five years. These laws may result in additional reductions in Medicare and other healthcare funding and otherwise affect the prices resTORbio may obtain for any of resTORbio's product candidates for which resTORbio may obtain regulatory approval or the frequency with which any such product candidate is prescribed or used.

The costs of prescription pharmaceuticals in the United States has also been the subject of considerable discussion in the United States, and members of Congress and the Trump Administration have stated that they will address such costs through new legislative and administrative measures. There have been several U.S. Congressional inquiries and proposed and enacted state legislation designed to, among other things, bring more transparency to drug pricing, review the relationship between pricing and manufacturer patient programs, reduce the costs of drugs under Medicare and reform government program reimbursement methodologies for drug products. At the federal level, Congress and the Trump administration have each indicated that it will continue to pursue new legislative and/or administrative measures to control drug costs. The Trump administration recently released a plan, or Blueprint, to reduce the cost of drugs. The Trump administrations' Blueprint contains certain measures that the U.S. Department of Health and Human Services is already working to implement.

Individual state legislatures have become increasingly aggressive in passing legislation and implementing regulations designed to control pharmaceutical and biological product pricing. Some of these measures include price or patient reimbursement constraints, discounts, restrictions on certain product access, marketing cost

disclosure and transparency measures, and, in some cases, measures designed to encourage importation from other countries and bulk purchasing. In addition, regional health care authorities and individual hospitals are increasingly using bidding procedures to determine what pharmaceutical products and which suppliers will be included in their prescription drug and other health care programs. These measures could reduce the ultimate demand for resTORbio's products, once approved, or put pressure on resTORbio's product pricing.

In addition, individual states in the United States have also become increasingly active in passing legislation and implementing regulations designed to control pharmaceutical product pricing, including price or patient reimbursement constraints, discounts, restrictions on certain product access, and to encourage importation from other countries and bulk purchasing.

The pricing of prescription pharmaceuticals is also subject to governmental control outside the United States. In these countries, pricing negotiations with governmental authorities can take considerable time after the receipt of regulatory approval for a product. To obtain reimbursement or pricing approval in some countries, resTORbio may be required to conduct a clinical trial that compares the cost-effectiveness of resTORbio's product candidates to other available therapies. If reimbursement of resTORbio's products is unavailable or limited in scope or amount, or if pricing is set at unsatisfactory levels, resTORbio's ability to generate revenues and become profitable could be impaired.

Governments outside the United States may impose strict price controls, which may adversely affect resTORbio's revenues, if any.

In some countries, including Member States of the EU, the pricing of prescription drugs is subject to governmental control. Additional countries may adopt similar approaches to the pricing of prescription drugs. In such countries, pricing negotiations with governmental authorities can take considerable time after receipt of regulatory approval for a product. In addition, there can be considerable pressure by governments and other stakeholders on prices and reimbursement levels, including as part of cost containment measures. Political, economic and regulatory developments may further complicate pricing negotiations, and pricing negotiations may continue after coverage and reimbursement have been obtained. Reference pricing used by various countries and parallel distribution, or arbitrage between low-priced and high-priced countries, can further reduce prices. In some countries, resTORbio may be required to conduct a clinical study or other studies that compare the cost-effectiveness of any of resTORbio's product candidates to other available therapies in order to obtain or maintain reimbursement or pricing approval, which is time-consuming and costly. resTORbio cannot be sure that such prices and reimbursement will be acceptable to resTORbio or resTORbio's strategic partners. Publication of discounts by third-party payors or authorities may lead to further pressure on the prices or reimbursement levels within the country of publication and other countries. If pricing is set at unsatisfactory levels or if reimbursement of resTORbio's products is unavailable or limited in scope or amount, resTORbio's revenues from sales by resTORbio or resTORbio's strategic partners and the potential profitability of any of resTORbio's product candidates in those countries would be negatively affected.

Laws and regulations governing any international operations resTORbio may have in the future may preclude resTORbio from developing, manufacturing and selling certain products outside of the United States and require resTORbio to develop and implement costly compliance programs.

If resTORbio further expands its operations outside of the United States, resTORbio must dedicate additional resources to comply with numerous laws and regulations in each jurisdiction in which resTORbio plans to operate. The Foreign Corrupt Practices Act, or FCPA, prohibits any U.S. individual or business from paying, offering, authorizing payment or offering of anything of value, directly or indirectly, to any foreign official, political party or candidate for the purpose of influencing any act or decision of the foreign entity in order to assist the individual or business in obtaining or retaining business. The FCPA also obligates companies whose securities are listed in the United States to comply with certain accounting provisions requiring resTORbio to maintain books and records that accurately and fairly reflect all transactions of the corporation, including

international subsidiaries, and to devise and maintain an adequate system of internal accounting controls for international operations.

Compliance with the FCPA is expensive and difficult, particularly in countries in which corruption is a recognized problem. In addition, the FCPA presents particular challenges in the pharmaceutical industry, because, in many countries, hospitals are operated by the government, and doctors and other hospital employees are considered foreign officials. Certain payments to hospitals in connection with clinical trials and other work have been deemed to be improper payments to government officials and have led to FCPA enforcement actions.

Various laws, regulations and executive orders also restrict the use and dissemination outside of the United States, or the sharing with certain non-U.S. nationals, of information classified for national security purposes, as well as certain products and technical data relating to those products. If resTORbio expands its presence outside of the United States, it will require resTORbio to dedicate additional resources to comply with these laws, and these laws may preclude resTORbio from developing, manufacturing, or selling certain products and product candidates outside of the United States, which could limit resTORbio's growth potential and increase resTORbio's development costs.

The failure to comply with laws governing international business practices may result in substantial civil and criminal penalties and suspension or debarment from government contracting. The Securities and Exchange Commission, or SEC, also may suspend or bar issuers from trading securities on U.S. exchanges for violations of the FCPA's accounting provisions.

If resTORbio fails to comply with environmental, health and safety laws and regulations, resTORbio could become subject to fines or penalties or incur costs that could harm resTORbio's business.

resTORbio is subject to numerous environmental, health and safety laws and regulations, including those governing laboratory procedures and the handling, use, storage, treatment and disposal of hazardous materials and wastes. From time to time and in the future, resTORbio's operations may involve the use of hazardous and flammable materials, including chemicals and biological materials, and may also produce hazardous waste products. Even if resTORbio contracts with third parties for the disposal of these materials and waste products, resTORbio cannot completely eliminate the risk of contamination or injury resulting from these materials. In the event of contamination or injury resulting from the use or disposal of resTORbio's hazardous materials, resTORbio could be held liable for any resulting damages, and any liability could exceed resTORbio's resources. resTORbio also could incur significant costs associated with civil or criminal fines and penalties for failure to comply with such laws and regulations.

resTORbio maintains workers' compensation insurance to cover resTORbio for costs and expenses resTORbio may incur due to injuries to its employees, but this insurance may not provide adequate coverage against potential liabilities. However, resTORbio does not maintain insurance for environmental liability or toxic tort claims that may be asserted against resTORbio.

In addition, resTORbio may incur substantial costs in order to comply with current or future environmental, health and safety laws and regulations. Current or future environmental laws and regulations may impair resTORbio's research, development or production efforts. In addition, failure to comply with these laws and regulations may result in substantial fines, penalties or other sanctions.

The anticipated phasing out of LIBOR in the future may adversely affect the value of any outstanding debt instruments.

National and international regulators and law enforcement agencies have conducted investigations into a number of rates or indices known as "reference rates." Actions by such regulators and law enforcement agencies may result in changes to the manner in which certain reference rates are determined, their discontinuance, or the

establishment of alternative reference rates. In particular, in July 2017, the Chief Executive of the U.K. Financial Conduct Authority, or FCA, which regulates LIBOR, announced that the FCA will no longer persuade or compel banks to submit rates for the calculation of LIBOR after 2021. Such announcement indicates that the continuation of LIBOR on the current basis cannot and will not be guaranteed after 2021. As a result, it appears highly likely that LIBOR will be discontinued or modified by 2021.

At this time, it is not possible to predict the effect that these developments, any discontinuance, modification or other reforms to LIBOR or any other reference rate, or the establishment of alternative reference rates may have on LIBOR, other benchmarks, or LIBOR-based debt instruments. Uncertainty as to the nature of such potential discontinuance, modification, alternative reference rates or other reforms may materially adversely affect the trading market for securities linked to such benchmarks. Furthermore, the use of alternative reference rates or other reforms could cause the interest rate calculated for the LIBOR-based debt instruments to be materially different than expected.

Risks Related to resTORbio's Intellectual Property

resTORbio's commercial success depends on resTORbio's ability to protect resTORbio's intellectual property and proprietary technology.

resTORbio's commercial success depends in large part on resTORbio's ability to obtain and maintain intellectual property rights protection through patents, trademarks, and trade secrets in the United States and other countries with respect to resTORbio's proprietary product candidates. If resTORbio does not adequately protect resTORbio's intellectual property rights, competitors may be able to erode, negate or preempt any competitive advantage resTORbio may have, which could harm resTORbio's business and ability to achieve profitability. To protect resTORbio's proprietary position, resTORbio has patent applications and may file other patent applications in the United States or abroad related to resTORbio's product candidates that are important to resTORbio's business; resTORbio may also license or purchase patent applications filed by others. The patent application and approval process is expensive and time-consuming. resTORbio may not be able to file and prosecute all necessary or desirable patent applications at a reasonable cost or in a timely manner.

Agreements through which resTORbio licenses patent rights may not give resTORbio control over patent prosecution or maintenance, so that resTORbio may not be able to control which claims or arguments are presented, how claims are amended, and may not be able to secure, maintain, or successfully enforce necessary or desirable patent protection from those patent rights. resTORbio has not had and do not have primary control over patent prosecution and maintenance for certain of the patents and patent applications resTORbio licenses, and therefore cannot guarantee that these patents and applications will be prosecuted or maintained in a manner consistent with the best interests of resTORbio's business. resTORbio cannot be certain that patent prosecution and maintenance activities by resTORbio's licensors have been or will be conducted in compliance with applicable laws and regulations or will result in valid and enforceable patents.

If the scope of the patent protection resTORbio or its licensors obtain is not sufficiently broad, resTORbio may not be able to prevent others from developing and commercializing technology and products similar or identical to ours. The degree of patent protection resTORbio requires to successfully compete in the marketplace may be unavailable or severely limited in some cases and may not adequately protect resTORbio's rights or permit resTORbio to gain or keep any competitive advantage. resTORbio cannot provide any assurances that any of resTORbio's licensed patents have, or that any of resTORbio's pending owned or licensed patent applications that mature into issued patents will include, claims with a scope sufficient to protect resTORbio's proprietary platform or otherwise provide any competitive advantage, nor can resTORbio assure you that resTORbio's licenses are or will remain in force. Other parties have developed or may develop technologies that may be related or competitive with resTORbio's approach, and may have filed or may file patent applications and may have been issued or may be issued patents with claims that overlap or conflict with resTORbio's patent applications, either by claiming the same compounds, formulations or methods or by claiming subject matter that

could dominate resTORbio's patent position. In addition, the laws of foreign countries may not protect resTORbio's rights to the same extent as the laws of the United States. Furthermore, patents have a limited lifespan. In the United States, the natural expiration of a patent is generally twenty years after it is filed. Various extensions may be available; however, the life of a patent, and the protection it affords, is limited. Given the amount of time required for the development, testing and regulatory review of new product candidates, patents protecting such candidates might expire before or shortly after such candidates are commercialized. As a result, resTORbio's patent portfolio may not provide resTORbio with adequate and continuing patent protection sufficient to exclude others from commercializing products similar to resTORbio's product candidates. In addition, the patent portfolio licensed to resTORbio is, or may be, licensed to third parties, such as outside resTORbio's field, and such third parties may have certain enforcement rights. Thus, patents licensed to resTORbio could be put at risk of being invalidated or interpreted narrowly in litigation filed by or against another licensee or in administrative proceedings brought by or against another licensee in response to such litigation or for other reasons.

Even if they are unchallenged, resTORbio's owned and licensed patents and pending patent applications, if issued, may not provide resTORbio with any meaningful protection or prevent competitors from designing around resTORbio's patent claims to circumvent resTORbio's patents by developing similar or alternative technologies or therapeutics in a non-infringing manner. For example, a third party may develop a competitive therapy that provides benefits similar to one or more of resTORbio's product candidates but falls outside the scope of resTORbio's patent protection or license rights. If the patent protection provided by the patents and patent applications resTORbio holds or pursues with respect to its product candidates is not sufficiently broad to impede such competition, resTORbio's ability to successfully commercialize resTORbio's product candidates could be negatively affected, which would harm resTORbio's business. Currently, a significant portion of resTORbio's patents and patent applications are in-licensed, though similar risks would apply to any patents or patent applications that resTORbio now owns or may own or in-license in the future.

resTORbio, or any future partners, collaborators, or licensees, may fail to identify patentable aspects of inventions made in the course of development and commercialization activities before it is too late to obtain patent protection on them. Therefore, resTORbio may miss potential opportunities to strengthen its patent position.

It is possible that defects of form in the preparation or filing of resTORbio's patents or patent applications may exist, or may arise in the future, for example with respect to proper priority claims, inventorship, claim scope, or requests for patent term adjustments. If resTORbio or its partners, collaborators, licensees, or licensors, whether current or future, fail to establish, maintain or protect such patents and other intellectual property rights, such rights may be reduced or eliminated. If resTORbio's partners, collaborators, licensees, or licensors, are not fully cooperative or disagree with resTORbio as to the prosecution, maintenance or enforcement of any patent rights, such patent rights could be compromised. If there are material defects in the form, preparation, prosecution, or enforcement of resTORbio's patents or patent applications, such patents may be invalid and/or unenforceable, and such applications may never result in valid, enforceable patents. Any of these outcomes could impair resTORbio's ability to prevent competition from third parties, which may have an adverse impact on resTORbio's business.

The patent position of biotechnology and pharmaceutical companies carries uncertainty. In addition, the determination of patent rights with respect to pharmaceutical compounds commonly involves complex legal and factual questions, which are dependent upon the current legal and intellectual property context, extant legal precedent and interpretations of the law by individuals. As a result, the issuance, scope, validity, enforceability and commercial value of resTORbio's patent rights are characterized by uncertainty.

Pending patent applications cannot be enforced against third parties practicing the technology claimed in such applications unless and until a patent issues from such applications. Assuming the other requirements for patentability are met, currently, the first to file a patent application is generally entitled to the patent. However,

prior to March 16, 2013, in the United States, the first to invent was entitled to the patent. Publications of discoveries in the scientific literature often lag behind the actual discoveries, and patent applications in the United States and other jurisdictions are not published until 18 months after filing, or in some cases not at all. Therefore, resTORbio cannot be certain that resTORbio was the first to make the inventions claimed in resTORbio's patents or pending patent applications, or that resTORbio was the first to file for patent protection of such inventions. Similarly, resTORbio cannot be certain that parties from whom resTORbio does or may license or purchase patent rights were the first to make relevant claimed inventions, or were the first to file for patent protection for them. If third parties have filed prior patent applications on inventions claimed in resTORbio's patents or applications that were filed on or before March 15, 2013, an interference proceeding in the United States can be initiated by such third parties to determine who was the first to invent any of the subject matter covered by the patent claims of resTORbio's applications. If third parties have filed such prior applications after March 15, 2013, a derivation proceeding in the United States can be initiated by such third parties to determine whether resTORbio's invention was derived from theirs.

Moreover, because the issuance of a patent is not conclusive as to its inventorship, scope, validity or enforceability, resTORbio's patents or pending patent applications may be challenged in the courts or patent offices in the United States and abroad. There is no assurance that all of the potentially relevant prior art relating to resTORbio's patents and patent applications has been found. If such prior art exists, it may be used to invalidate a patent, or may prevent a patent from issuing from a pending patent application. For example, such patent filings may be subject to a third-party submission of prior art to the U.S. Patent and Trademark Office, or USPTO, or to other patent offices around the world. Alternately or additionally, resTORbio may become involved in post-grant review procedures, oppositions, derivation proceedings, *ex parte* reexaminations, *inter partes* review, supplemental examinations, or interference proceedings or challenges in district court, in the United States or in various foreign patent offices, including both national and regional, challenging patents or patent applications in which resTORbio has rights, including patents on which resTORbio relies to protect its business. An adverse determination in any such challenges may result in loss of the patent or in patent or patent application claims being narrowed, invalidated or held unenforceable, in whole or in part, or in denial of the patent application or loss or reduction in the scope of one or more claims of the patent or patent application, any of which could limit resTORbio's ability to stop others from using or commercializing similar or identical technology and products, or limit the duration of the patent protection of resTORbio's technology and products. In addition, given the amount of time required for the development, testing and regulatory review of new product candidates, patents protecting such candidates might expire before or shortly after such candidates are commercialized.

Pending and future patent applications may not result in patents being issued that protect resTORbio's business, in whole or in part, or which effectively prevent others from commercializing competitive products. Competitors may also be able to design around resTORbio's patents. Changes in either the patent laws or interpretation of the patent laws in the United States and other countries may diminish the value of resTORbio's patents or narrow the scope of resTORbio's patent protection. In addition, the laws of foreign countries may not protect resTORbio's rights to the same extent or in the same manner as the laws of the United States. For example, patent laws in various jurisdictions, including significant commercial markets such as Europe, restrict the patentability of methods of treatment of the human body more than United States law does. If these developments were to occur, they could have a material adverse effect on resTORbio's ability to generate revenue.

The patent application process is subject to numerous risks and uncertainties, and there can be no assurance that resTORbio or any of its future development partners will be successful in protecting resTORbio's product candidates by obtaining and defending patents. These risks and uncertainties include the following:

- the USPTO and various foreign governmental patent agencies require compliance with a number of procedural, documentary, fee payment and other provisions during the patent process. There are situations in which noncompliance can result in abandonment or lapse of a patent or patent application, resulting in partial or complete loss of patent rights in the relevant jurisdiction. In such an event, competitors might be able to enter the market earlier than would otherwise have been the case;

- patent applications may not result in any patents being issued;
- patents that may be issued or in-licensed may be challenged, invalidated, modified, revoked, circumvented, found to be unenforceable or otherwise may not provide any competitive advantage;
- resTORbio's competitors, many of whom have substantially greater resources and many of whom have made significant investments in competing technologies, may seek or may have already obtained patents that will limit, interfere with or eliminate resTORbio's ability to make, use, and sell resTORbio's potential product candidates;
- there may be significant pressure on the U.S. government and international governmental bodies to limit the scope of patent protection both inside and outside the United States for disease treatments that prove successful, as a matter of public policy regarding worldwide health concerns; and
- countries other than the United States may have patent laws less favorable to patentees than those upheld by U.S. courts, allowing foreign competitors a better opportunity to create, develop and market competing product candidates.

Issued patents that resTORbio has or may obtain or license may not provide resTORbio with any meaningful protection, prevent competitors from competing with resTORbio or otherwise provide resTORbio with any competitive advantage. resTORbio's competitors may be able to circumvent resTORbio's patents by developing similar or alternative technologies or products in a non-infringing manner. resTORbio's competitors may also seek approval to market their own products similar to or otherwise competitive with resTORbio's products. Alternatively, resTORbio's competitors may seek to market generic versions of any approved products by submitting ANDAs to the FDA in which they claim that patents owned or licensed by resTORbio are invalid, unenforceable or not infringed. In these circumstances, resTORbio may need to defend or assert its patents, or both, including by filing lawsuits alleging patent infringement. In any of these types of proceedings, a court or other agency with jurisdiction may find resTORbio's patents invalid or unenforceable, or that resTORbio's competitors are competing in a non-infringing manner. Thus, even if resTORbio has valid and enforceable patents, these patents still may not provide protection against competing products or processes sufficient to achieve resTORbio's business objectives.

In addition, resTORbio relies on the protection of its trade secrets and proprietary, unpatented know-how. Although resTORbio has taken steps to protect its trade secrets and unpatented know-how, including entering into confidentiality agreements with third parties, and confidential information and invention assignment agreements with employees, consultants, collaborators, vendors, and advisors, resTORbio cannot provide any assurances that all such agreements have been duly executed, and third parties may still obtain this information or may come upon this or similar information independently. It is possible that technology relevant to resTORbio's business will be independently developed by a person who is not a party to such a confidentiality or invention assignment agreement. resTORbio may not be able to prevent the unauthorized disclosure or use of resTORbio's technical knowledge or trade secrets by consultants, collaborators, vendors, advisors, former employees and current employees. Furthermore, if the parties to resTORbio's confidentiality agreements breach or violate the terms of these agreement, resTORbio may not have adequate remedies for any such breach or violation, and resTORbio could lose its trade secrets as a consequence of such breaches or violations. resTORbio's trade secrets could otherwise become known or be independently discovered by resTORbio's competitors. Additionally, if the steps taken to maintain resTORbio's trade secrets are deemed inadequate, resTORbio may have insufficient recourse against third parties for misappropriating resTORbio's trade secrets. If any of these events occurs or if resTORbio otherwise loses protection for resTORbio's trade secrets or proprietary know-how, resTORbio's business may be harmed.

resTORbio depends on intellectual property licensed from third parties and termination of any of these licenses could result in the loss of significant rights, which would harm resTORbio's business.

In March 2017, resTORbio entered into a license agreement with Novartis, or the Novartis License, pursuant to which resTORbio was granted an exclusive, field-restricted, worldwide license to certain intellectual property

rights owned or controlled by Novartis, including patents, patent applications, proprietary information, know-how and other intellectual property, to develop, commercialize and sell one or more therapeutic products comprising RTB101 or RTB101 and everolimus in a fixed dose combination.

resTORbio is dependent on these patents, know-how and proprietary technology, licensed from Novartis. Any termination of this license, or a finding that such intellectual property lacks legal effect, could result in the loss of significant rights and could harm resTORbio's ability to commercialize any product candidates. Please see the section entitled "*resTORbio Business—resTORbio Intellectual Property*" on page 245 of this proxy statement/prospectus/information statement for additional information regarding resTORbio's license agreements.

Disputes may also arise between resTORbio and resTORbio's licensor, resTORbio's licensor and its licensors, or resTORbio and third parties that co-own intellectual property with resTORbio's licensor or its licensors, regarding intellectual property subject to a license agreement, including those relating to:

- the scope of rights, if any, granted under the license agreement and other interpretation-related issues;
- whether and the extent to which resTORbio's technology and processes infringe on intellectual property of the licensor that is not subject to the license agreement;
- whether resTORbio's licensor or its licensor had the right to grant the license agreement;
- whether third parties are entitled to compensation or equitable relief, such as an injunction, for resTORbio's use of the intellectual property without their authorization;
- resTORbio's right to sublicense patent and other rights to third parties under collaborative development relationships;
- whether resTORbio is complying with resTORbio's obligations with respect to the use of the licensed technology in relation to resTORbio's development and commercialization of product candidates;
- resTORbio's involvement in the prosecution of the licensed patents and resTORbio's licensors' overall patent enforcement strategy;
- the allocation of ownership of inventions and know-how resulting from the joint creation or use of intellectual property by resTORbio's licensors and by resTORbio and resTORbio's partners; and
- the amounts of royalties, milestones or other payments due under the license agreement.

If disputes over intellectual property that resTORbio has licensed prevent or impair its ability to maintain resTORbio's current licensing arrangements on acceptable terms, or are insufficient to provide resTORbio the necessary rights to use the intellectual property, resTORbio may be unable to successfully develop and commercialize the affected product candidates. If resTORbio or any such licensors fail to adequately protect this intellectual property, resTORbio's ability to commercialize resTORbio's products could suffer.

Novartis may partially terminate the license agreement with respect to everolimus if resTORbio fails or ceases for three years to use commercially reasonable efforts to research, develop and commercialize a product using everolimus, provided that resTORbio's license related to RTB101 and Novartis's license to resTORbio's improvements related to everolimus will continue. Additionally, either party may terminate the Novartis License if the other party commits a material breach and fails to cure such breach within 60 days after written notice. If Novartis unilaterally terminates the Novartis License, the research and development of RTB101 or RTB101 and everolimus in a fixed dose combination would be suspended, and resTORbio may be unable to research, develop and license future product candidates.

resTORbio may be required to pay certain milestones and royalties under resTORbio's license agreements with third-party licensors.

Under resTORbio's current and future license agreements, resTORbio may be required to pay milestones and royalties based on resTORbio's revenues from sales of resTORbio's products utilizing the technologies licensed

or sublicensed from Novartis or other licensors and these royalty payments could adversely affect the overall profitability for resTORbio of any products that resTORbio may seek to commercialize. In order to maintain resTORbio's license rights under current and future license agreements, resTORbio may need to meet certain specified milestones, subject to certain cure provisions, in the development of resTORbio's product candidates and in the raising of funding. In addition, these agreements may contain diligence milestones and resTORbio may not be successful in meeting all of the milestones in the future on a timely basis, or at all, which could result in termination of resTORbio's rights under such agreements. resTORbio may need to outsource and rely on third parties for many aspects of the clinical development, sales and marketing of resTORbio's products covered under resTORbio's current and future license agreements. Delay or failure by these third parties could adversely affect the continuation of resTORbio's license agreements with their third-party licensors.

It is difficult and costly to protect resTORbio's intellectual property and resTORbio's proprietary technologies, and resTORbio may not be able to ensure their protection.

resTORbio's commercial success will depend in part on obtaining and maintaining patent protection and trade secret protection for the use, formulation and structure of resTORbio's products and product candidates, the methods used to manufacture them, the related therapeutic targets and associated methods of treatment as well as on successfully defending these patents against potential third-party challenges. resTORbio's ability to protect resTORbio's products and product candidates from unauthorized making, using, selling, offering to sell or importing by third parties is dependent on the extent to which resTORbio has rights under valid and enforceable patents that cover these activities.

The patent positions of pharmaceutical, biotechnology and other life sciences companies can be highly uncertain and involve complex legal and factual questions for which important legal principles remain unresolved. Changes in either the patent laws or in interpretations of patent laws in the United States and other countries may diminish the value of resTORbio's intellectual property. Further, the determination that a patent application or patent claim meets all of the requirements for patentability is a subjective determination based on the application of law and jurisprudence. The ultimate determination by the USPTO or by a court or other trier of fact in the United States, or corresponding foreign national patent offices or courts, on whether a claim meets all requirements of patentability cannot be assured. Although resTORbio has conducted searches for third-party publications, patents and other information that may affect the patentability of claims in its various patent applications and patents, resTORbio cannot be certain that all relevant information has been identified. Accordingly, resTORbio cannot predict the breadth of claims that may be allowed or enforced in resTORbio's owned patents or patent applications, in resTORbio's licensed patents or patent applications or in third-party patents.

resTORbio cannot provide assurances that any of resTORbio's patent applications will be found to be patentable, including over resTORbio's own or resTORbio's licensors' prior art publications or patent literature, or will issue as patents. Neither can resTORbio make assurances as to the scope of any claims that may issue from resTORbio's pending and future patent applications nor to the outcome of any proceedings by any potential third parties that could challenge the patentability, validity or enforceability of resTORbio's patents and patent applications in the United States or foreign jurisdictions. Any such challenge, if successful, could limit patent protection for resTORbio's products and product candidates and/or materially harm resTORbio's business.

The degree of future protection for resTORbio's proprietary rights is uncertain because legal means afford only limited protection and may not adequately protect resTORbio's rights or permit resTORbio to gain or keep resTORbio's competitive advantage. For example:

- resTORbio may not be able to generate sufficient data to support full patent applications that protect the entire breadth of developments in one or more of resTORbio's programs;
- it is possible that one or more of resTORbio's pending patent applications will not become an issued patent or, if issued, that the patent(s) claims will have sufficient scope to protect resTORbio's

technology, provide resTORbio with a basis for commercially viable products or provide resTORbio with any competitive advantages;

- if resTORbio's pending applications issue as patents, they may be challenged by third parties as not infringed, invalid or unenforceable under United States or foreign laws;
- if issued, the patents under which resTORbio holds rights may not be valid or enforceable;
- resTORbio may not successfully commercialize RTB101, alone or in combination with a rapalog, such as everolimus or sirolimus, if approved, before resTORbio's relevant patents expire;
- resTORbio may not be the first to make the inventions covered by each of resTORbio's patents and pending patent applications; or
- resTORbio may not develop additional proprietary technologies or product candidates that are separately patentable.

In addition, to the extent that resTORbio is unable to obtain and maintain patent protection for one of resTORbio's products or product candidates or in the event that such patent protection expires, it may no longer be cost-effective to extend resTORbio's portfolio by pursuing additional development of a product or product candidate for follow-on indications.

resTORbio also may rely on trade secrets to protect resTORbio's technologies or products, especially where resTORbio does not believe patent protection is appropriate or obtainable. Also, resTORbio cannot provide any assurances that any of resTORbio's licensed patents have claims with a scope sufficient to protect resTORbio's technology or otherwise provide any competitive advantage, nor can resTORbio assure you that resTORbio's licenses are or will remain in full force or effect, in which case resTORbio would similarly rely on trade secrets. However, trade secrets are difficult to protect. Although resTORbio uses reasonable efforts to protect its trade secrets, resTORbio's employees, consultants, contractors, outside scientific collaborators and other advisers may unintentionally or willfully disclose resTORbio's information to competitors. Enforcing a claim that a third-party entity illegally obtained and is using any of resTORbio's trade secrets is expensive and time-consuming, and the outcome is unpredictable. In addition, courts outside the United States are sometimes less willing to protect trade secrets. Moreover, resTORbio's competitors may independently develop equivalent knowledge, methods and know-how. Notably, proprietary technology protected by a trade secret does not preempt the patenting of independently developed equivalent technology, even if such equivalent technology is invented subsequent to the technology protected by a trade secret.

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

Periodic maintenance fees, renewal fees, annuity fees and various other governmental fees on patents and applications are required to be paid to the USPTO and various governmental patent agencies outside of the United States in several stages over the lifetime of the patents and applications. The USPTO and various non-U.S. governmental patent agencies require compliance with a number of procedural, documentary, fee payment and other similar provisions during the patent application process and after a patent has issued. There are situations in which non-compliance can result in abandonment or lapse of the patent or patent application, resulting in partial or complete loss of patent rights in the relevant jurisdiction. In such a circumstance, competitors may be able to enter the market earlier than otherwise would be the case. Under the terms of some of resTORbio's current and future licenses, resTORbio may not have the ability to maintain patents or prosecute patent applications in the portfolio and may therefore have to rely on third parties to comply with these requirements.

Patent terms may be inadequate to protect resTORbio's competitive position on resTORbio's products for an adequate amount of time.

Given the amount of time required for the development, testing and regulatory review of new product candidates, patents protecting such candidates might expire before or shortly after such candidates are commercialized. resTORbio expects to seek extensions of patent terms in the United States and, if available, in other countries where resTORbio is prosecuting patents. In the United States, the Drug Price Competition and Patent Term Restoration Act of 1984 permits a patent term extension of up to five years beyond the normal expiration of the patent, which is limited to the approved indication (or any additional indications approved during the period of extension). resTORbio might not be granted an extension because of, for example, failure to apply within applicable periods, failure to apply prior to the expiration of relevant patents or otherwise failure to satisfy any of the numerous applicable requirements. Moreover, the applicable authorities, including the FDA and the USPTO in the United States, and any equivalent regulatory authority in other countries, may not agree with resTORbio's assessment of whether such extensions are available, and may refuse to grant extensions to resTORbio's patents, or may grant more limited extensions than resTORbio requests. If this occurs, resTORbio's competitors may be able to obtain approval of competing products following resTORbio's patent expiration by referencing resTORbio's clinical and preclinical data and launch their product earlier than might otherwise be the case. If this were to occur, it could have a material adverse effect on resTORbio's ability to generate revenue.

Changes to patent law in the United States and other jurisdictions could diminish the value of patents in general, thereby impairing resTORbio's ability to protect resTORbio's products.

As is the case with other biopharmaceutical companies, resTORbio's commercial success is heavily dependent on intellectual property, particularly patents. Obtaining and enforcing patents in the biopharmaceutical industry involves both technological and legal complexity and is therefore costly, time consuming and inherently uncertain. Recent wide-ranging patent reform legislation in the United States, including the Leahy-Smith America Invents Act, or the America Invents Act, could increase those uncertainties and costs. The America Invents Act was signed into law on September 16, 2011, and many of the substantive changes became effective on March 16, 2013. The America Invents Act reforms United States patent law in part by changing the U.S. patent system from a "first to invent" system to a "first inventor to file" system, expanding the definition of prior art, and developing a post-grant review system. This legislation changes United States patent law in a way that may weaken resTORbio's ability to obtain patent protection in the United States for those applications filed after March 16, 2013.

Further, the America Invents Act created new procedures to challenge the validity of issued patents in the United States, including post-grant review and *inter partes* review proceedings, which some third parties have been using to cause the cancellation of selected or all claims of issued patents of competitors. For a patent with an effective filing date of March 16, 2013 or later, a petition for post-grant review can be filed by a third party in a nine-month window from issuance of the patent. A petition for *inter partes* review can be filed immediately following the issuance of a patent if the patent has an effective filing date prior to March 16, 2013. A petition for *inter partes* review can be filed after the nine-month period for filing a post-grant review petition has expired for a patent with an effective filing date of March 16, 2013 or later. Post-grant review proceedings can be brought on any ground of invalidity, whereas *inter partes* review proceedings can only raise an invalidity challenge based on published prior art and patents. These adversarial actions at the USPTO review patent claims without the presumption of validity afforded to U.S. patents in lawsuits in U.S. federal courts and use a lower burden of proof than used in litigation in U.S. federal courts. Therefore, it is generally considered easier for a competitor or third party to have a U.S. patent invalidated in a USPTO post-grant review or *inter partes* review proceeding than invalidated in a litigation in a U.S. federal court. If any of resTORbio's patents are challenged by a third party in such a USPTO proceeding, there is no guarantee that resTORbio or its licensors or collaborators will be successful in defending the patent, which may result in a loss of the challenged patent right to resTORbio.

In addition, recent court rulings in cases such as Association for Molecular Pathology v. Myriad Genetics, Inc., BRCA1- & BRCA2-Based Hereditary Cancer Test Patent Litigation, and Promega Corp. v. Life Technologies

Corp. have narrowed the scope of patent protection available in certain circumstances and weakened the rights of patent owners in certain situations. In addition to increasing uncertainty with regard to resTORbio's ability to obtain patents in the future, this combination of events has created uncertainty with respect to the value of patents once obtained. Depending on future actions by the U.S. Congress, the U.S. courts, the USPTO and the relevant law-making bodies in other countries, the laws and regulations governing patents could change in unpredictable ways that would weaken resTORbio's ability to obtain new patents or to enforce its existing patents and patents that it might obtain in the future.

resTORbio may not be able to enforce resTORbio's intellectual property rights throughout the world.

Filing, prosecuting, enforcing and defending patents on resTORbio's product candidates in all countries throughout the world would be prohibitively expensive, and resTORbio's intellectual property rights in some countries outside the United States can be less extensive than those in the United States. The requirements for patentability may differ in certain countries, particularly in developing countries; thus, even in countries where resTORbio does pursue patent protection, there can be no assurance that any patents will issue with claims that cover resTORbio's products.

Moreover, resTORbio's ability to protect and enforce resTORbio's intellectual property rights may be adversely affected by unforeseen changes in foreign intellectual property laws. Additionally, laws of some countries outside of the United States and Europe do not afford intellectual property protection to the same extent as the laws of the United States and Europe. Many companies have encountered significant problems in protecting and defending intellectual property rights in certain foreign jurisdictions. The legal systems of some countries, including India, China and other developing countries, do not favor the enforcement of patents and other intellectual property rights. This could make it difficult for resTORbio to stop the infringement of resTORbio's patents or the misappropriation of resTORbio's other intellectual property rights. For example, many foreign countries have compulsory licensing laws under which a patent owner must grant licenses to third parties. Consequently, resTORbio may not be able to prevent third parties from practicing resTORbio's inventions in certain countries outside the United States and Europe or from selling or importing products made from resTORbio's inventions in and into the United States or other jurisdictions. Competitors may use resTORbio's technologies in jurisdictions where resTORbio has not obtained patent protection to develop and market their own products and, further, may export otherwise infringing products to territories where resTORbio has patent protection, if resTORbio's ability to enforce resTORbio's patents to stop infringing activities is inadequate. These products may compete with resTORbio's products, and resTORbio's patents or other intellectual property rights may not be effective or sufficient to prevent them from competing.

Agreements through which resTORbio licenses patent rights may not give resTORbio sufficient rights to permit resTORbio to pursue enforcement of resTORbio's licensed patents or defense of any claims asserting the invalidity of these patents (or control of such enforcement or defense) of such patent rights in all relevant jurisdictions as requirements may vary.

Proceedings to enforce resTORbio's patent rights, whether or not successful, could result in substantial costs and divert resTORbio's efforts and resources from other aspects of resTORbio's business. Moreover, such proceedings could put resTORbio's patents at risk of being invalidated or interpreted narrowly and resTORbio's patent applications at risk of not issuing and could provoke third parties to assert claims against resTORbio. resTORbio may not prevail in any lawsuits that it initiates and the damages or other remedies awarded, if any, may not be commercially meaningful. Furthermore, while resTORbio intends to protect its intellectual property rights in major markets for resTORbio's products, resTORbio cannot ensure that it will be able to initiate or maintain similar efforts in all jurisdictions in which resTORbio may wish to market its products, if approved. Accordingly, resTORbio's efforts to protect its intellectual property rights in such countries may be inadequate.

Others may challenge inventorship or claim an ownership interest in resTORbio's intellectual property which could expose it to litigation and have a significant adverse effect on its prospects.

A third party or former employee or collaborator may claim an ownership interest in one or more of resTORbio's or resTORbio's licensors' patents or other proprietary or intellectual property rights. A third party could bring legal actions against resTORbio and seek monetary damages and/or enjoin clinical testing, manufacturing and marketing of the affected product or products. While resTORbio is presently unaware of any claims or assertions by third-parties with respect to resTORbio's patents or other intellectual property, resTORbio cannot guarantee that a third party will not assert a claim or an interest in any of such patents or intellectual property. If resTORbio becomes involved in any litigation, it could consume a substantial portion of resTORbio's resources, and cause a significant diversion of effort by resTORbio's technical and management personnel.

If resTORbio is sued for infringing intellectual property rights of third parties, such litigation could be costly and time consuming and could prevent or delay resTORbio from developing or commercializing resTORbio's product candidates.

resTORbio's commercial success depends, in part, on resTORbio's ability to develop, manufacture, market and sell resTORbio's product candidates without infringing the intellectual property and other proprietary rights of third parties. Third parties may have U.S. and non-U.S. issued patents and pending patent applications relating to compounds, methods of manufacturing compounds and/or methods of use for the treatment of the disease indications for which resTORbio is developing resTORbio's product candidates. If any third-party patents or patent applications are found to cover resTORbio's product candidates or its methods of use or manufacture, resTORbio may not be free to manufacture or market resTORbio's product candidates as planned without obtaining a license, which may not be available on commercially reasonable terms, or at all.

There is a substantial amount of intellectual property litigation in the biotechnology and pharmaceutical industries, and resTORbio may become party to, or threatened with, litigation or other adversarial proceedings regarding intellectual property rights with respect to resTORbio's products candidates, including interference and post-grant proceedings before the USPTO. There may be third-party patents or patent applications with claims to materials, formulations, methods of manufacture or methods for treatment related to the composition, use or manufacture of resTORbio's product candidates. resTORbio cannot guarantee that any of resTORbio's patent searches or analyses including, but not limited to, the identification of relevant patents, the scope of patent claims or the expiration of relevant patents are complete or thorough, nor can resTORbio be certain that it has identified each and every patent and pending application in the United States and abroad that is relevant to or necessary for the commercialization of resTORbio's product candidates in any jurisdiction. Because patent applications can take many years to issue, there may be currently pending patent applications which may later result in issued patents that resTORbio's product candidates may be accused of infringing. In addition, third parties may obtain patents in the future and claim that use of resTORbio's technologies infringes upon these patents. Accordingly, third parties may assert infringement claims against resTORbio based on intellectual property rights that exist now or arise in the future. The outcome of intellectual property litigation is subject to uncertainties that cannot be adequately quantified in advance. The pharmaceutical and biotechnology industries have produced a significant number of patents, and it may not always be clear to industry participants, including resTORbio, which patents cover various types of products or methods of use or manufacture. The scope of protection afforded by a patent is subject to interpretation by the courts, and the interpretation is not always uniform. If resTORbio was sued for patent infringement, resTORbio would need to demonstrate that its product candidates, products or methods either do not infringe the patent claims of the relevant patent or that the patent claims are invalid or unenforceable, and resTORbio may not be able to do this. Proving invalidity is difficult. For example, in the United States, proving invalidity requires a showing of clear and convincing evidence to overcome the presumption of validity enjoyed by issued patents. Even if resTORbio is successful in these proceedings, resTORbio may incur substantial costs and the time and attention of its management and scientific personnel could be diverted in pursuing these proceedings, which could significantly harm resTORbio's business and operating results. In addition, resTORbio may not have sufficient resources to bring these actions to a successful conclusion.

If resTORbio is found to infringe a third party's intellectual property rights, resTORbio could be forced, including by court order, to cease developing, manufacturing or commercializing the infringing product candidate or product. Alternatively, resTORbio may be required to obtain a license from such third party in order to use the infringing technology and continue developing, manufacturing or marketing the infringing product candidate or product. If resTORbio was required to obtain a license to continue to manufacture or market the affected product, resTORbio may be required to pay substantial royalties or grant cross-licenses to resTORbio's patents. resTORbio cannot, however, assure you that any such license will be available on acceptable terms, if at all. Ultimately, resTORbio could be prevented from commercializing a product, or be forced to cease some aspect of resTORbio's business operations as a result of claims of patent infringement or violation of other intellectual property rights, Further, the outcome of intellectual property litigation is subject to uncertainties that cannot be adequately quantified in advance, including the demeanor and credibility of witnesses and the identity of any adverse party. This is especially true in intellectual property cases that may turn on the testimony of experts as to technical facts upon which experts may reasonably disagree. Furthermore, resTORbio may not be able to obtain any required license on commercially reasonable terms, or at all. Even if resTORbio was able to obtain a license, it could be non-exclusive, thereby giving resTORbio's competitors access to the same technologies licensed to resTORbio; alternatively or additionally it could include terms that impede or destroy resTORbio's ability to compete successfully in the commercial marketplace. In addition, resTORbio could be found liable for monetary damages, including treble damages and attorneys' fees if resTORbio is found to have willfully infringed a patent. A finding of infringement could prevent resTORbio from commercializing resTORbio's product candidates or force resTORbio to cease some of resTORbio's business operations, which could harm resTORbio's business. Claims that resTORbio has misappropriated the confidential information or trade secrets of third parties could have a similar negative impact on resTORbio's business.

resTORbio may be subject to claims by third parties asserting that resTORbio's employees or resTORbio has misappropriated their intellectual property, or claiming ownership of what resTORbio regards as its own intellectual property.

Many of resTORbio's current and former employees and resTORbio's licensors' current and former employees, including resTORbio's senior management, were previously employed at universities or at other biotechnology or pharmaceutical companies, including some which may be competitors or potential competitors. Some of these employees, including members of resTORbio's senior management, may have executed proprietary rights, non-disclosure and non-competition agreements, or similar agreements, in connection with such previous employment. Although resTORbio tries to ensure that its employees do not use the proprietary information or know-how of others in their work for resTORbio, resTORbio may be subject to claims that resTORbio or these employees have used or disclosed intellectual property, including trade secrets or other proprietary information, of any such third party. Litigation may be necessary to defend against such claims. If resTORbio fails in defending any such claims, in addition to paying monetary damages, resTORbio may sustain damages or lose key personnel, valuable intellectual property rights or the personnel's work product, which could hamper or prevent commercialization of resTORbio's technology, which could materially affect resTORbio's commercial development efforts. Such intellectual property rights could be awarded to a third party, and resTORbio could be required to obtain a license from such third party to commercialize resTORbio's technology or products. Such a license may not be available on commercially reasonable terms, or at all. Even if resTORbio is successful in defending against such claims, litigation could result in substantial costs and be a distraction to management.

In addition, while resTORbio typically requires its employees, consultants and contractors who may be involved in the development of intellectual property to execute agreements assigning such intellectual property to resTORbio, resTORbio may be unsuccessful in executing such an agreement with each party who in fact develops intellectual property that resTORbio regards as its own, which may result in claims by or against resTORbio related to the ownership of such intellectual property. If resTORbio fails in prosecuting or defending any such claims, in addition to paying monetary damages, resTORbio may lose valuable intellectual property rights. Even if resTORbio is successful in prosecuting or defending against such claims, litigation could result in substantial costs and be a distraction to resTORbio's senior management and scientific personnel.

resTORbio may become involved in lawsuits to protect or enforce resTORbio's patents or other intellectual property, which could be expensive, time consuming and unsuccessful.

Competitors may infringe resTORbio's patents, trademarks, copyrights or other intellectual property. To counter infringement or unauthorized use, resTORbio may be required to file infringement claims, which can be expensive and time consuming and divert the time and attention of resTORbio's management and scientific personnel. Any claims resTORbio asserts against perceived infringers could provoke these parties to assert counterclaims against resTORbio alleging that resTORbio infringes their patents, in addition to counterclaims asserting that resTORbio's patents are invalid or unenforceable, or both. In any patent infringement proceeding, there is a risk that a court will decide that a patent of ours is invalid or unenforceable, in whole or in part, and that resTORbio does not have the right to stop the other party from using the invention at issue. There is also a risk that, even if the validity of such patents is upheld, the court will construe the patent's claims narrowly or decide that resTORbio does not have the right to stop the other party from using the invention at issue on the grounds that resTORbio's patent claims do not cover the invention. An adverse outcome in a litigation or proceeding involving one or more of resTORbio's patents could limit resTORbio's ability to assert those patents against those parties or other competitors, and may curtail or preclude resTORbio's ability to exclude third parties from making and selling similar or competitive products. Similarly, if resTORbio asserts trademark infringement claims, a court may determine that the marks resTORbio has asserted are invalid or unenforceable, or that the party against whom resTORbio has asserted trademark infringement has superior rights to the trademarks in question. In this case, resTORbio could ultimately be forced to cease use of such trademarks.

Even if resTORbio establishes infringement, the court may decide not to grant an injunction against further infringing activity and instead award only monetary damages, which may or may not be an adequate remedy. Furthermore, because of the substantial amount of discovery required in connection with intellectual property litigation, there is a risk that some of resTORbio's confidential information could be compromised by disclosure during 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, it could adversely affect the price of shares of resTORbio common stock. Moreover, there can be no assurance that resTORbio will have sufficient financial or other resources to file and pursue such infringement claims, which typically last for years before they are concluded. Even if resTORbio ultimately prevails in such claims, the monetary cost of such litigation and the diversion of the attention of resTORbio's management and scientific personnel could outweigh any benefit resTORbio receives as a result of the proceedings.

Additionally, for certain of resTORbio's existing and future in-licensed patent rights, resTORbio may not have the right to bring suit for infringement and may have to rely on third parties to enforce these rights for resTORbio. If resTORbio cannot or choose not to take action against those resTORbio believes infringe its intellectual property rights, resTORbio may have difficulty competing in certain markets where such potential infringers conduct their business, and resTORbio's commercialization efforts may suffer as a result.

If resTORbio's trademarks and trade names are not adequately protected, then resTORbio may not be able to build name recognition in resTORbio's trademarks of interest and resTORbio's business may be adversely affected.

resTORbio's trademarks or trade names may be challenged, infringed, circumvented or declared generic or determined to be infringing on other marks. resTORbio relies on both registration and common law protection for resTORbio's trademarks. resTORbio may not be able to protect resTORbio's rights to these trademarks and trade names or may be forced to stop using these names, which resTORbio needs for name recognition by potential partners or customers in resTORbio's markets of interest. During trademark registration proceedings, resTORbio may receive rejections. Although resTORbio would be given an opportunity to respond to those rejections, resTORbio 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 resTORbio's trademarks, and resTORbio's trademarks may not survive such proceedings. Moreover, any name resTORbio proposes to use for its products in the United States must be approved by the FDA, regardless of whether resTORbio has registered it, or applied to register it, as a trademark. The FDA typically conducts a review of proposed product names, including an evaluation of potential for confusion with other product names. If the FDA objects to any of resTORbio's proposed product names, resTORbio may be required to expend significant additional resources in an effort to identify a usable substitute name that would qualify under applicable trademark laws, not infringe the existing rights of third parties and be acceptable to the FDA. If resTORbio is unable to establish name recognition based on its trademarks and trade names, resTORbio may not be able to compete effectively and resTORbio's business may be adversely affected.

Risks Related to resTORbio's Dependence on Third Parties

resTORbio relies on third parties to assist in conducting resTORbio's clinical trials. If they do not perform satisfactorily, resTORbio may not be able to obtain regulatory approval or commercialize resTORbio's product candidates, or such approval or commercialization may be delayed, and resTORbio's business could be substantially harmed.

resTORbio does not independently conduct clinical trials of any of resTORbio's product candidates. resTORbio has relied upon and plan to continue to rely on third parties, such as CROs, clinical data management organizations, medical institutions and clinical investigators, to conduct these clinical trials and expect to rely on these third parties to conduct clinical trials of any other product candidate that resTORbio develops. Any of these third parties may terminate their engagements with resTORbio under certain circumstances. resTORbio may not be able to enter into alternative arrangements or do so on commercially reasonable terms. In addition, there is a natural transition period when a new CRO begins work. As a result, delays may occur, which could negatively impact resTORbio's ability to meet resTORbio's expected clinical development timelines and harm resTORbio's business, financial condition and prospects. For example, in April 2020, resTORbio announced that it would postpone enrollment in the fifth cohort of its ongoing Phase 1b/2a trial of RTB 101 in patients with PD due to the COVID-19 level 4 alert in New Zealand. While resTORbio plans to analyze the data from the four completed dosing arms and completed cohorts, resTORbio subsequently elected to terminate the study and not to dose patients in the fifth dosing arm.

Further, although resTORbio's reliance on these third parties for clinical development activities limits its control over these activities, resTORbio remains responsible for ensuring that each of its trials is conducted in accordance with the applicable protocol, legal and regulatory requirements and scientific standards. For example, notwithstanding the obligations of a CRO for a trial of one of resTORbio's product candidates, resTORbio remains responsible for ensuring that each of resTORbio's clinical trials is conducted in accordance with the general investigational plan and protocols for the trial. Moreover, the FDA requires resTORbio to comply with requirements, commonly referred to as GCPs, for conducting, recording and reporting the results of clinical trials to assure that data and reported results are credible and accurate and that the rights, integrity and confidentiality of trial participants are protected. The FDA enforces these GCPs through periodic inspections of trial sponsors, principal investigators, clinical trial sites and IRBs. If resTORbio or its third-party contractors fail to comply with applicable GCPs, the clinical data generated in resTORbio's clinical trials may be deemed unreliable and the FDA may require resTORbio to perform additional clinical trials before approving resTORbio's product candidates, which would delay the regulatory approval process. resTORbio cannot be certain that, upon inspection, the FDA will determine that any of resTORbio's clinical trials comply with GCPs. resTORbio is also required to register certain clinical trials and post the results of completed clinical trials on a government-sponsored database, ClinicalTrials.gov, within certain timeframes. Failure to do so can result in fines, adverse publicity and civil and criminal sanctions.

Furthermore, the third parties conducting clinical trials on resTORbio's behalf are not resTORbio's employees, and except for remedies available to resTORbio under resTORbio's agreements with such contractors, resTORbio cannot control whether or not they devote sufficient time, skill and resources to resTORbio's ongoing

development programs. These contractors may also have relationships with other commercial entities, including resTORbio's competitors, for whom they may also be conducting clinical trials or other drug development activities, which could impede their ability to devote appropriate time to resTORbio's clinical programs. If these third parties, including clinical investigators, do not successfully carry out their contractual duties, meet expected deadlines or conduct resTORbio's clinical trials in accordance with regulatory requirements or resTORbio's stated protocols, resTORbio may not be able to obtain, or may be delayed in obtaining, regulatory approvals for resTORbio's product candidates. If that occurs, resTORbio will not be able to, or may be delayed in its efforts to, successfully commercialize resTORbio's product candidates. In such an event, resTORbio's financial results and the commercial prospects for any product candidates that resTORbio seeks to develop could be harmed, its costs could increase and its ability to generate revenues could be delayed, impaired or foreclosed.

resTORbio also relies on other third parties to store and distribute drug supplies for resTORbio's clinical trials. Any performance failure on the part of resTORbio's distributors could delay clinical development or regulatory approval of resTORbio's product candidates or commercialization of any resulting products, producing additional losses and depriving resTORbio of potential product revenue.

resTORbio's use of third parties to manufacture resTORbio's product candidates and products which resTORbio is studying in combination with resTORbio's product candidates may increase the risk that resTORbio will not have sufficient quantities of resTORbio's product candidates, products, or necessary quantities of such materials on time or at an acceptable cost.

resTORbio does not own or operate manufacturing facilities for the production of clinical or commercial quantities of resTORbio's product candidates, and resTORbio lacks the resources and the capabilities to do so. As a result, resTORbio currently relies on third parties for the manufacture and supply of the active pharmaceutical ingredients, or API, in resTORbio's product candidates. resTORbio's current strategy is to outsource all manufacturing of resTORbio's product candidates to third parties.

resTORbio currently engages one third-party manufacturer to provide the active pharmaceutical ingredient, or API, and two other third-party manufacturers to provide services for the final drug product formulation of RTB101 that is being used in resTORbio's clinical trials. Although resTORbio believes that there are several potential alternative manufacturers who could manufacture RTB101 and rapalogs, such as everolimus or sirolimus, resTORbio may incur added costs and delays in identifying and qualifying any such replacement. In addition, resTORbio typically orders raw materials and services on a purchase order basis and do not enter into long-term dedicated capacity or minimum supply arrangements with any commercial manufacturer. There is no assurance that resTORbio will be able to timely secure needed supply arrangements on satisfactory terms, or at all. resTORbio's failure to secure these arrangements as needed could have a material adverse effect on resTORbio's ability to complete the development of resTORbio's product candidates or, to commercialize them, if approved. resTORbio may be unable to conclude agreements for commercial supply with third-party manufacturers, or may be unable to do so on acceptable terms. There may be difficulties in scaling up to commercial quantities and formulation of RTB101, alone or in combination with a rapalog, such as everolimus or sirolimus, and the costs of manufacturing could be prohibitive.

Even if resTORbio is able to establish and maintain arrangements with third-party manufacturers, reliance on third-party manufacturers entails additional risks, including:

- the failure of the third-party manufacturer to comply with applicable regulatory requirements and reliance on third-parties for manufacturing process development, regulatory compliance and quality assurance;
- manufacturing delays if resTORbio's third-party manufacturers give greater priority to the supply of other products over resTORbio's product candidates or otherwise do not satisfactorily perform according to the terms of the agreement with resTORbio;
- limitations on supply availability resulting from capacity and scheduling constraints of third-parties;

- the possible breach of manufacturing agreements by third-parties because of factors beyond resTORbio's control;
- the possible termination or non-renewal of the manufacturing agreements by the third-party, at a time that is costly or inconvenient to resTORbio; and
- the possible misappropriation of resTORbio's proprietary information, including resTORbio's trade secrets and know-how.

If resTORbio does not maintain its key manufacturing relationships, resTORbio may fail to find replacement manufacturers or develop its own manufacturing capabilities, which could delay or impair resTORbio's ability to obtain regulatory approval for resTORbio's products. If resTORbio does find replacement manufacturers, resTORbio may not be able to enter into agreements with them on terms and conditions favorable to resTORbio and there could be a substantial delay before new facilities could be qualified and registered with the FDA and other foreign regulatory authorities.

If any of resTORbio's product candidates are approved by any regulatory agency, resTORbio intends to utilize arrangements with third-party contract manufacturers for the commercial production of those products. This process is difficult and time consuming and resTORbio may face competition for access to manufacturing facilities as there are a limited number of contract manufacturers operating under cGMPs that are capable of manufacturing resTORbio's product candidates. Consequently, resTORbio may not be able to reach agreement with third-party manufacturers on satisfactory terms, which could delay resTORbio's commercialization.

resTORbio's failure, or the failure of resTORbio's third-party manufacturers, to comply with applicable regulations could result in sanctions being imposed on resTORbio, including clinical holds, fines, injunctions, civil penalties, delays, suspension or withdrawal of approvals, seizures or voluntary recalls of product candidates, operating restrictions and criminal prosecutions, any of which could significantly affect supplies of resTORbio's product candidates. resTORbio does not control the manufacturing process of, and are completely dependent on, resTORbio's contract manufacturing partners for compliance with cGMPs. If resTORbio's contract manufacturers cannot successfully manufacture material that conforms to resTORbio's specifications and the strict regulatory requirements of the FDA or others, resTORbio may not be able to secure and/or maintain regulatory approval for its product manufactured at these facilities. In addition, resTORbio has no control over the ability of resTORbio's contract manufacturers to maintain adequate quality control, quality assurance and qualified personnel. If the FDA finds deficiencies or a comparable foreign regulatory authority does not approve these facilities for the manufacture of resTORbio's product candidates or if it withdraws any such approval in the future, resTORbio may need to find alternative manufacturing facilities, which would significantly impact resTORbio's ability to develop, obtain regulatory approval for or market resTORbio's product candidates, if approved. Contract manufacturers may face manufacturing or quality control problems causing drug substance production and shipment delays or a situation where the contractor may not be able to maintain compliance with the applicable cGMP requirements. Any failure to comply with cGMP requirements or other FDA, EMA and comparable foreign regulatory requirements could adversely affect resTORbio's clinical research activities and resTORbio's ability to develop resTORbio's product candidates and market resTORbio's products, if approved.

The FDA and other foreign regulatory authorities require manufacturers to register manufacturing facilities. The FDA and corresponding foreign regulators also inspect these facilities to confirm compliance with cGMPs. Contract manufacturers may face manufacturing or quality control problems causing drug substance production and shipment delays or a situation where the contractor may not be able to maintain compliance with the applicable cGMP requirements. Any failure to comply with cGMP requirements or other FDA, EMA and comparable foreign regulatory requirements could adversely affect resTORbio's clinical research activities and resTORbio's ability to develop resTORbio's product candidates and market resTORbio's products following approval.

If any third-party manufacturer of resTORbio's product candidates is unable to increase the scale of its production of resTORbio's product candidates, and/or increase the product yield of its manufacturing, then resTORbio's costs to manufacture the product may increase and commercialization may be delayed.

In order to produce sufficient quantities to meet the demand for clinical trials and, if approved, subsequent commercialization of RTB101, alone or in combination with a rapalog, such as everolimus or sirolimus, or any other product candidates that resTORbio may develop, resTORbio's third-party manufacturer will be required to increase its production and optimize its manufacturing processes while maintaining the quality of the product. The transition to larger scale production could prove difficult. In addition, if resTORbio's third-party manufacturer is not able to optimize its manufacturing process to increase the product yield for resTORbio's product candidates, or if it is unable to produce increased amounts of resTORbio's product candidates while maintaining the quality of the product, then resTORbio may not be able to meet the demands of clinical trials or market demands, which could decrease resTORbio's ability to generate profits and have a material adverse impact on resTORbio's business and results of operation.

resTORbio may need to maintain licenses for active ingredients from third parties to develop and commercialize some of resTORbio's product candidates, which could increase resTORbio's development costs and delay resTORbio's ability to commercialize those product candidates.

Should resTORbio decide to use active pharmaceutical ingredients in any of its product candidates that are proprietary to one or more third parties, resTORbio would need to maintain licenses to those active ingredients from those third parties. If resTORbio is unable to gain or continue to access rights to these active ingredients prior to conducting preclinical toxicology studies intended to support clinical trials, resTORbio may need to develop alternate product candidates for these programs by either accessing or developing alternate active ingredients, resulting in increased development costs and delays in commercialization of these product candidates. If resTORbio is unable to gain or maintain continued access rights to the desired active ingredients on commercially reasonable terms or develop suitable alternate active ingredients, resTORbio may not be able to commercialize product candidates from these programs.

Use of third parties to conduct testing of resTORbio's product candidates in tissues or animals may increase the risk that resTORbio will have unsuitable or invalidated data for regulatory submissions and approval.

resTORbio currently do not own or operate laboratory facilities in which to conduct preclinical testing of resTORbio's product candidates in tissues or animals. Preclinical studies regulated by FDA, EMA and most other health authorities are governed by GLP. Additionally, studies involving animals may be subject to further regulation by institutional, private or government animal welfare authorities that may vary by territory. Studies involving human tissues may also be subject to institutional and government human subject privacy policies that may vary by territory. Third-party vendors conducting tissue and/or animal studies on resTORbio's behalf may be found to be in violation of one or more of these regulations or policies and may be subject to closure, censure or other penalties. In some cases, these penalties could materially impact the performance, availability, or validity of studies conducted on resTORbio's behalf. Even in the absence of violations resulting in penalties, regulatory and other authorities may refuse to authorize the conduct or to accept the results of studies for regulatory or ethical reasons.

resTORbio enters into various contracts in the normal course of resTORbio's business in which resTORbio indemnifies the other party to the contract. In the event resTORbio has to perform under these indemnification provisions, it could have a material adverse effect on resTORbio's business, financial condition and results of operations.

In the normal course of business, resTORbio periodically enters into academic, commercial, service, collaboration, licensing, consulting and other agreements that contain indemnification provisions. With respect to resTORbio's academic and other research agreements, resTORbio typically indemnifies the institution and

related parties from losses arising from claims relating to the products, processes or services made, used, sold or performed pursuant to the agreements for which resTORbio has secured licenses, and from claims arising from resTORbio's exercise of rights under the agreement. With respect to resTORbio's commercial agreements, resTORbio indemnifies its vendors from any third-party product liability claims that could result from the production, use or consumption of the product, as well as for alleged infringements of any patent or other intellectual property right by a third party.

Should resTORbio's obligation under an indemnification provision exceed applicable insurance coverage or if resTORbio was denied insurance coverage, resTORbio's business, financial condition and results of operations could be adversely affected. Similarly, if resTORbio is relying on a collaborator to indemnify resTORbio and the collaborator is denied insurance coverage or the indemnification obligation exceeds the applicable insurance coverage and does not have other assets available to indemnify resTORbio, resTORbio's business, financial condition and results of operations could be adversely affected.

resTORbio may seek to establish collaborations and, if resTORbio is not able to establish them on commercially reasonable terms, resTORbio may have to alter its development and commercialization plans.

resTORbio may seek one or more collaborators for the development and commercialization of one or more of resTORbio's product candidates. Likely collaborators may include large and mid-size pharmaceutical companies, regional and national pharmaceutical companies and biotechnology companies. In addition, if resTORbio is able to obtain regulatory approval for product candidates from foreign regulatory authorities, resTORbio may enter into collaborations with international biotechnology or pharmaceutical companies for the commercialization of such product candidates.

resTORbio faces significant competition in seeking appropriate collaborators. Whether resTORbio reaches a definitive agreement for a collaboration will depend, among other things, upon resTORbio's assessment of the collaborator's resources and expertise, the terms and conditions of the proposed collaboration and the proposed collaborator's evaluation of a number of factors. Those factors may include the potential differentiation of resTORbio's product candidate from competing product candidates, design or results of clinical trials, the likelihood of approval by the FDA, the EMA or comparable foreign regulatory authorities and the regulatory pathway for any such approval, the potential market for the product candidate, the costs and complexities of manufacturing and delivering the product to patients and the potential of competing products. The collaborator may also consider alternative product candidates or technologies for similar indications that may be available for collaboration and whether such a collaboration could be more attractive than the one with resTORbio for resTORbio's product candidate. If resTORbio elects to increase its expenditures to fund development or commercialization activities on resTORbio's own, resTORbio may need to obtain additional capital, which may not be available to resTORbio on acceptable terms, or at all. If resTORbio does not have sufficient funds, resTORbio may not be able to further develop its product candidates or bring them to market and generate product revenue.

Collaborations are complex and time-consuming to negotiate and document. Further, there have been a significant number of recent business combinations among large pharmaceutical companies that have resulted in a reduced number of potential future collaborators. Any collaboration agreements that resTORbio enters into in the future may contain restrictions on resTORbio's ability to enter into potential collaborations or to otherwise develop specified product candidates. resTORbio may not be able to negotiate collaborations on a timely basis, on acceptable terms, or at all. If resTORbio is unable to do so, resTORbio may have to curtail the development of the product candidate for which resTORbio is seeking to collaborate, reduce or delay its development program or one or more of resTORbio's other development programs, delay its potential commercialization or reduce the scope of any sales or marketing activities, or increase resTORbio's expenditures and undertake development or commercialization activities at resTORbio's own expense.

If resTORbio enters into collaborations with third parties for the development and commercialization of its product candidates, resTORbio's prospects with respect to those product candidates will depend in significant part on the success of those collaborations.

resTORbio may enter into collaborations for the development and commercialization of certain of resTORbio's product candidates. If resTORbio enters into such collaborations, resTORbio will have limited control over the amount and timing of resources that resTORbio's collaborators will dedicate to the development or commercialization of resTORbio's product candidates. resTORbio's ability to generate revenues from these arrangements will depend on any future collaborators' abilities to successfully perform the functions assigned to them in these arrangements. In addition, any future collaborators may have the right to abandon research or development projects and terminate applicable agreements, including funding obligations, prior to or upon the expiration of the agreed upon terms.

Collaborations involving resTORbio's product candidates pose a number of risks, including the following:

- collaborators have significant discretion in determining the efforts and resources that they will apply to these collaborations;
- collaborators may not perform their obligations as expected;
- collaborators may not pursue development and commercialization of resTORbio's product candidates or may elect not to continue or renew development or commercialization programs, based on clinical trial results, changes in the collaborators' strategic focus or available funding or external factors, such as an acquisition, that divert resources or create competing priorities;
- collaborators may delay clinical trials, provide insufficient funding for a clinical trial program, stop a clinical trial or abandon a product candidate, repeat or conduct new clinical trials or require a new formulation of a product candidate for clinical testing;
- collaborators could independently develop, or develop with third parties, products that compete directly or indirectly with resTORbio's product candidates;
- a collaborator with marketing and distribution rights to one or more products may not commit sufficient resources to the marketing and distribution of such product or products;
- disagreements with collaborators, including disagreements over proprietary rights, including trade secrets and intellectual property rights, contract interpretation, or the preferred course of development might cause delays or termination of the research, development or commercialization of product candidates, might lead to additional responsibilities for resTORbio with respect to product candidates, or might result in litigation or arbitration, any of which would be time-consuming and expensive;
- collaborators may not properly maintain or defend resTORbio's intellectual property rights or may use resTORbio's proprietary information in such a way as to invite litigation that could jeopardize or invalidate resTORbio's intellectual property or proprietary information or expose resTORbio to potential litigation;
- collaborators may infringe the intellectual property rights of third parties, which may expose resTORbio to litigation and potential liability; and
- collaborations may be terminated and, if terminated, may result in a need for additional capital to pursue further development or commercialization of the applicable product candidates.

Collaboration agreements may not lead to development or commercialization of product candidates in the most efficient manner, or at all. If any future collaborator of ours is involved in a business combination, it could decide to delay, diminish or terminate the development or commercialization of any product candidate licensed to it by resTORbio.

resTORbio may have to alter resTORbio's development and commercialization plans if resTORbio is not able to establish collaborations.

resTORbio will require additional funds to complete the development and potential commercialization of RTB101 alone or in combination with a rapalog, such as everolimus or sirolimus, and other product candidates. For some of resTORbio's product candidates, resTORbio may decide to collaborate with pharmaceutical and biotechnology companies for the development and potential commercialization of those product candidates.

resTORbio faces significant competition in seeking and obtaining appropriate collaborators. Whether resTORbio reaches a definitive agreement for a collaboration will depend, among other things, upon resTORbio's assessment of the collaborator's resources and expertise, the terms and conditions of the proposed collaboration and the proposed collaborator's evaluation of a number of factors. Those factors may include:

- the design or results of clinical trials;
- the likelihood of approval by the FDA or comparable foreign regulatory authorities;
- the potential market for the subject product candidate;
- the costs and complexities of manufacturing and delivering such product candidate to patients;
- the potential for competing products;
- resTORbio's patent position protecting the product candidate, including any uncertainty with respect to resTORbio's ownership of resTORbio's technology or resTORbio's licensor's ownership of technology resTORbio licenses from them, which can exist if there is a challenge to such ownership without regard to the merits of the challenge;
- the need to seek licenses or sub-licenses to third-party intellectual property; and
- industry and market conditions generally.

The collaborator may also consider alternative product candidates or technologies for similar indications that may be available for collaboration and whether such a collaboration could be more attractive than the one with resTORbio for resTORbio's product candidate. resTORbio may also be restricted under future license agreements from entering into agreements on certain terms with potential collaborators. In addition, there have been a significant number of recent business combinations among large pharmaceutical companies that have resulted in a reduced number of potential future collaborators.

If resTORbio is unable to reach agreements with suitable collaborators on a timely basis, on acceptable terms, or at all, resTORbio may have to curtail the development of a product candidate, reduce or delay its development program or one or more of resTORbio's other development programs, delay its potential commercialization or reduce the scope of any sales or marketing activities, or increase resTORbio's expenditures and undertake development or commercialization activities at resTORbio's own expense. If resTORbio elects to fund and undertake development or commercialization activities on its own, resTORbio may need to obtain additional expertise and additional capital, which may not be available to resTORbio on acceptable terms, or at all. If resTORbio fails to enter into collaborations and do not have sufficient funds or expertise to undertake the necessary development and commercialization activities, resTORbio may not be able to further develop its product candidates or bring them to market and resTORbio's business may be materially and adversely affected.

Business or economic disruptions or global health concerns could seriously harm resTORbio's development efforts and increase resTORbio's costs and expenses.

Broad-based business or economic disruptions could adversely affect resTORbio's ongoing or planned research and development activities. For example, in December 2019 an outbreak of a novel strain of coronavirus originated in Wuhan, China, and has since spread to a number of other countries, including the United States and

several countries in the EU. To date, this outbreak has already resulted in extended shutdowns of certain businesses in the Wuhan region and has had ripple effects to businesses around the world. Global health concerns, such as coronavirus, could also result in social, economic, and labor instability in the countries in which resTORbio or the third parties with whom resTORbio engages operate. resTORbio cannot presently predict the scope and severity of any potential business shutdowns or disruptions, but if resTORbio or any of the third parties with whom resTORbio engages, including the suppliers, clinical trial sites, regulators and other third parties with whom resTORbio conducts business, were to experience shutdowns or other business disruptions, resTORbio's ability to conduct resTORbio's business in the manner and on the timelines presently planned could be materially and negatively impacted. It is also possible that global health concerns such as this one could disproportionately impact the hospitals and clinical sites in which resTORbio conducts any of its clinical trials, which could have a material adverse effect on resTORbio's business and resTORbio's results of operation and financial condition.

Risks Related to Employee Matters and Managing Growth

resTORbio only has a limited number of employees to manage and operate resTORbio's business.

As of June 16, 2020, resTORbio had ten full-time employees and no part-time employees. resTORbio's focus on the development of RTB101, alone or in combination with a rapalog, such as everolimus or sirolimus, requires resTORbio to optimize cash utilization and to manage and operate resTORbio's business in a highly efficient manner. resTORbio cannot assure you that it will be able to hire and/or retain adequate staffing levels to develop RTB101, alone or in combination with a rapalog, such as everolimus or sirolimus, meet resTORbio's obligations as a public company, run resTORbio's operations and/or accomplish all of the objectives that it otherwise would seek to accomplish.

resTORbio's internal computer systems, or those used by resTORbio's CROs or other independent organizations, advisors, contractors or consultants, may be subject to cyber-attacks, fail or suffer security breaches.

Despite the implementation of security measures, resTORbio's internal computer systems and those of resTORbio's CROs and other independent organizations, advisors, contractors and consultants are vulnerable to damage from computer viruses and unauthorized access, natural disasters, terrorism, war and telecommunication and electrical failures. Because information systems, networks and other technologies are critical to many of resTORbio's operating activities, shutdowns or service disruptions at the company or vendors that provide information systems, networks or other services to resTORbio pose increasing risks. Disruptions of this nature may be caused by events such as computer hacking, phishing attacks, ransomware, dissemination of computer viruses, worms and other destructive or disruptive software, denial of service attacks and other malicious activity, as well as power outages, natural disasters (including extreme weather), terrorist attacks or other similar events. In addition, outside parties may attempt to penetrate resTORbio's systems or those of resTORbio's vendors or fraudulently induce resTORbio's personnel or the personnel of resTORbio's vendors to disclose sensitive information in order to gain access to resTORbio's data and/or systems. Like other companies, resTORbio has on occasion experienced, and will continue to experience, threats and incursions to resTORbio's data and systems, including malicious codes and viruses, phishing, business email compromise attacks or other cyber-attacks. The number and complexity of these threats continue to increase over time. While resTORbio has not experienced any material system failure or security breach to date, if an event of that nature were to occur and cause interruptions in resTORbio's operations, it could result in a material disruption of resTORbio's development programs and resTORbio's business operations. For example, the loss of clinical trial data from completed or future clinical trials could result in delays in resTORbio's regulatory approval efforts and significantly increase resTORbio's costs to recover or reproduce the data. resTORbio currently, and may in the future continue to, rely on third parties for the manufacture of resTORbio's product candidates and to conduct clinical trials and similar events relating to their computer systems could also have a material adverse effect on resTORbio's business. To the extent that any disruption or security breach were to result in a loss of, or damage to, resTORbio's internal

computer systems or those used by resTORbio's CROs or other independent organizations, advisors, contractors or consultants, resTORbio's data or applications, or inappropriate disclosure of confidential or proprietary information, resTORbio could incur liability, suffer reputational harm and experience delays in the further development and commercialization of resTORbio's product candidates.

resTORbio could be required to expend significant amounts of money and other resources to respond to these threats or breaches and to repair or replace information systems or networks. resTORbio also could suffer financial loss or the loss of valuable confidential information. In addition, resTORbio could be subject to regulatory actions and/or claims made by individuals and groups in private litigation involving privacy issues 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 resTORbio develops and maintains systems and controls designed to prevent these events from occurring and resTORbio has 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 resTORbio's efforts, the possibility of these events occurring cannot be eliminated entirely and there can be no assurance that any measures resTORbio take will prevent cyber-attacks or security breaches that could adversely affect resTORbio's business.

resTORbio depends heavily on resTORbio's executive officers, principal consultants and others and the loss of their services would materially harm resTORbio's business.

resTORbio's success depends, and will likely continue to depend, upon resTORbio's ability to hire, retain the services of resTORbio's current executive officers, principal consultants and others, including Chen Schor, resTORbio's president and chief executive officer, Joan Mannick, resTORbio's chief medical officer, and Lloyd Klickstein, resTORbio's chief scientific officer. resTORbio has entered into employment agreements with Mr. Schor, Dr. Mannick, and Dr. Klickstein, but they may terminate their employment with resTORbio at any time. Although resTORbio does not have any reason to believe that resTORbio will lose the services of Mr. Schor, Dr. Mannick, and Dr. Klickstein in the foreseeable future, the loss of their services might impede the achievement of resTORbio's research, development and commercialization objectives.

resTORbio's ability to compete in the biotechnology and pharmaceuticals industries depends upon resTORbio's ability to attract and retain highly qualified managerial, scientific and medical personnel. resTORbio's industry has experienced a high rate of turnover of management personnel in recent years. Replacing executive officers or other key employees may be difficult and may take an extended period of time because of the limited number of individuals in resTORbio's industry with the breadth of skills and experience required to develop, gain regulatory approval of and commercialize products successfully.

Competition to hire from this limited pool is intense, and resTORbio may be unable to hire, train, retain or motivate these additional key employees on acceptable terms given the competition among numerous pharmaceutical and biotechnology companies for similar personnel. resTORbio also experience competition for the hiring of scientific and clinical personnel from universities and research institutions.

resTORbio relies on consultants and advisors, including scientific and clinical advisors, to assist resTORbio in formulating resTORbio's research and development and commercialization strategy. resTORbio's consultants and advisors may be employed by other entities and may have commitments under consulting or advisory contracts with those entities that may limit their availability to resTORbio. If resTORbio is unable to continue to attract and retain highly qualified personnel, resTORbio's ability to develop and commercialize resTORbio's product candidates will be limited.

resTORbio's employees, independent contractors, consultants, collaborators and contract research organizations may engage in misconduct or other improper activities, including non-compliance with regulatory standards and requirements, which could cause significant liability for resTORbio and harm resTORbio's reputation.

resTORbio is exposed to the risk that resTORbio's employees, independent contractors, consultants, collaborators and CROs may engage in fraudulent conduct or other illegal activity. Misconduct by those parties could include intentional, reckless and/or negligent conduct or disclosure of unauthorized activities to resTORbio that violates:

- FDA regulations or similar regulations of comparable non-U.S. regulatory authorities, including those laws requiring the reporting of true, complete and accurate information to such authorities;
- manufacturing standards;
- federal and state healthcare fraud and abuse laws and regulations and similar laws and regulations established and enforced by comparable non-U.S. regulatory authorities; and
- laws that require the reporting of financial information or data accurately.

Activities subject to these laws also involve the improper use or misrepresentation of information obtained in the course of clinical trials, creating fraudulent data in resTORbio's preclinical studies or clinical trials or illegal misappropriation of product materials, which could result in regulatory sanctions and serious harm to resTORbio's reputation. It is not always possible to identify and deter misconduct, and the precautions resTORbio takes to detect and prevent this activity may not be effective in controlling unknown or unmanaged risks or losses or in protecting resTORbio from governmental investigations or other actions or lawsuits stemming from a failure to be in compliance with such laws, standards or regulations. Additionally, resTORbio is subject to the risk that a person or government could allege such fraud or other misconduct, even if none occurred. If any such actions are instituted against resTORbio, and resTORbio is not successful in defending itself or asserting resTORbio's rights, those actions could have a significant impact on resTORbio's business and results of operations, including the imposition of civil, criminal and administrative penalties, damages, monetary fines, possible exclusion from participation in Medicare, Medicaid and other federal healthcare programs, contractual damages, reputational harm, diminished profits and future earnings, and curtailment of resTORbio's operations, any of which could have a material adverse effect on resTORbio's ability to operate resTORbio's business and resTORbio's results of operations.

resTORbio's current operations are concentrated primarily in a single location and any events affecting resTORbio's headquarters may have material adverse consequences.

resTORbio's current operations are primarily located in resTORbio's principal office in Boston, Massachusetts. Any unplanned event, such as flood, fire, explosion, earthquake, extreme weather condition, medical epidemics, power shortage, telecommunication failure or other natural or manmade accidents or incidents that result in resTORbio being unable to fully utilize the office may have a material adverse effect on resTORbio's ability to operate resTORbio's business, and have significant negative consequences on resTORbio's financial and operating conditions. Loss of access to this office may result in increased costs, delays in the development of resTORbio's product candidates or interruption of resTORbio's business operations. As part of resTORbio's risk management policy, resTORbio maintains insurance coverage at levels that resTORbio believes are appropriate for its business. However, in the event of an accident or incident at resTORbio's office, resTORbio's insurance coverage may not be sufficient to satisfy all of resTORbio's damages and losses. If resTORbio's office is unable to operate because of an accident or incident or for any other reason, even for a short period of time, any or all of resTORbio's research and development programs may be harmed.

If resTORbio fails to maintain an effective system of internal control over financial reporting, resTORbio may not be able to accurately report its financial results or prevent fraud. As a result, stockholders could lose confidence in resTORbio's financial and other public reporting, which would harm resTORbio's business and the trading price of resTORbio common stock.

Effective internal controls over financial reporting are necessary for resTORbio to provide reliable financial reports and, together with adequate disclosure controls and procedures, are designed to prevent fraud. resTORbio currently have a limited number of employees performing resTORbio's accounting functions, including monitoring and maintaining effective internal control over financial reporting. Any failure to implement required new or improved controls, or difficulties encountered in their implementation could cause resTORbio to fail to meet resTORbio's reporting obligations. In addition, any testing by resTORbio conducted in connection with Section 404 of the Sarbanes-Oxley Act of 2002, or Section 404, or any subsequent testing by resTORbio's independent registered public accounting firm, may reveal deficiencies in resTORbio's internal controls over financial reporting that are deemed to be material weaknesses or that may require prospective or retroactive changes to resTORbio's consolidated financial statements or identify other areas for further attention or improvement. Inferior internal controls could also cause investors to lose confidence in resTORbio's reported financial information, which could have a negative effect on the trading price of resTORbio's stock.

resTORbio will be required to disclose changes made in resTORbio's internal controls and procedures on a quarterly basis and resTORbio's management will be required to assess the effectiveness of these controls annually. However, for as long as resTORbio is an "emerging growth company" under the JOBS Act, resTORbio's independent registered public accounting firm will not be required to attest to the effectiveness of resTORbio's internal controls over financial reporting pursuant to Section 404. resTORbio could be an "emerging growth company" for up to five years. An independent assessment of the effectiveness of resTORbio's internal controls over financial reporting could detect problems that resTORbio's management's assessment might not. Undetected material weaknesses in resTORbio's internal controls over financial reporting could lead to financial statement restatements and require resTORbio to incur the expense of remediation.

resTORbio's disclosure controls and procedures may not prevent or detect all errors or acts of fraud.

resTORbio's disclosure controls and procedures are designed to reasonably assure that information required to be disclosed by resTORbio in reports resTORbio files or submits under the Securities Exchange Act of 1934, as amended (referred to as the "Exchange Act") is accumulated and communicated to management, recorded, processed, summarized and reported within the time periods specified in the rules and forms of the SEC. resTORbio believes that any disclosure controls and procedures or internal 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 resTORbio's control system, misstatements or insufficient disclosures due to error or fraud may occur and not be detected.

resTORbio has conducted and expect to continue to conduct resTORbio's operations in jurisdictions outside of the United States, and such foreign operations subject resTORbio to additional risks.

A portion of resTORbio's operations, including resTORbio's clinical research and development efforts, have been undertaken outside of the United States, and resTORbio expects to continue to conduct a portion of its business in foreign countries. For example, resTORbio conducted resTORbio's Phase 2b clinical trial across two hemispheres. In addition, resTORbio may utilize third party contract organizations, some of which may be located in foreign jurisdictions, for the conduct of resTORbio's clinical trials, the manufacturing of resTORbio's

product candidates and the commercialization of resTORbio's product candidates, if approved. Such operations subject resTORbio to additional risks related to international business operations, including:

- potentially reduced protection for intellectual property rights;
- price and currency exchange fluctuations;
- unexpected changes in tariffs, trade barriers and regulatory requirements;
- economic weakness, including inflation, or political instability in particular foreign economies and markets;
- workforce uncertainty in countries where labor unrest is more common than in the United States;
- difficulties in complying with tax, employment, immigration and labor laws for personnel living or traveling abroad;
- production shortages resulting from any events affecting a product candidate and/or finished drug product supply or manufacturing capabilities abroad;
- business interruptions resulting from geo-political actions, including war and terrorism, or natural disasters, including earthquakes, hurricanes, typhoons, floods and fires; and
- failure to comply with Office of Foreign Asset Control rules and regulations and the Foreign Corrupt Practices Act.

These and other risks may materially adversely affect resTORbio's ability to conduct resTORbio's business in international markets.

resTORbio may engage in acquisitions that could disrupt resTORbio's business, cause dilution to resTORbio stockholders or reduce resTORbio's financial resources.

In the future, resTORbio may enter into transactions to acquire other businesses, products or technologies. If resTORbio does identify suitable candidates, resTORbio may not be able to make such acquisitions on favorable terms, or at all. Any acquisitions resTORbio makes may not strengthen resTORbio's competitive position, and these transactions may be viewed negatively by customers or investors. resTORbio may decide to incur debt in connection with an acquisition or issue resTORbio common stock or other equity securities to the stockholders of the acquired company, which would reduce the percentage ownership of resTORbio's existing stockholders. resTORbio could incur losses resulting from undiscovered liabilities of the acquired business that are not covered by the indemnification resTORbio may obtain from the seller. In addition, resTORbio may not be able to successfully integrate the acquired personnel, technologies and operations into resTORbio's existing business in an effective, timely and nondisruptive manner. Acquisitions may also divert management attention from day-to-day responsibilities, increase resTORbio's expenses and reduce resTORbio's cash available for operations and other uses. resTORbio cannot predict the number, timing or size of future acquisitions or the effect that any such transactions might have on resTORbio's operating results.

Risks Related to resTORbio's Common Stock

An active trading market for resTORbio common stock may not be sustained. If an active trading market is not sustained, resTORbio's ability to raise capital in the future may be impaired.

resTORbio's shares began trading on The Nasdaq Global Select Market on January 26, 2018. Given the limited trading history of resTORbio common stock, there is a risk that an active trading market for resTORbio's shares may not be sustained, which could put downward pressure on the market price of resTORbio common stock and thereby affect your ability to sell shares you purchased. An inactive trading market for resTORbio common stock may also impair resTORbio's ability to raise capital to continue to fund resTORbio's operations by selling shares and impair resTORbio's ability to acquire other companies or technologies by using resTORbio's shares as consideration.

The trading price of resTORbio common stock is highly volatile, which could result in substantial losses for purchasers of resTORbio common stock. Securities class action or other litigation involving resTORbio or members of its management team could also substantially harm its business, financial condition and results of operations.

resTORbio's stock price is highly volatile. The stock market in general and the market for smaller pharmaceutical and biotechnology companies in particular have experienced extreme volatility that has often been unrelated to the operating performance of particular companies. As a result of this volatility, you may not be able to sell your common stock at or above the purchase price and you may lose some or all of your investment. The market price for resTORbio common stock may be influenced by many factors, including:

- the success of existing or new competitive products or technologies;
- regulatory actions with respect to resTORbio's product candidates or resTORbio's competitors' products and product candidates;
- announcements by resTORbio or resTORbio's competitors of significant acquisitions, strategic partnerships, joint ventures, collaborations or capital commitments;
- the timing and results of clinical trials of RTB101 alone or in combination with a rapalog, such as everolimus or sirolimus, and any other product candidates;
- commencement or termination of collaborations for resTORbio's development programs;
- failure or discontinuation of any of resTORbio's development programs;
- results of clinical trials of product candidates of resTORbio's competitors;
- regulatory or legal developments in the United States and other countries;
- developments or disputes concerning patent applications, issued patents or other proprietary rights;
- the recruitment or departure of key personnel;
- the level of expenses related to any of resTORbio's product candidates or clinical development programs;
- the results of resTORbio's efforts to develop additional product candidates or products;
- actual or anticipated changes in estimates as to financial results or development timelines;
- announcement or expectation of additional financing efforts;
- sales of resTORbio common stock by resTORbio, resTORbio's insiders or other stockholders;
- variations in resTORbio's financial results or those of companies that are perceived to be similar to resTORbio;
- changes in estimates or recommendations by securities analysts, if any, that cover resTORbio;
- changes in the structure of healthcare payment systems;
- market conditions in the pharmaceutical and biotechnology sectors;
- general economic, industry and market conditions; and
- the other factors described in this section entitled "*Risk Factors*" beginning on page 25 of this proxy statement/prospectus/information statement.

In the past, securities class action litigation has often been brought against a company following a decline in the market price of its securities. This risk is especially relevant for biopharmaceutical companies, which have experienced significant stock price volatility in recent years.

resTORbio is an "emerging growth company," and the reduced disclosure requirements applicable to emerging growth companies may make resTORbio common stock less attractive to investors.

resTORbio is an emerging growth company, and, for as long as resTORbio continues to be an emerging growth company, resTORbio may choose to take advantage of exemptions from various reporting requirements applicable to other public companies but not to "emerging growth companies." resTORbio could remain an "emerging growth company" for up to five years following resTORbio's IPO, or until the earliest of (1) the last day of the first fiscal year in which resTORbio's annual gross revenue exceeds $1.07 billion, (2) the date that resTORbio becomes a "large accelerated filer" as defined in Rule 12b-2 under the Exchange Act, which would occur if the market value of resTORbio common stock that is held by non-affiliates exceeds $700.0 million as of the last business day of resTORbio's most recently completed second fiscal quarter or (3) the date on which resTORbio has issued more than $1.0 billion in non-convertible debt during the preceding three-year period. So long as resTORbio remains an "emerging growth company," resTORbio expects to avail itself of the exemption from the requirement that resTORbio's independent registered public accounting firm attest to the effectiveness of resTORbio's internal control over financial reporting under Section 404. When resTORbio's independent registered public accounting firm is required to undertake an assessment of resTORbio's internal control over financial reporting, the cost of resTORbio's compliance with Section 404 will correspondingly increase. Moreover, if resTORbio is not able to comply with the requirements of Section 404 applicable to resTORbio in a timely manner, or if resTORbio or its independent registered public accounting firm identifies deficiencies in resTORbio's internal control over financial reporting that are deemed to be material weaknesses, the market price of resTORbio's stock could decline and resTORbio could be subject to sanctions or investigations by the SEC or other regulatory authorities, which would require additional financial and management resources.

In addition, the JOBS Act also provides that an "*emerging growth company*" can take advantage of an extended transition period for complying with new or revised accounting standards. resTORbio has elected to take advantage of this extended transition period under the JOBS Act. As a result, resTORbio's operating results and financial statements may not be comparable to the operating results and financial statements of other companies who have adopted the new or revised accounting standards. It is possible that some investors will find resTORbio's common stock less attractive as a result, which may result in a less active trading market for resTORbio's common stock and higher volatility in resTORbio's stock price.

resTORbio is also a "smaller reporting company," and the reduced disclosure requirements applicable to smaller reporting companies may make resTORbio common stock less attractive to investors.

resTORbio is considered a "smaller reporting company" under Rule 12b-2 of the Exchange Act. resTORbio is therefore entitled to rely on certain reduced disclosure requirements, such as an exemption from providing selected financial data and executive compensation information. These exemptions and reduced disclosures in resTORbio's SEC filings due to resTORbio's status as a smaller reporting company also mean resTORbio's auditors are not required to review resTORbio's internal control over financial reporting and may make it harder for investors to analyze resTORbio's results of operations and financial prospects. resTORbio cannot predict if investors will find resTORbio common stock less attractive because resTORbio may rely on these exemptions. If some investors find resTORbio common stock less attractive as a result, there may be a less active trading market for resTORbio common stock and resTORbio common stock prices may be more volatile. resTORbio will remain a smaller reporting company until resTORbio's public float exceeds $250 million or resTORbio's annual revenues exceed $100 million with a public float greater than $700 million.

resTORbio has and will incur increased costs as a result of operating as a public company, and resTORbio's management will be required to devote substantial time to new compliance initiatives and corporate governance practices.

As a public company, and particularly after resTORbio is no longer an "emerging growth company," resTORbio has and will incur significant legal, accounting and other expenses that resTORbio did not incur as a private company, including costs associated with public company reporting requirements. resTORbio has and will incur costs associated with relatively recently adopted corporate governance requirements, including requirements of

the Securities and Exchange Commission, or SEC, and The Nasdaq Global Select Market. resTORbio expects these rules and regulations to increase resTORbio's legal and financial compliance costs and to make some activities more time-consuming and costly. resTORbio also expect that these rules and regulations may make it more difficult and more expensive for resTORbio to obtain director and officer liability insurance and resTORbio may be required to accept reduced policy limits and coverage or incur substantially higher costs to obtain the same or similar coverage. As a result, it may be more difficult for resTORbio to attract and retain qualified individuals to serve on the resTORbio Board or as executive officers.

resTORbio is currently evaluating and monitoring developments with respect to these rules, and resTORbio cannot predict or estimate the amount of additional costs resTORbio may incur or the timing of such costs. These rules and regulations are often 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.

Pursuant to Section 404, resTORbio is required to furnish a report by resTORbio's management on resTORbio's internal control over financial reporting in annual financial statements with the Securities and Exchange Commission, or the SEC. However, while resTORbio remains an emerging growth company, resTORbio will not be required to include an attestation report on internal control over financial reporting issued by resTORbio's independent registered public accounting firm. To achieve compliance with Section 404 within the prescribed period, resTORbio has engaged in a process to document and evaluate resTORbio's internal control over financial reporting, which is both costly and challenging. In this regard, resTORbio will need to continue to dedicate internal resources, engage outside consultants and adopt a detailed work plan to assess and document the adequacy of internal control over financial reporting. resTORbio will continue steps to improve control processes as appropriate, validate through testing that controls are functioning as documented and implement a continuous reporting and improvement process for internal control over financial reporting. Despite resTORbio's efforts, there is a risk that resTORbio will not be able to conclude, within the prescribed timeframe, or at all, that resTORbio's internal control over financial reporting is effective as required by Section 404. If resTORbio identifies one or more material weaknesses, it could result in an adverse reaction in the financial markets due to a loss of confidence in the reliability of resTORbio's consolidated financial statements.

resTORbio has broad discretion over the use of its cash, cash equivalents, and marketable securities and may not use them effectively.

resTORbio's management has broad discretion to use its cash, cash equivalents, and marketable securities to fund resTORbio's operations and could spend these funds in ways that do not improve resTORbio's results of operations or enhance the value of resTORbio common stock. The failure by resTORbio's management to apply these funds effectively could result in financial losses that could have a material adverse effect on resTORbio's business, cause the price of resTORbio common stock to decline and delay the development of resTORbio's product candidates. Pending resTORbio's use to fund operations, resTORbio may invest its cash, cash equivalents, and marketable securities in a manner that does not produce income or that loses value.

Future sales and issuances of resTORbio common stock or rights to purchase common stock, including pursuant to resTORbio's equity incentive plans, could result in additional dilution of the percentage ownership of stockholders and could cause resTORbio's stock price to fall.

resTORbio will need additional capital in the future to continue resTORbio's planned operations. To the extent resTORbio raises additional capital by issuing equity securities, resTORbio stockholders may experience substantial dilution. resTORbio may sell common stock, convertible securities or other equity securities in one or more transactions at prices and in a manner resTORbio determines from time to time. If resTORbio sells common stock, convertible securities or other equity securities in more than one transaction, investors may be materially diluted by subsequent sales. These sales may also result in material dilution to resTORbio's existing stockholders, and new investors could gain rights superior to resTORbio's existing stockholders.

On February 1, 2019, resTORbio filed a registration statement on Form S-3 (File No. 333-229499) with the SEC, which was declared effective on February 12, 2019 (referred to as the "Shelf Registration Statement"), in relation to the registration of common stock, preferred stock, warrants and/or units of any combination thereof for the purposes of selling, from time to time, resTORbio common stock, convertible securities or other equity securities in one or more offerings. The Shelf Registration Statement also registered for resale from time to time up to 12,445,646 shares of common stock held by the selling stockholders named therein. resTORbio also simultaneously entered into a Controlled Equity Offering Sales Agreement (referred to as the "Sales Agreement") with SVB Leerink LLC and Cantor Fitzgerald & Co., (referred to as the "Sales Agents"), to provide for the offering, issuance and sale of up to an aggregate amount of $50.0 million of resTORbio common stock from time to time in "at-the-market" offerings under the Shelf Registration Statement and subject to the limitations thereof. As of March 31, 2020, approximately $43.0 million in shares of common stock remain eligible for sale under the Sales Agreement. The Company will pay to the Sales Agent cash commissions of 3.0 percent of the aggregate gross proceeds of sales of common stock under the Sales Agreement. Sales of common stock, convertible securities or other equity securities by resTORbio or resTORbio stockholders under the Shelf Registration Statement may represent a significant percentage of resTORbio common stock currently outstanding. If resTORbio or resTORbio stockholders sell, or the market perceives that resTORbio or resTORbio stockholders intend to sell, substantial amounts of resTORbio common stock under the Shelf Registration Statement or otherwise, the market price of resTORbio common stock could decline significantly.

In addition, sales of a substantial number of shares of resTORbio's outstanding 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 resTORbio common stock. Persons who were resTORbio stockholders prior to resTORbio's IPO continue to hold a substantial number of shares of resTORbio common stock that many of them are now able to sell in the public market. Significant portions of these shares are held by a relatively small number of stockholders. Sales by resTORbio stockholders of a substantial number of shares, or the expectation that such sales may occur, could significantly reduce the market price of resTORbio common stock.

resTORbio does not anticipate paying any cash dividends on resTORbio's capital stock in the foreseeable future. Accordingly, stockholders must rely on capital appreciation, if any, for any return on their investment.

resTORbio has never declared nor paid cash dividends on resTORbio's capital stock. resTORbio currently plan to retain all of resTORbio's future earnings, if any, to finance the operation, development and growth of resTORbio's business. In addition, the terms of any future debt or credit agreements may preclude resTORbio from paying dividends. As a result, capital appreciation, if any, of resTORbio common stock will be your sole source of gain for the foreseeable future.

resTORbio's principal stockholders and management own a significant percentage of resTORbio's stock and, if they choose to act together, will be able to control or exercise significant influence over matters subject to stockholder approval.

As of June 16, 2020, resTORbio's executive officers, directors, five percent or greater stockholders and their affiliates own approximately 29.2% of resTORbio's outstanding voting stock. These stockholders may have the ability to influence resTORbio through their ownership positions. These stockholders may be able to determine all matters requiring stockholder approval. For example, these stockholders, acting together, may be able to control elections of directors or approval of any merger, sale of assets or other major corporate transaction. This may prevent or discourage unsolicited acquisition proposals or offers for resTORbio common stock that you may believe are in your best interest as one of resTORbio stockholders.

Provisions in the resTORbio certificate of incorporation documents and under Delaware law may prevent or frustrate attempts by resTORbio stockholders to change resTORbio's management or hinder efforts to acquire a controlling interest in resTORbio.

Provisions in the resTORbio certificate of incorporation and the resTORbio bylaws may discourage, delay or prevent a merger, acquisition or other change in control of resTORbio that stockholders may consider favorable, including transactions in which you might otherwise receive a premium for your shares. These provisions could also limit the price that investors might be willing to pay in the future for shares of resTORbio common stock, thereby depressing the market price of resTORbio common stock. In addition, because the resTORbio Board is responsible for appointing the members of resTORbio's management team, these provisions may frustrate or prevent any attempts by resTORbio stockholders to replace or remove resTORbio's current management by making it more difficult for stockholders to replace members of the resTORbio Board. Among other things, these provisions:

- establish a classified board of directors such that all members of the board are not elected at one time;
- allow the authorized number of resTORbio's directors to be changed only by resolution of the resTORbio Board;
- limit the manner in which stockholders can remove directors from the board;
- establish advance notice requirements for nominations for election to the board of directors or for proposing matters that can be acted on at stockholder meetings;
- require that stockholder actions must be effected at a duly called stockholder meeting and prohibit actions by resTORbio stockholders by written consent;
- limit who may call a special meeting of stockholders;
- authorize the resTORbio Board to issue preferred stock without stockholder approval, which could be used to institute a "poison pill" that would work to dilute the stock ownership of a potential hostile acquirer, effectively preventing acquisitions that have not been approved by the resTORbio Board; and
- require the approval of the holders of at least 66.7% of the votes that all resTORbio stockholders would be entitled to cast to amend or repeal certain provisions of resTORbio's charter or bylaws.

Moreover, because resTORbio is incorporated in Delaware, resTORbio is governed by the provisions of Section 203 of the General Corporation Law of the State of Delaware, which prohibits a person who owns in excess of 15% of resTORbio's outstanding voting stock from merging or combining with resTORbio for a period of three years after the date of the transaction in which the person acquired in excess of 15% of resTORbio's outstanding voting stock, unless the merger or combination is approved in a prescribed manner. This could discourage, delay or prevent someone from acquiring resTORbio or merging with resTORbio, whether or not it is desired by, or beneficial to, resTORbio stockholders. This could also have the effect of discouraging others from making tender offers for resTORbio common stock, including transactions that may be in your best interests. These provisions may also prevent changes in resTORbio's management or limit the price that investors are willing to pay for resTORbio's stock.

The resTORbio bylaws provide that, unless resTORbio consents in writing to the selection of an alternative forum, the Court of Chancery of the State of Delaware will be the sole and exclusive forum for most legal actions between resTORbio and resTORbio stockholders, which could limit resTORbio stockholders' ability to obtain a favorable judicial forum for disputes with resTORbio or resTORbio's directors, officers, employees or agents.

The resTORbio bylaws specify that, unless resTORbio consents in writing to the selection of an alternative forum, the Court of Chancery of the State of Delaware will be the sole and exclusive forum for (i) any derivative action or proceeding brought on behalf of resTORbio, (ii) any action asserting a claim of breach of a fiduciary duty owed by any director, officer or other employee of resTORbio to resTORbio or resTORbio stockholders, (iii) any action asserting a claim arising pursuant to any provision of the Delaware General Corporation Law or

the resTORbio certificate of incorporation or the resTORbio bylaws, or (iv) any action asserting a claim against resTORbio governed by the internal affairs doctrine *provided*, that these choice of forum provisions do not apply to suits brought to enforce a duty or liability created by the Securities Act of 1933, as amended (referred to as the Securities Act), the Exchange Act, or any other claim for which the federal courts have exclusive jurisdiction. Any person or entity purchasing or otherwise acquiring any interest in shares of resTORbio's capital stock shall be deemed to have notice of and to have consented to the provisions of the resTORbio bylaws described above.

resTORbio believes this provision benefits resTORbio by providing increased consistency in the application of Delaware law by chancellors particularly experienced in resolving corporate disputes, efficient administration of cases on a more expedited schedule relative to other forums and protection against the burdens of multi-forum litigation. However, the provision may have the effect of discouraging lawsuits against resTORbio's directors, officers, employees and agents as it may limit any stockholder's ability to bring a claim in a judicial forum that such stockholder finds favorable for disputes with resTORbio or resTORbio's directors, officers, employees or agents. The enforceability of similar choice of forum provisions in other companies' bylaws or certificates of incorporation has been challenged in legal proceedings, and it is possible that, in connection with any applicable action brought against resTORbio, a court could find the choice of forum provisions contained in the resTORbio bylaws to be inapplicable or unenforceable in such action. If a court were to find the choice of forum provision contained in the resTORbio bylaws to be inapplicable or unenforceable in an action, resTORbio may incur additional costs associated with resolving such action in other jurisdictions, which could adversely affect resTORbio's business, financial condition or results of operations.

If securities or industry analysts do not publish research or publish inaccurate or unfavorable research about resTORbio's business, resTORbio's share price and trading volume could decline.

The trading market for resTORbio common stock will be influenced by the research and reports that industry or securities analysts publish about resTORbio or resTORbio's business. If one or more of the analysts who cover resTORbio issues an adverse opinion about the company, resTORbio's stock price would likely decline. If one or more of these analysts ceases research coverage of resTORbio or fails to regularly publish reports on resTORbio, resTORbio could lose visibility in the financial markets, which in turn could cause resTORbio's stock price or trading volume to decline.

resTORbio's ability to use net operating losses and research and development credits to offset future taxable income may be subject to certain limitations as a result of the merger.

As of December 31, 2019, resTORbio had federal net operating loss carryforwards of $127.0 million, of which $14.0 million will begin to expire in 2036 and $113.0 million can be carried forward indefinitely. As of December 31, 2019, resTORbio had state net operating loss carryforwards of $130.8 million, which begin to expire in various amounts in 2036. As of December 31, 2019, resTORbio also had federal research and development tax credit carryforwards of $3.8 million, which begin to expire in 2037. These net operating loss and tax credit carryforwards could expire unused and be unavailable to offset future income tax liabilities. In addition, in general, under Sections 382 and 383 of the Code, a corporation that undergoes an "ownership change" is subject to limitations on its ability to utilize its pre-change net operating losses or tax credits, or NOLs or credits, to offset future taxable income or taxes. For these purposes, an ownership change generally occurs where the aggregate stock ownership of one or more stockholders or groups of stockholders who owns at least 5% of a corporation's stock increases its ownership by more than 50 percentage points over its lowest ownership percentage within a specified testing period. resTORbio's existing NOLs or credits may be subject to limitations arising from previous ownership changes. resTORbio has not completed a study to determine whether resTORbio's public offerings, private placements and other transactions that have occurred over the past three years may have triggered an ownership change limitation. In addition, the merger, if consummated, is expected to constitute an ownership change under Sections 382 and 383 of the Code. resTORbio's NOLs or credits may also be impaired under state law. Accordingly, resTORbio may not be able to utilize a material portion of resTORbio's NOLs or credits.

The ability of the combined company to utilize resTORbio's NOLs or credits following the merger is conditioned upon the combined company attaining profitability and generating U.S. federal and state taxable income. As described under the sections entitled "*Risk Factors—Risks Related to resTORbio's Financial Position and Need for Capital*" and "*Risk Factors—Risks Related to Adicet's Business and Industry*" on pages 32 and 97, respectively, of this proxy statement/prospectus/information statement, each of resTORbio and Adicet has incurred significant net losses since inception and it is anticipated that each will continue to incur significant losses for the foreseeable future; and therefore, resTORbio does not know whether or when the combined company will generate the U.S. federal or state taxable income necessary to utilize resTORbio's NOL or credit carryforwards that are, or become, subject to limitation by Sections 382 and 383 of the Code.

Risks Related to Adicet

Risks Related to Adicet's Business and Industry

Adicet has a limited operating history and faces significant challenges and expense as it builds its capabilities.

Biopharmaceutical product development is a highly speculative undertaking and involves a substantial degree of risk. Adicet began operation in November 2014. Adicet has a limited operating history upon which you can evaluate Adicet's business and prospects and is subject to the risks inherent in any early stage company, including, among other things, risks that Adicet may not be able to hire sufficient qualified personnel and establish operating controls and procedures. Adicet currently does not have complete in-house resources to enable its gamma delta T cell platform. As Adicet builds its own capabilities, it expects to encounter risks and uncertainties frequently experienced by growing companies in new and rapidly evolving fields, including the risks and uncertainties described herein. Consequently, any predictions made about Adicet's future success or viability may not be as accurate as they could be if Adicet had a history of successfully developing and commercializing biopharmaceutical products.

Adicet has incurred net losses in every period since its inception and anticipates that it will incur substantial net losses in the future.

Adicet is a pre-clinical stage biopharmaceutical company. Investment in biopharmaceutical product development is highly speculative because it entails substantial upfront capital expenditures and significant risk that any potential product candidate will fail to demonstrate adequate effect or an acceptable safety profile, gain regulatory approval and become commercially viable. Adicet's programs, including ADI-001 and ADI-002, remain in the pre-clinical stage. Adicet has no products approved for commercial sale and has not generated any revenue from product sales to date, and it will continue to incur significant research and development and other expenses related to its ongoing operations. As a result, Adicet is not profitable and has incurred net losses in each period since Adicet's inception. For the years ended December 31, 2019 and 2018, Adicet reported net losses of $28.1 million and $9.3 million, respectively. As of March 31, 2020, Adicet had an accumulated deficit of $74.1 million.

Adicet expects to incur significant expenditures for the foreseeable future, and it expects these expenditures to increase as it continues its research and development of, and seek regulatory approvals for, product candidates based on its gamma delta T cell platform, including ADI-001 and ADI-002. Even if Adicet succeeds in commercializing one or more of its product candidates, it will continue to incur substantial research and development and other expenditures to develop and market additional product candidates. Adicet may encounter unforeseen expenses, difficulties, complications, delays and other unknown factors that may adversely affect its business. The size of Adicet's future net losses will depend, in part, on the rate of future growth of its expenses and its ability to generate revenue. Adicet's prior losses and expected future losses have had and will continue to have an adverse effect on its stockholders' equity and working capital. Further, even if Adicet does achieve profitability, it may not be able to sustain or increase profitability on a quarterly or annual basis. Adicet's failure to become and remain profitable would depress the value of the combined company and could impair its ability to raise capital, expand its business, maintain its research and development efforts, diversify its product candidates or even continue its operations, any of which could have a material adverse effect on Adicet's business, financial condition, results of operations, and prospects and cause you to lose all or part of your investment.

Adicet's history of recurring losses and anticipated expenditures raise substantial doubts about its ability to continue as a going concern. Adicet's ability to continue as a going concern requires that it obtain sufficient funding to finance its operations.

Adicet has incurred operating losses to date and it is possible Adicet will never generate a profit. Adicet has concluded that substantial doubt exists regarding its ability to continue as a going concern. Adicet's financial statements included elsewhere in this proxy statement/prospectus/information statement have been prepared on a going concern basis, which contemplates the realization of assets and satisfaction of liabilities in the ordinary course of business. These financial statements do not include any adjustments relating to the recoverability and classification of recorded asset amounts or the amounts and classification of liabilities that might result from the outcome of these uncertainties related to Adicet's ability to operate on a going concern basis.

The report of Adicet's independent registered public accounting firm on its financial statements as of and for the years ended December 31, 2019 and 2018 includes an explanatory paragraph indicating that there is substantial doubt about Adicet's ability to continue as a going concern. If Adicet is unable to raise sufficient capital when needed, Adicet's business, financial condition and results of operations will be harmed, and Adicet will need to significantly modify its operational plans to continue as a going concern. If Adicet is unable to continue as a going concern, Adicet might have to liquidate its assets and the values it receives for its assets in liquidation or dissolution could be significantly lower than the values reflected in its financial statements. The inclusion of a going concern explanatory paragraph by Adicet's auditors, its lack of cash resources and its potential inability to continue as a going concern may negatively impact Adicet's share price and its ability to raise new capital or to enter into critical contractual relations with third parties due to concerns about its ability to meet its contractual obligations.

Adicet's gamma delta T cell candidates represent a novel approach to cancer treatment that creates significant challenges for Adicet.

Adicet is developing a pipeline of gamma delta T cell product candidates and a novel antibody platform that are intended for use in patient with certain cancers. Advancing these novel product candidates creates significant challenges for Adicet, including:

- manufacturing its product candidates to its specifications and in a timely manner to support its future clinical trials, and, if approved, commercialization;
- sourcing future clinical and, if approved, commercial supplies for the raw materials used to manufacture its product candidates;
- understanding and addressing variability in the quality of a donor's T cells, which could ultimately affect its ability to produce product in a reliable and consistent manner;
- inability to achieve efficacy in cancer patients following treatment with Adicet's product candidates;
- achieving a side effect profile, including GvHD, from Adicet product candidates that makes them commercially unattractive for further development;
- educating medical personnel regarding the potential side effect profile of its product candidates, if approved;
- using medicines to manage adverse side effects of its product candidates which may not adequately control the side effects and/or may have a detrimental impact on the efficacy of the treatment;
- conditioning patients with chemotherapy or other lymphodepletion agents in advance of administering Adicet's product candidates, which may increase the risk of adverse side effects;
- obtaining regulatory approval, as the FDA and other regulatory authorities have limited experience with development of allogeneic T cell therapies for cancer; and

- establishing sales and marketing capabilities upon obtaining any regulatory approval to gain market acceptance of a novel therapy.

The success of Adicet's business, including its ability to obtain financing and generate any revenue in the future, will primarily depend on the successful development, manufacturing, positive efficacy and safety profile in its clinical trials, regulatory approval and commercialization of Adicet's novel product candidates, which may never occur. Adicet has not yet succeeded and may not succeed in demonstrating efficacy and safety for any of its product candidates in clinical trials or in obtaining marketing approval thereafter. Given Adicet's early stage of development, it may be several years, if at all, before Adicet has demonstrated the safety and efficacy of a product candidate sufficient to warrant approval for commercialization. If Adicet is unable to develop, or obtain regulatory approval for, or, if approved, successfully commercialize its product candidates, Adicet may not be able to generate sufficient revenue to continue its business, which could have a material adverse effect on Adicet's results of operations and prospects.

Adicet's product candidates are based on novel technologies, which makes it difficult to predict the likely success of such product candidates and the time and cost of product candidate development and obtaining regulatory approval.

Adicet has concentrated its research and development efforts on its allogeneic gamma delta T cell therapy and Adicet's future success depends on the successful development of this therapeutic approach. Adicet is in the early stages of developing its platform and product candidates and there can be no assurance that any development problems Adicet has experienced or may experience in the future will not cause significant delays or result in unforeseen issues or unanticipated costs, or that any such development problems or issues can be overcome. Adicet may also experience delays in developing a sustainable, reproducible and scalable manufacturing process or transferring that process to commercial partners, which may prevent it from completing Adicet's future clinical studies or commercializing its products on a timely or profitable basis, if at all. In addition, Adicet's expectations with regard to the advantages of an allogenic gamma delta T cell therapy platform relative to other therapies may not materialize or materialize to the degree Adicet anticipates. Further, Adicet's scalability and costs of manufacturing may vary significantly as Adicet develops its product candidates and understands these critical factors.

In addition, the clinical study requirements of the FDA, EMA and other regulatory agencies and the criteria these regulators use to determine the safety and efficacy of a product candidate are determined according to the type, complexity, novelty and intended use and market of the potential products. The regulatory approval process for novel product candidates such as Adicet's can be more complex and consequently more expensive and take longer than for other, better known or extensively studied pharmaceutical or other product candidates. Approvals by the EMA and FDA for existing autologous CAR-T therapies, such as Kymriah® and Yescarta®, may not be indicative of what these regulators may require for approval of Adicet's therapies. Also, while Adicet expects reduced variability in its products candidates compared to autologous products, Adicet does not have significant clinical data supporting any benefit of lower variability. More generally, approvals by any regulatory agency may not be indicative of what any other regulatory agency may require for approval or what such regulatory agencies may require for approval in connection with new product candidates.

Adicet's product candidates may also not perform successfully in clinical trials or may be associated with adverse events that distinguish them from the autologous CAR-T therapies that have previously been approved or alpha beta T cell therapies that may be approved in the future. Unexpected clinical outcomes could materially and adversely affect Adicet's business, results of operations and prospects.

Adicet's business is highly dependent on the success of ADI-001 and ADI-002. If Adicet is unable to obtain approval for ADI-001 or ADI-002 and effectively commercialize ADI-001 or ADI-002 for the treatment of patients in its approved indications, its business would be significantly harmed.

Adicet's business and future success depends on its ability to obtain regulatory approval of, and then successfully commercialize, its most advanced product candidates, ADI-001 and ADI-002. ADI-001 is in the early stages of development and Adicet intends to file an IND and, subject to the FDA regulatory process for review of INDs, initiate Phase 1 clinical trial in adults with refractory B cell malignancies by the end of 2020 or early 2021. ADI-002 is also in the early stage of development and Adicet intends to file an IND and, subject to the FDA's regulatory process for review of INDs, initiate a Phase 1 clinical trial in 2021.

Adicet's pre-clinical results to date may not predict results for its planned trials or any future studies of ADI-001 and ADI-002 or any other allogeneic gamma delta T cell product candidate. Because of the lack of evaluation of allogeneic products and gamma delta T cell therapy products in the clinic to date, any such product's failure, or the failure of other allogeneic T cell therapies or gamma delta T cell therapies, may significantly influence physicians' and regulators' opinions in regards to the viability of Adicet's entire pipeline of allogeneic T cell therapies, which could have a material adverse effect on Adicet's reputation. If Adicet's gamma delta T cell therapy is viewed as less safe or effective than autologous therapies or other allogeneic T cell therapies, Adicet's ability to develop other allogeneic gamma delta T cell therapies may be significantly harmed.

All of Adicet's product candidates, including ADI-001 and ADI-002, will require additional clinical and non-clinical development, regulatory review and approval in multiple jurisdictions, substantial investment, access to sufficient commercial manufacturing capacity and significant marketing efforts before Adicet can generate any revenue from product sales. In addition, because ADI-001 is Adicet's most advanced product candidate, and because its other product candidates are based on similar technology, if ADI-001 encounters safety or efficacy problems, manufacturing problems, developmental delays, regulatory issues or other problems, Adicet's development plans and business would be significantly harmed, which could have a material adverse effect on Adicet's business, reputation and prospects.

Adicet's product candidates may cause undesirable side effects or have other properties that could halt their clinical development, prevent their regulatory approval, limit their commercial potential or result in significant negative consequences.

Undesirable or unacceptable side effects caused by Adicet's product candidates could cause Adicet or regulatory authorities to interrupt, delay or halt clinical trials and could result in a more restrictive label or the delay or denial of regulatory approval by the FDA or other comparable foreign regulatory authorities. Results of Adicet's clinical trials could reveal a high and unacceptable severity and prevalence of side effects or unexpected characteristics. Approved autologous CAR T therapies and those under development have shown frequent rates of cytokine release syndrome and neurotoxicity, and adverse events have resulted in the death of patients. While Adicet believes its gamma delta T cell therapy may lessen such results, similar or other adverse events for its allogeneic gamma delta T cell product candidates may occur. In addition, while Adicet anticipates its focus on gamma delta T cells may lessen the likelihood of GvHD relative to therapies relying on unrelated alpha beta T cells, similar or other adverse events for its allogeneic gamma delta T cell product candidates may occur.

If unacceptable toxicities arise in the development of Adicet's product candidates, Adicet could suspend or terminate its trials or the FDA or comparable foreign regulatory authorities could order it to cease clinical trials or deny approval of its product candidates for any or all targeted indications. The data safety monitoring board may also suspend or terminate a clinical trial at any time on various grounds, including a finding that the research patients are being exposed to an unacceptable health risk, including risks inferred from other unrelated immunotherapy trials. Treatment-related side effects could also affect patient recruitment or the ability of enrolled subjects to complete the trial or result in potential product liability claims. Novel therapeutic candidates, such as those developed by Adicet, may result in novel side effect profiles that may not be appropriately

recognized or managed by the treating medical staff. Adicet anticipates having to train medical personnel using Adicet's product candidates to understand the side effect profile of Adicet's product candidates for Adicet's clinical trials and upon any commercialization of any of Adicet's product candidates. Inadequate training in recognizing or managing the potential side effects of Adicet's product candidates could result in serious adverse events including patient deaths. Based on available preclinical data and on management's clinical experience with other cell therapy agents, the safety profile of Adicet's pipeline product candidates are expected to include cytokine release syndrome, neurotoxicity, and possibly additional adverse events. Any of these occurrences may have a material adverse effect Adicet's business, financial condition and prospects.

Adicet's clinical trials may fail to demonstrate the safety and efficacy of any of its product candidates, which would prevent or delay regulatory approval and commercialization.

Before obtaining regulatory approvals for the commercial sale of Adicet's product candidates, including ADI-001 and ADI-002, Adicet must demonstrate through lengthy, complex and expensive preclinical testing and clinical trials that its product candidates are both safe and effective for use in each target indication. Clinical testing is expensive and can take many years to complete, and its outcome is inherently uncertain. Failure can occur at any time during the clinical trial process. The results of preclinical studies and early clinical trials of Adicet's product candidates may not be predictive of the results of later-stage clinical trials.

There is typically an extremely high rate of attrition from the failure of product candidates proceeding through clinical trials. Product candidates in later stages of clinical trials may fail to show the desired safety and efficacy profile despite having progressed through preclinical studies and initial clinical trials. A number of companies in the biopharmaceutical industry have suffered significant setbacks in advanced clinical trials due to lack of efficacy, insufficient durability of efficacy or unacceptable safety issues, notwithstanding promising results in earlier trials. Most product candidates that commence clinical trials are never approved as products.

In addition, for ADI-001 and ADI-002 and any future trials that may be completed, Adicet cannot guarantee that the FDA or foreign regulatory authorities will interpret the results as Adicet does, and more trials could be required before Adicet submits its product candidates for approval. To the extent that the results of the trials are not satisfactory to the FDA or foreign regulatory authorities for support of a marketing application, approval of Adicet's product candidates may be significantly delayed, or Adicet may be required to expend significant additional resources, which may not be available to it, to conduct additional trials in support of potential approval of Adicet's product candidates. Any of the foregoing could have a material adverse effect on Adicet's business, prospects and financial condition.

Interim "top line" and preliminary data from Adicet's clinical trials that Adicet may announce or publish from time to time may change as more patient data becomes available and are subject to audit and verification procedures that could result in material changes in the final data.

From time to time, Adicet may publish interim "top line" or preliminary data from Adicet's clinical studies. Interim data from clinical trials that Adicet may complete are subject to the risk that one or more of the clinical outcomes may materially change as patient enrollment continues and more patient data become available.

Preliminary or "top line" data also remain subject to audit and verification procedures that may result in the final data being materially different from the preliminary data Adicet previously published. As a result, interim and preliminary data should be viewed with caution until the final data are available. Adverse differences between preliminary or interim data and final data could significantly harm Adicet's business prospects.

Adicet may not be able to file INDs to commence additional clinical trials on the timelines it expects, and even if Adicet is able to, the FDA may not permit it to proceed.

Adicet plans to submit an IND to the FDA and, subject to the FDA regulatory process for review of INDs, initiate a clinical trial of ADI-001 targeting CD20 for the treatment of patients with non-Hodgkin's lymphoma by

the end of 2020 or early 2021. Additionally, Adicet plans to submit an IND and, subject to the FDA's regulatory process for review of INDs, initiate Phase 1 clinical trials of ADI-002 in 2021. However, Adicet's timing of filing on these product candidates is dependent on further pre-clinical and manufacturing success, which Adicet works on with various third parties. Adicet cannot be sure that it will be able to submit its IND in a timely manner, if at all, or that submission of an IND or IND amendment will result in the FDA allowing testing and clinical trials to begin, or that, once begun, issues will not arise that suspend or terminate such clinical trials. Additionally, even if such regulatory authorities agree with the design and implementation of the clinical trials set forth in an IND or clinical trial application, Adicet cannot guarantee that such regulatory authorities will not change their requirements in the future. The inability to initiate a clinical trial on ADI-001 or ADI-002 on the timeline currently anticipated or at all could have a material adverse effect on Adicet's business, results of operations and prospects.

Adicet may encounter substantial delays in its clinical trials, or may not be able to conduct its trials on the timelines Adicet expects.

Clinical testing is expensive, time consuming and subject to uncertainty. Adicet cannot guarantee that any clinical studies will be conducted as planned or completed on schedule, if at all. Even if these trials begin as planned, issues may arise that could suspend or terminate such clinical trials. A failure of one or more clinical studies can occur at any stage of testing, and Adicet's future clinical studies may not be successful. Events that may prevent successful or timely completion of clinical development include:

- inability to generate sufficient preclinical, toxicology or other in vivo or in vitro data to support the initiation of clinical studies;
- delays in sufficiently developing, characterizing or controlling a manufacturing process suitable for advanced clinical trials;
- delays in developing suitable assays for screening patients for eligibility for trials with respect to certain product candidates;
- delays in reaching a consensus with regulatory agencies on study design;
- delays in reaching agreement on acceptable terms with prospective CROs and clinical study sites, the terms of which can be subject to extensive negotiation and may vary significantly among different CROs and clinical study sites;
- delays in obtaining required institutional review board (IRB) approval at each clinical study site;
- imposition of a temporary or permanent clinical hold by regulatory agencies for a number of reasons, including after review of an IND application or amendment, or equivalent application or amendment; as a result of a safety finding that presents unreasonable risk to clinical trial participants; a negative finding from an inspection of Adicet's clinical study operations or study sites; developments on trials conducted by competitors for related technology that raises FDA concerns about risk to patients of the technology broadly; or if FDA finds that the investigational protocol or plan is clearly deficient to meet its stated objectives;
- delays in recruiting suitable patients to participate in Adicet's clinical studies;
- difficulty collaborating with patient groups and investigators;
- failure by Adicet CROs, other third parties or it to adhere to clinical study requirements;
- failure to perform in accordance with the FDA's good clinical practice (GCP) requirements or applicable regulatory guidelines in other countries;
- transfer of manufacturing processes to any new clinical manufacturing organization (referred to as a "CMO") or Adicet's own manufacturing facilities or any other development or commercialization partner for the manufacture of product candidates;
- delays in having patients complete participation in a study or return for post-treatment follow-up;

- patients dropping out of a study;
- occurrence of adverse events associated with the product candidate that are viewed to outweigh its potential benefits;
- changes in regulatory requirements and guidance that require amending or submitting new clinical protocols;
- changes in the standard of care on which a clinical development plan was based, which may require new or additional trials;
- the cost of clinical studies of Adicet's product candidates being greater than Adicet anticipates;
- clinical studies of Adicet's product candidates producing negative or inconclusive results, which may result in Adicet deciding, or regulators requiring Adicet, to conduct additional clinical studies or abandon product development programs;
- delays or failure to secure supply agreements with suitable raw material suppliers, or any failures by suppliers to meet Adicet quantity or quality requirements for necessary raw materials; and
- delays in manufacturing, testing, releasing, validating, or importing/exporting sufficient stable quantities of Adicet's product candidates for use in clinical studies or the inability to do any of the foregoing.

Adicet's timing of filing on these product candidates is dependent on further pre-clinical and manufacturing success, which Adicet works on with various third parties. Adicet cannot be sure that it will be able to submit its IND in a timely manner, if at all, or that submission of an IND or IND amendment will result in the FDA allowing testing and clinical trials to begin, or that, once begun, issues will not arise that suspend or terminate such clinical trials. Additionally, even if such regulatory authorities agree with the design and implementation of the clinical trials set forth in an IND or clinical trial application, Adicet cannot guarantee that such regulatory authorities will not change their requirements in the future.

Any inability to successfully complete preclinical and clinical development could result in additional costs to Adicet or impair Adicet's ability to generate revenue. In addition, if Adicet makes manufacturing or formulation changes to its product candidates, Adicet may be required to or Adicet may elect to conduct additional studies to bridge Adicet's modified product candidates to earlier versions. Clinical study delays could also shorten any periods during which Adicet's products have patent protection and may allow Adicet's competitors to bring products to market before Adicet does, which could impair Adicet's ability to successfully commercialize Adicet's product candidates and may harm Adicet's business and results of operations.

Monitoring safety of patients receiving Adicet's product candidates is challenging, which could adversely affect Adicet's ability to obtain regulatory approval and commercialize.

In Adicet's planned clinical trials of its product candidates, Adicet has contracted with and is expected to continue to contract with academic medical centers and hospitals experienced in the assessment and management of toxicities arising during clinical trials. Nonetheless, these centers and hospitals may have difficulty observing patients and treating toxicities, which may be more challenging due to personnel changes, inexperience, shift changes, house staff coverage or related issues. This could lead to more severe or prolonged toxicities or even patient deaths, which could result in Adicet or the FDA delaying, suspending or terminating one or more of Adicet's clinical trials, and which could jeopardize regulatory approval. Medicines used at centers to help manage adverse side effects of ADI-001 and ADI-002 may not adequately control the side effects and/or may have a detrimental impact on the efficacy of the treatment. Use of these medicines may increase with new physicians and centers administering Adicet's product candidates, any of which could have a material adverse effect on Adicet's ability to obtain regulatory approval and commercialize on the timelines anticipated or at all, which could have a material adverse effect on Adicet's business and results of operations.

If Adicet encounters difficulties enrolling patients in Adicet's clinical trials, Adicet's clinical development activities could be delayed or otherwise adversely affected.

Adicet may experience difficulties in patient enrollment in Adicet's clinical trials for a variety of reasons, including, without limitation, the impact of the COVID-19 pandemic. The timely completion of clinical trials in accordance with their protocols depends, among other things, on Adicet's ability to enroll a sufficient number of patients who remain in the study until its conclusion. The enrollment of patients depends on many factors, including:

- the patient eligibility criteria defined in the protocol;
- the size of the patient population required for analysis of the trial's primary endpoints;
- the proximity of patients to study sites;
- the design of the trial;
- Adicet's ability to recruit clinical trial investigators with the appropriate competencies and experience;
- Adicet's ability to obtain and maintain patient consents; and
- the risk that patients enrolled in clinical trials will drop out of the trials before the infusion of Adicet's product candidates or trial completion.

Adicet intends to conduct a number of clinical trials for product candidates in the fields of cancer and other indications in geographies which are affected by COVID-19 pandemic. Adicet believes that the coronavirus pandemic will have an impact on various aspects of its future clinical trials. For example, investigators may not want to take the risk of exposing cancer patients to COVID-19 since the dosing of patients is conducted within an in-patient setting. Other potential impacts of the COVID-19 pandemic on Adicet's future various clinical trials include patient dosing and study monitoring, which may be paused or delayed due to changes in policies at various clinical sites, federal, state, local or foreign laws, rules and regulations, including quarantines or other travel restrictions, prioritization of healthcare resources toward pandemic efforts, including diminished attention of physicians serving as Adicet's clinical trial investigators and reduced availability of site staff supporting the conduct of its clinical trials, interruption or delays in the operations of the government regulators, or other reasons related to the COVID-19 pandemic. It is unknown how long these pauses or disruptions could continue.

In addition, Adicet's clinical trials will compete with other clinical trials for product candidates that are in the same therapeutic areas as Adicet's product candidates, and this competition will reduce the number and types of patients available to Adicet because some patients who might have opted to enroll in Adicet trials may instead opt to enroll in a trial being conducted by one of Adicet's competitors. Since the number of qualified clinical investigators is limited, some of Adicet's clinical trial sites are also being used by some of Adicet's competitors, which may reduce the number of patients who are available for Adicet's clinical trials in that clinical trial site.

Moreover, because Adicet's product candidates represent unproven methods for cancer treatment, potential patients and their doctors may be inclined to use conventional therapies, such as chemotherapy and hematopoietic cell transplantation or autologous CAR-T cell therapies, rather than enroll patients in Adicet's clinical trial. Patients eligible for allogeneic CAR-T cell therapies but ineligible for autologous CAR T cell therapies due to aggressive cancer and inability to wait for autologous CAR-T cell therapies may be at greater risk for complications and death from therapy.

Delays in patient enrollment may result in increased costs or may affect the timing or outcome of Adicet's ongoing clinical trial and planned clinical trials, which could prevent completion of these trials and adversely affect Adicet's ability to advance the development of Adicet's product candidates.

Clinical trials are expensive, time-consuming and difficult to design and implement.

Human clinical trials are expensive and difficult to design and implement, in part because they are subject to rigorous regulatory requirements. Because Adicet's gamma delta T cell product candidates are based on new

technologies and will require the creation of inventory of mass-produced, off-the-shelf products, Adicet expects that it will require extensive research and development and have substantial manufacturing and processing costs. In addition, costs to treat patients with Non Hodgkin's lymphoma cancer and to treat potential side effects that may result from Adicet's product candidates can be significant. Accordingly, Adicet's clinical trial costs are likely to be significantly higher than for more conventional therapeutic technologies or drug products, which is expected to have a material adverse effect on Adicet's financial position and ability to achieve profitability.

The market opportunities for Adicet's product candidates may be limited to those patients who are ineligible for or have failed prior treatments and may be small.

The FDA often approves new therapies initially only for use in patients who are currently not adequately treated with currently approved therapies. Adicet expects to initially seek approval of ADI-001 and ADI-002 and Adicet's other product candidates in this setting. Subsequently, for those products that prove to be sufficiently beneficial, if any, Adicet would expect to seek approval in earlier lines of treatment and potentially as a first line therapy. There is no guarantee that Adicet's product candidates, even if approved, would be approved for earlier lines of therapy, and, prior to any such approvals, Adicet will have to conduct additional clinical trials, including potentially comparative trials against approved therapies. Adicet is also targeting a similar patient population as autologous CART product candidates, including approved autologous CART products. Adicet's therapies may not be as safe and effective as autologous CART therapies and may only be approved for patients who are ineligible for autologous CART therapy.

Adicet's projections of both the number of people who have the cancers Adicet is targeting, as well as the subset of people with these cancers in a position to receive second or later lines of therapy and who have the potential to benefit from treatment with Adicet's product candidates, are based on Adicet's beliefs and estimates. These estimates have been derived from a variety of sources, including scientific literature, patient foundations, or market research and may prove to be incorrect. Further, new studies may change the estimated incidence or prevalence of these cancers. The number of patients may turn out to be lower than expected. Additionally, the potentially addressable patient population for Adicet's product candidates may be limited or may not be amenable to treatment with Adicet's product candidates. Even if Adicet obtains significant market share for its product candidates, because the potential target populations are small, Adicet may never achieve profitability without obtaining regulatory approval for additional indications.

If Adicet fails to develop additional product candidates, Adicet's commercial opportunity will be limited.

One of Adicet's core strategies is to pursue clinical development of additional product candidates beyond ADI-001 and ADI-002. Developing, obtaining regulatory approval and commercializing additional gamma delta T cell product candidates will require substantial additional funding and is prone to the risks of failure inherent in medical product development. Adicet cannot provide you any assurance that it will be able to successfully advance any of these additional product candidates through the development process.

Even if Adicet receives FDA approval to market additional product candidates for the treatment of cancer, Adicet cannot assure you that any such product candidates will be successfully commercialized, widely accepted in the marketplace or more effective than other commercially available alternatives. If Adicet is unable to successfully develop and commercialize additional product candidates, Adicet's commercial opportunity will be limited. Moreover, a failure in obtaining regulatory approval of additional product candidates may have a negative effect on the approval process of any other, or result in losing approval of any approved, product candidate which could have a material adverse effect on Adicet's business and prospects.

Adicet does not currently operate its own manufacturing facility, which would require significant resources and any failure to successful manufacture its products could adversely affect Adicet's clinical trials and the commercial viability of Adicet's product candidates.

Adicet may not be able to achieve clinical or commercial manufacturing and cell processing on its own or through its CMOs, including mass-producing off-the-shelf product to satisfy demands for any of Adicet's

product candidates. Very few companies have experience in manufacturing gamma delta T cell therapy derived from blood of healthy donors and gamma delta T cells require several complex manufacturing steps before being available as a mass-produced, off-the-shelf product. While Adicet believes its manufacturing and processing approaches are appropriate to support Adicet's clinical product development, Adicet has limited experience in managing the allogeneic gamma delta T cell engineering process, and Adicet's allogeneic processes may be more difficult or more expensive than the approaches taken by Adicet's competitors. Adicet cannot be sure that the manufacturing processes employed by or on its behalf will result in T cells that will be safe and effective.

Adicet's operations remain subject to review and oversight by the FDA and the FDA could object to Adicet's use of any manufacturing facilities. Adicet must first receive approval from the FDA prior to licensure to manufacture Adicet's product candidates, which Adicet may never obtain. Even if approved, Adicet would be subject to ongoing periodic unannounced inspection by the FDA and corresponding state agencies to ensure strict compliance with current good manufacturing practices (cGMPs) and other government regulations. Adicet's license to manufacture product candidates will be subject to continued regulatory review.

Adicet's cost of goods development is at an early stage. The actual cost to manufacture and process Adicet's product candidates could be greater than Adicet expects and could materially and adversely affect the commercial viability of its product candidates.

The manufacture of biopharmaceutical products is complex and requires significant expertise, including the development of advanced manufacturing techniques and process controls. Manufacturers of cell therapy products often encounter difficulties in production, particularly in scaling out and validating initial production and ensuring the absence of contamination. These problems include difficulties with production costs and yields, quality control, including stability of the product, quality assurance testing, operator error, shortages of qualified personnel, as well as compliance with strictly enforced federal, state and foreign regulations. Furthermore, if contaminants are discovered in Adicet's supply of product candidates or in the manufacturing facilities, such manufacturing facilities may need to be closed for an extended period of time to investigate and remedy the contamination. Adicet cannot assure you that any stability or other issues relating to the manufacture of Adicet's product candidates will not occur in the future.

Adicet may fail to manage the logistics of storing and shipping Adicet's product candidates. Storage failures and shipment delays and problems caused by Adicet, Adicet's vendors or other factors not in Adicet's control, such as weather, could result in loss of usable product or prevent or delay the delivery of product candidates to patients.

Adicet may also experience manufacturing difficulties due to resource constraints or as a result of labor disputes. If Adicet were to encounter any of these difficulties, Adicet's ability to provide Adicet's product candidates to patients would be jeopardized, which could have a material adverse effect on Adicet's business, results of operations and prospects.

Adicet currently has no marketing and sales organization and as a company has no experience in marketing products. If Adicet is unable to establish marketing and sales capabilities or enter into agreements with third parties to market and sell Adicet's product candidates, Adicet may not be able to generate product revenue.

Adicet currently has no sales, marketing or distribution capabilities and as a company has no experience in marketing products. Adicet may develop a marketing organization and sales force, which will require significant capital expenditures, management resources and time. Adicet will have to compete with other pharmaceutical and biotechnology companies to recruit, hire, train and retain marketing and sales personnel.

If Adicet is unable or decides not to establish internal sales, marketing and distribution capabilities, Adicet will pursue collaborative arrangements regarding the sales and marketing of Adicet's products; however, there can be no assurance that Adicet will be able to establish or maintain such collaborative arrangements, or if Adicet is able

to do so, that it will have effective sales forces. Any revenue Adicet receives will depend upon the efforts of such third parties, which may not be successful. Adicet may have little or no control over the marketing and sales efforts of such third parties and Adicet's revenue from product sales may be lower than if Adicet had commercialized Adicet's product candidates themselves. Adicet also faces competition in its search for third parties to assist it with the sales and marketing efforts of Adicet's product candidates.

There can be no assurance that Adicet will be able to develop in-house sales and distribution capabilities or establish or maintain relationships with third-party collaborators to commercialize any product that receives regulatory approval in the United States or overseas. If Adicet is unable to successfully market and distribute its products, Adicet's business, results of operations and prospects could be materially adversely effected.

A variety of risks associated with conducting research and clinical trials abroad and marketing Adicet's product candidates internationally could materially adversely affect Adicet's business.

Adicet plans to globally develop its product candidates. Accordingly, Adicet expects that it will be subject to additional risks related to operating in foreign countries, including:

- differing regulatory requirements in foreign countries;
- unexpected changes in tariffs, trade barriers, price and exchange controls and other regulatory requirements;
- increased difficulties in managing the logistics and transportation of storing and shipping product candidates produced in the United States and shipping the product candidate to the patient abroad;
- import and export requirements and restrictions;
- economic weakness, including inflation, or political instability in particular foreign economies and markets;
- compliance with tax, employment, immigration and labor laws for employees living or traveling abroad;
- foreign taxes, including withholding of payroll taxes;
- foreign currency fluctuations, which could result in increased operating expenses and reduced revenue, and other obligations incident to doing business in another country;
- difficulties staffing and managing foreign operations;
- workforce uncertainty in countries where labor unrest is more common than in the United States;
- differing payor reimbursement regimes, governmental payors or patient self-pay systems, and price controls;
- potential liability under the Foreign Corrupt Practices Act of 1977 or comparable foreign regulations;
- challenges enforcing Adicet's contractual and intellectual property rights, especially in those foreign countries that do not respect and protect intellectual property rights to the same extent as the United States;
- production shortages resulting from any events affecting raw material supply or manufacturing capabilities abroad; and
- business interruptions resulting from geo-political actions, including war and terrorism.

These and other risks associated with Adicet's potential international operations may materially adversely affect Adicet's ability to attain or maintain profitable operations, which could have a material adverse effect on Adicet's business and results of operations.

Adicet faces significant competition from other biotechnology and pharmaceutical companies, and Adicet's operating results will suffer if Adicet fails to compete effectively.

The biopharmaceutical industry, and the immuno-oncology industry specifically, is characterized by intense competition and rapid innovation. Adicet's competitors may be able to develop other compounds or drugs that are able to achieve similar or better results. Adicet's potential competitors include major multinational pharmaceutical companies, established biotechnology companies, specialty pharmaceutical companies and universities and other research institutions. Many of Adicet's competitors have substantially greater financial, technical and other resources, such as larger research and development staff and experienced marketing and manufacturing organizations and well-established sales forces. Smaller or early-stage companies may also prove to be significant competitors, particularly through collaborative arrangements with large, established companies. Mergers and acquisitions in the biotechnology and pharmaceutical industries may result in even more resources being concentrated in its competitors. Competition may increase further as a result of advances in the commercial applicability of technologies and greater availability of capital for investment in these industries. Adicet's competitors, either alone or with collaborative partners, may succeed in developing, acquiring or licensing on an exclusive basis drug or biologic products that are more effective, safer, more easily commercialized or less costly than Adicet's product candidates or may develop proprietary technologies or secure patent protection that Adicet may need for the development of Adicet's technologies and products.

Specifically, engineered T cells face significant competition in both the CAR and TCR technology space from multiple companies. Even if Adicet obtains regulatory approval of Adicet's product candidates, the availability and price of Adicet's competitors' products could limit the demand and the price Adicet is able to charge for Adicet's product candidates. Adicet may not be able to implement its business plan if the acceptance of its product candidates is affected by price competition or the reluctance of physicians to switch from existing methods of treatment to Adicet's product candidates, or if physicians switch to other new drug or biologic products or choose to reserve Adicet's product candidates for use in limited circumstances.

Adicet is highly dependent on Adicet's key personnel, and if Adicet is not successful in attracting and retaining highly qualified personnel, Adicet may not be able to successfully implement its business strategy.

Adicet's ability to compete in the highly competitive biotechnology and pharmaceutical industries depends upon its ability to attract and retain highly qualified managerial, scientific and medical personnel. Adicet is highly dependent on Adicet's management, scientific and medical personnel. The loss of the services of any of Adicet's executive officers, other key employees, and other scientific and medical advisors, and its inability to find suitable replacements could result in delays in product development and harm Adicet's business.

Adicet conducts substantially all of its operations at its facilities in the San Francisco Bay Area. This region is headquarters to many other biopharmaceutical companies and many academic and research institutions. Competition for skilled personnel in this market is intense and may limit Adicet's ability to hire and retain highly qualified personnel on acceptable terms or at all.

To induce valuable employees to remain at the company, in addition to salary and cash incentives, Adicet has provided stock options that vest over time. The value to employees of stock options that vest over time may be significantly affected by fluctuations in Adicet's stock price that are beyond Adicet's control and may at any time be insufficient to counteract more lucrative offers from other companies. Despite Adicet's efforts to retain valuable employees, members of Adicet's management, scientific and development teams may terminate their employment with Adicet on short notice. Although Adicet has employment agreements with its key employees, these employment agreements provide for at-will employment, which means that any of Adicet's employees could leave Adicet's employment at any time, with or without notice. Adicet does not maintain "key person" insurance policies on the lives of these individuals or the lives of any of Adicet's other employees. Adicet's success also depends on Adicet's ability to continue to attract, retain and motivate highly skilled junior, mid-level and senior managers as well as junior, mid-level and senior scientific and medical personnel.

Adicet has grown rapidly and will need to continue to grow the size of its organization, and it may experience difficulties in managing this growth.

As Adicet's development and commercialization plans and strategies develop, and as Adicet transitions into operating as a public company, Adicet has rapidly expanded its employee base and expects to continue to add managerial, operational, sales, research and development, marketing, financial and other personnel. Current and future growth imposes significant added responsibilities on members of management, including:

- identifying, recruiting, integrating, maintaining and motivating additional employees;
- managing Adicet's internal development efforts effectively, including the clinical and FDA review process for Adicet's product candidates, while complying with Adicet's contractual obligations to contractors and other third parties; and
- improving Adicet's operational, financial and management controls, reporting systems and procedures.

Adicet's future financial performance and its ability to commercialize Adicet's product candidates will depend, in part, on its ability to effectively manage its growth, and Adicet's management may also have to divert a disproportionate amount of its attention away from day-to-day activities in order to devote a substantial amount of time to managing these growth activities.

Adicet currently relies, and for the foreseeable future will continue to rely, in substantial part on certain independent organizations, advisors and consultants, which expire after a certain period of time, to provide certain services, including certain research and development as well as general and administrative support. There can be no assurance that the services of independent organizations, advisors and consultants will continue to be available to Adicet on a timely basis when needed, or that Adicet can find qualified replacements. In addition, if Adicet is unable to effectively manage Adicet's outsourced activities or if the quality or accuracy of the services provided by consultants is compromised for any reason, Adicet's clinical trials may be extended, delayed or terminated, and Adicet may not be able to obtain regulatory approval of its product candidates or otherwise advance its business. There can be no assurance that Adicet will be able to manage Adicet's existing consultants or find other competent outside contractors and consultants on economically reasonable terms, or at all.

If Adicet is not able to effectively expand its organization by hiring new employees and expanding Adicet's groups of consultants and contractors, Adicet may not be able to successfully implement the tasks necessary to further develop and commercialize Adicet's product candidates and, accordingly, may not achieve its research, development and commercialization goals, which could have a material adverse effect on Adicet's business, results of operations and prospects.

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

Adicet may form or seek strategic alliances, create joint ventures or collaborations or enter into additional licensing arrangements with third parties that Adicet believes will complement or augment Adicet development and commercialization efforts with respect to Adicet's product candidates and any future product candidates that Adicet may develop. Any of these relationships may require Adicet to incur non-recurring and other charges, increase its near and long-term expenditures, issue securities that dilute Adicet's existing stockholders or disrupt its management and business. In addition, Adicet faces significant competition in seeking appropriate strategic partners and the negotiation process is time-consuming and complex. Moreover, Adicet may not be successful in its efforts to establish a strategic partnership or other alternative arrangements for Adicet's product candidates because they may be deemed to be at too early of a stage of development for collaborative effort and third parties may not view Adicet's product candidates as having the requisite potential to demonstrate safety and efficacy. Any delays in entering into new strategic partnership agreements related to Adicet's product candidates could delay the development and commercialization of Adicet's product candidates in certain geographies for certain indications, which would harm Adicet's business prospects, financial condition and results of operations.

If Adicet licenses products or businesses, Adicet may not be able to realize the benefit of such transactions if Adicet is unable to successfully integrate them with Adicet's existing operations and company culture. For instance, Adicet's Exclusive License and Collaboration Agreement with Regeneron requires significant research and development commitments that may not result in the development and commercialization of product candidates. Adicet cannot be certain that, following a strategic transaction or license, Adicet will achieve the results, revenue or specific net income that justifies such transaction, which could have a material adverse effect on Adicet's business and results of operations.

Adicet will need substantial additional financing to develop Adicet's products and implement Adicet's operating plans. If Adicet fails to obtain additional financing, Adicet may be unable to complete the development and commercialization of Adicet's product candidates.

Adicet expects to spend a substantial amount of capital in the clinical development of Adicet's product candidates, including the planned clinical trials for ADI-001 and ADI-002. Adicet will need substantial additional financing to develop Adicet's products and implement Adicet's operating plans. In particular, Adicet will require substantial additional financing to enable commercial production of Adicet's products and initiate and complete registration trials for multiple products. Further, if approved, Adicet will require significant additional amounts in order to launch and commercialize Adicet's product candidates.

Adicet believes that its cash, cash equivalents and marketable debt securities will not be sufficient for Adicet to continue as a going concern for at least one year from the issuance date of the accompanying consolidated financial statements. However with funding that Adicet expects to receive under its existing collaborations, together with the existing cash, cash equivalents and investments of resTORbio, assuming the successful completion of the merger, Adicet expects it will be able to fund its operating expenses and capital expenditure requirements through at least December 31, 2021. However, changing circumstances may cause it to consume capital significantly faster than Adicet currently anticipates, and Adicet may need to spend more money than currently expected because of circumstances beyond its control. Adicet may require additional capital for the further development and commercialization of its product candidates, including funding Adicet internal manufacturing capabilities and may need to raise additional funds sooner if Adicet chooses to expand more rapidly than Adicet presently anticipates.

Adicet cannot be certain that additional funding will be available on acceptable terms, or at all. Other than the funding agreement and its loan agreement with Pacific Western Bank, Adicet has no committed source of additional capital and if it is unable to raise additional capital in sufficient amounts or on terms acceptable to it, Adicet may have to significantly delay, scale back or discontinue the development or commercialization of Adicet's product candidates or other research and development initiatives. Adicet's license agreements may also be terminated if Adicet is unable to meet the payment obligations under the agreements. Adicet could be required to seek collaborators for Adicet's product candidates at an earlier stage than otherwise would be desirable or on terms that are less favorable than might otherwise be available or relinquish or license on unfavorable terms Adicet's rights to Adicet's product candidates in markets where Adicet otherwise would seek to pursue development or commercialization themselves. Additionally, Adicet may not be able to incur indebtedness if the ongoing macroeconomic effects of the COVID-19 pandemic, including certain actions taken by U.S. or other governmental authorities, such as decreases in short-term interest rates as announced by the Federal Reserve, cause the closure of banks for an extended period of time or a sudden increase in requests for indebtedness at one time by many potential borrowers, either or both of which could overwhelm the banking industry.

Any of the above events could significantly harm Adicet's business, prospects, financial condition and results of operations and cause the price of the combined company's common stock to decline.

Business disruptions could seriously harm Adicet's future revenue and financial condition and increase Adicet's costs and expenses.

Adicet's operations, and those of Adicet's CMO, CROs and other contractors and consultants, could be subject to earthquakes, power shortages, telecommunications failures, water shortages, floods, hurricanes, typhoons, fires,

extreme weather conditions, medical epidemics, such as the COVID-19 pandemic, and other natural or man-made disasters or business interruptions. The occurrence of any of these business disruptions could seriously harm Adicet's operations and financial condition and increase its costs and expenses.

Adicet's ability to manufacture Adicet's product candidates could be disrupted if Adicet's operations or those of Adicet's suppliers are affected by a man-made or natural disaster or other business interruption. Adicet's corporate headquarters are located in California near major earthquake faults and fire zones. The ultimate impact on Adicet, its significant suppliers and its general infrastructure of being located near major earthquake faults and fire zones and being consolidated in certain geographical areas is unknown, but Adicet's operations and financial condition could suffer in the event of a major earthquake, fire or other natural disaster.

A pandemic, epidemic or outbreak of an infectious disease, such as COVID-19, may materially and adversely affect Adicet's business and operations.

Adicet's business, financial position, results of operations or cash flows may be affected by the ongoing global COVID-19 pandemic and the resulting volatility and uncertainty it has caused, and is likely to continue to cause, in the U.S. and international markets, including as a result of prolonged economic downturn or recession. On March 11, 2020, the World Health Organization declared the recent outbreak of COVID-19 a pandemic. As a result, national, state and local authorities have recommended social distancing and imposed or are considering quarantine, shelter-in-place, curfew and similar isolation measures, including government orders and other restrictions on the conduct of business operations, which has resulted in significant unemployment levels, decreased productivity, decreases in certain non-COVID-19 healthcare activities and healthcare utilization. Such measures have had, and are likely to continue to have, adverse impacts on the U.S. economy of uncertain severity and duration and may negatively impact Adicet's operations and those of third parties on which Adicet relies, including by causing disruptions in the supply of its product candidates and the conduct of current and future clinical trials. In addition, the COVID-19 pandemic may affect the operations of the FDA and other health authorities, which could result in delays of reviews and approvals, including with respect to Adicet's product candidates. The evolving COVID-19 pandemic is also likely to directly or indirectly impact the pace of enrollment in Adicet's future clinical trials as patients may avoid or may not be able to travel to healthcare facilities and physicians' offices unless due to a health emergency, and clinical trial sites may be less willing to enroll patients in clinical trials that may compromise a person's immune system. Such facilities and offices may also be required to focus limited resources on non-clinical trial matters, including treatment of COVID-19 patients, and may not be available, in whole or in part, for clinical trial services related to ADI-001 or ADI-002 or Adicet's other product candidates. Additionally, while the potential economic impact brought by, and the duration of the COVID-19 pandemic is difficult to assess or predict, the impact of the COVID-19 pandemic on the global financial markets may reduce Adicet's ability to access capital, which could negatively impact Adicet's short-term and long-term liquidity. The ultimate impact of the COVID-19 pandemic is highly uncertain and subject to change. Due to the uncertain and rapidly evolving nature of current conditions in the United States and around the world, Adicet cannot reasonably estimate the length or severity of the COVID-19 pandemic or the related response, including the length of time it may take for normal economic and operating conditions to resume. Adicet does not yet know the full extent of potential delays or impacts on its business, financing or clinical trial activities or on healthcare systems or the global economy as a whole. However, any of the foregoing risks, or other unforeseen risks related to the COVID-19 pandemic, could have a material impact on Adicet's liquidity, capital resources, operations and business and those of the third parties on which it relies.

Inadequate funding for the FDA and other government agencies, or disruptions in their staffing levels related to the COVID-19 global pandemic, could hinder their ability to hire and retain key leadership and other personnel, prevent new products and services from being developed or commercialized in a timely manner or otherwise prevent those agencies from performing normal business functions on which the approval of Adicet's product candidates rely, which would negatively impact its business.

The ability of the FDA to review and approve new products can be affected by a variety of factors, including government budget and funding levels, adequate staffing, furloughs, ability to hire and retain key personnel and

accept the payment of user fees, and statutory, regulatory, and policy changes. Average review times at the agency have fluctuated in recent years as a result. In addition, government funding of other government agencies on which its operations may rely, including those that fund research and development activities is subject to the political process, which is inherently fluid and unpredictable.

Disruptions at the FDA and other agencies may also slow the time necessary for new drugs to be reviewed and/or approved by necessary government agencies, which would adversely affect Adicet's business. For example, over the last several years, including beginning on December 22, 2018, the U.S. government has shut down several times and certain regulatory agencies, such as the FDA, have had to furlough critical FDA and other government employees and stop critical activities. If a prolonged government shutdown occurs, it could significantly impact the ability of the FDA to timely review and process its regulatory submissions, which could have a material adverse effect on Adicet's business, including Adicet's ability to access the public markets and obtain necessary capital in order to properly capitalize and continue its operations.

Adicet's relationships with customers, physicians including clinical investigators, clinical research organizations and third-party payors are subject, directly or indirectly, to federal and state healthcare fraud and abuse laws, false claims laws, health information privacy and security laws, transparency laws, government price reporting and other healthcare laws and regulations. If Adicet or Adicet's employees, independent contractors, consultants, commercial partners, vendors, or other agents violate these laws, Adicet could face substantial penalties.

These laws may impact, among other things, Adicet's clinical research program, as well as Adicet's proposed and future sales, marketing and education programs. In particular, the promotion, sales and marketing of healthcare items and services is subject to extensive laws and regulations designed to prevent fraud, kickbacks, self-dealing and other abusive practices. These laws and regulations may restrict or prohibit a wide range of pricing, discounting, marketing and promotion, sales commission, customer incentive and other business arrangements. Adicet may also be subject to federal, state and foreign laws governing the privacy and security of identifiable patient information. The U.S. healthcare laws and regulations that may affect Adicet's ability to operate include, but are not limited to:

- the federal Anti-Kickback Statute, which prohibits, among other things, any person or entity from knowingly and willfully, offering, paying, soliciting or receiving any remuneration, directly or indirectly, overtly or covertly, in cash or in kind, to induce, or in return for, the purchasing, leasing, ordering or arranging for the purchase, lease, or order of any item or service reimbursable under Medicare, Medicaid or other federal healthcare programs. The term "remuneration" has been broadly interpreted to include anything of value. Although there are a number of statutory exceptions and regulatory safe harbors protecting some common activities from prosecution, the exceptions and safe harbors are drawn narrowly. Practices that may be alleged to be intended to induce prescribing, purchases or recommendations, include any payments of more than fair market value, and may be subject to scrutiny if they do not qualify for an exception or safe harbor. In addition, a person or entity does not need to have actual knowledge of this statute or specific intent to violate it in order to have committed a violation. In addition, the government may assert that a claim including items or services resulting from a violation of the federal Anti-Kickback Statute constitutes a false or fraudulent claim for purposes of the False Claims Act and the civil monetary penalties statute;
- federal civil and criminal false claims laws and civil monetary penalty laws, including the federal civil False Claims Act, which prohibit, among other things, individuals or entities from knowingly presenting, or causing to be presented, claims for payment or approval from Medicare, Medicaid, or other federal government programs that are false or fraudulent or knowingly making a false statement to improperly avoid, decrease or conceal an obligation to pay money to the federal government, including federal healthcare programs;
- the federal Health Insurance Portability and Accountability Act of 1996 (HIPAA), which created new federal criminal statutes that prohibit knowingly and willfully executing, or attempting to execute, a

scheme to defraud any healthcare benefit program or obtain, by means of false or fraudulent pretenses, representations, or promises, any of the money or property owned by, or under the custody or control of, any healthcare benefit program, including private third-party payors and knowingly and willfully falsifying, concealing or covering up by any trick, scheme or device, a material fact or making any materially false, fictitious or fraudulent statements in connection with the delivery of, or payment for, healthcare benefits, items or services. Similar to the federal Anti-Kickback Statute, a person or entity does not need to have actual knowledge of the statute or specific intent to violate it in order to have committed a violation;

- HIPAA, as amended by the Health Information Technology for Economic and Clinical Health Act (HITECH) and their respective implementing regulations, which impose requirements on certain covered healthcare providers, health plans, and healthcare clearinghouses as well as their respective business associates that perform services for them that involve the use, or disclosure of, individually identifiable health information, relating to the privacy, security and transmission of individually identifiable health information;
- the federal Physician Payments Sunshine Act, which requires certain manufacturers of drugs, devices, biologicals and medical supplies for which payment is available under Medicare, Medicaid or the Children's Health Insurance Program (with certain exceptions) to report annually to the United States Department of Health and Human Services' Centers for Medicare & Medicaid Services (CMS) information related to payments or other transfers of value made to physicians and teaching hospitals, as well as ownership and investment interests held by physicians and their immediate family members; and
- federal consumer protection and unfair competition laws, which broadly regulate marketplace activities and activities that potentially harm consumers.

Additionally, Adicet may be subject to analogous state and foreign healthcare laws described above, among others, some of which may be broader in scope. For example, Adicet may be subject to the following: state anti-kickback and false claims laws that may apply to sales or marketing arrangements and claims involving healthcare items or services reimbursed by non-governmental third party payors, including private insurers, or that apply regardless of payor; state laws that require pharmaceutical companies to comply with the pharmaceutical industry's voluntary compliance guidelines and the relevant compliance guidance promulgated by the federal government; state laws that require drug manufacturers to report information related to payments and other transfers of value to physicians and other healthcare providers or marketing expenditures; state and local laws requiring the registration of pharmaceutical sales and medical representatives; and state and foreign laws governing the privacy and security of health information in some circumstances, many of which differ from each other in significant ways and often are not preempted by HIPAA, thus complicating compliance efforts. Furthermore, Adicet is subject to General Data Protection Regulation (GDPR) and other ex-US protections, as discussed further below.

Because of the breadth of these laws and the narrowness of the statutory exceptions and regulatory safe harbors available, it is possible that some of Adicet's business activities, or Adicet's arrangements with physicians, could be subject to challenge under one or more of such laws. If Adicet or Adicet's employees, independent contractors, consultants, commercial partners and vendors violate these laws, Adicet may be subject to investigations, enforcement actions and/or significant penalties.

Adicet has adopted or will have adopted after the merger, a code of business conduct and ethics, but it is not always possible to identify and deter employee misconduct or business noncompliance, and the precautions Adicet takes to detect and prevent inappropriate conduct may not be effective in controlling unknown or unmanaged risks or losses or in protecting Adicet from governmental investigations or other actions or lawsuits stemming from a failure to be in compliance with such laws or regulations. Efforts to ensure that Adicet's business arrangements will comply with applicable healthcare laws may involve substantial costs. It is possible

that governmental and enforcement authorities will conclude that Adicet's business practices may not comply with current or future statutes, regulations or case law interpreting applicable fraud and abuse or other healthcare laws and regulations. If any such actions are instituted against Adicet, and Adicet is not successful in defending themselves or asserting its rights, those actions could have a significant impact on its business, including the imposition of civil, criminal and administrative penalties, damages, disgorgement, monetary fines, possible exclusion from participation in Medicare, Medicaid and other federal healthcare programs, contractual damages, reputational harm, diminished profits and future earnings, additional reporting requirements and/or oversight if Adicet becomes subject to a corporate integrity agreement or similar agreement to resolve allegations of non-compliance with these laws, and curtailment of Adicet operations, any of which could adversely affect Adicet's ability to operate its business and its results of operations. In addition, the approval and commercialization of any of Adicet's product candidates outside the United States will also likely subject Adicet to foreign equivalents of the healthcare laws mentioned above, among other foreign laws.

Data protection, privacy and similar laws restrict access, use, and disclosure of information, and failure to comply with or adapt to changes in these laws could materially and adversely harm Adicet's business.

Adicet is subject to federal and state data privacy and security laws and regulations and Laws and expectations relating to privacy continue to evolve. Changes in these laws may limit Adicet's data access, use, and disclosure, and may require increased expenditures. In addition, data protection, privacy and similar laws protect more than patient information and, although they vary by jurisdiction, these laws can extend to employee information, business contact information, provider information, and other information relating to identifiable individuals. For example, the California Consumer Privacy Act requires covered businesses to, among other things, provide disclosures to California consumers regarding the collection, use and disclosure of such consumers' personal information and afford such consumers new rights with respect to their personal information, including the right to opt out of certain sales of personal information. Adicet believes that further increased regulation in additional jurisdictions is likely in the area of data privacy. Any of the foregoing may have a material adverse effect on Adicet's ability to provide services to patients and, in turn, Adicet's results of operations

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

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

Data protection, privacy and similar laws protect more than patient information and, although they vary by jurisdiction, these laws can extend to employee information, business contact information, provider information, and other information relating to identifiable individuals. Failure to comply with these laws may result in, among other things, civil and criminal liability, negative publicity, damage to Adicet's reputation, and liability under

contractual provisions. In addition, compliance with such laws may require increased costs to Adicet or may dictate that Adicet not offer certain types of services in the future.

If product liability lawsuits are brought against Adicet, Adicet may incur substantial liabilities and may be required to limit commercialization of Adicet's product candidates.

Adicet faces an inherent risk of product liability as a result of the future clinical testing of Adicet's product candidates and will face an even greater risk if Adicet commercializes any products. For example, Adicet may be sued if Adicet's product candidates cause or are perceived to cause injury or are found to be otherwise unsuitable during clinical testing, manufacturing, marketing or sale. Any such product liability claims may include allegations of defects in manufacturing, defects in design, a failure to warn of dangers inherent in the product, negligence, strict liability or a breach of warranties. Claims could also be asserted under state consumer protection acts. If Adicet cannot successfully defend themselves against product liability claims, Adicet may incur substantial liabilities or be required to limit commercialization of Adicet's product candidates. Even successful defense would require significant financial and management resources. Regardless of the merits or eventual outcome, liability claims may result in:

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

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

Unstable market and economic conditions may have serious adverse consequences on Adicet's business, financial condition and stock price.

The global credit and financial markets have experienced extreme volatility and disruptions in the past several years, including severely diminished liquidity and credit availability, declines in consumer confidence, declines in economic growth, increases in unemployment rates and uncertainty about economic stability. Adicet believes that the state of global economic conditions are particularly volatile and uncertain, not only in light of the COVID-19 pandemic and the potential global recession resulting therefrom, but also due to recent and expected

shifts in political, legislative and regulatory conditions concerning, among other matters, international trade and taxation, and that an uneven recovery or a renewed global downturn may negatively impact Adicet's ability to conduct clinical trials on the scale and timelines anticipated. There can be no assurance that further deterioration in credit and financial markets and confidence in economic conditions will not occur. Adicet's general business strategy may be adversely affected by any such economic downturn, volatile business environment or continued unpredictable and unstable market conditions. If the current equity and credit markets deteriorate, it may make obtaining any necessary debt or equity financing more difficult, more costly and more dilutive. Failure to secure any necessary financing in a timely manner and on favorable terms could have a material adverse effect on Adicet's growth strategy, financial performance and stock price and could require Adicet to delay or abandon clinical development plans. In addition, there is a risk that one or more of Adicet's current service providers, manufacturers and other partners may not survive an economic downturn, which could directly affect Adicet's ability to attain Adicet's operating goals on schedule and on budget. To the extent that Adicet's profitability and strategies are negatively affected by downturns or volatility in general economic conditions, Adicet's business and results of operations may be materially adversely affected.

Legal, regulatory, political and economic uncertainty surrounding the exit of the U.K. from the European Union may be a source of instability in international markets, create significant currency fluctuations, adversely affect operations in the U.K. and pose additional risks to Adicet's business.

Following the result of a referendum in 2016, the U.K. left the EU on January 31, 2020, commonly referred to as Brexit. Pursuant to the formal withdrawal arrangements agreed between the U.K. and the EU, the U.K. will be subject to a transition period until December 31, 2020 (Transition Period), during which EU rules will continue to apply. Negotiations between the U.K. and the EU are expected to continue in relation to the customs and trading relationship between the U.K. and the EU following the expiry of the Transition Period. Such a withdrawal from the EU is unprecedented, and it is unclear how the U.K's access to the European single market for goods, capital, services and labor within the EU, or single market, and the wider commercial, legal and regulatory environment, will impact its business.

The uncertainty concerning the U.K's legal, regulatory, political and economic relationship with the EU after the Transition Period may be a source of instability in the international markets, create significant currency fluctuations, and/or otherwise adversely affect trading agreements or similar cross-border co-operation arrangements (whether economic, tax, fiscal, legal, regulatory or otherwise). It could also lead to a period of considerable uncertainty in relation to the regulatory process for drug development and approval in Europe, and make it more costly or difficult to advance Adicet's product candidates in the EU and U.K.

Adicet's ability to use net operating losses and research and development credits to offset future taxable income may be subject to certain limitations as a result of the merger.

As of December 31, 2019, Adicet had federal net operating loss carryforwards of $39.0 million, all of which can be carried forward indefinitely. As of December 31, 2019, Adicet had state net operating loss carryforwards of $4.9 million, which begin to expire in various amounts in 2035. A portion of these net operating loss carryforwards could expire unused and be unavailable to offset future income tax liabilities. In addition, in general, under Sections 382 and 383 of the Code, a corporation that undergoes an "ownership change" is subject to limitations on its ability to utilize its pre-change net operating losses or tax credits, or NOLs or credits, to offset future taxable income or taxes. For these purposes, an ownership change generally occurs where the aggregate stock ownership of one or more stockholders or groups of stockholders who owns at least 5% of a corporation's stock increases its ownership by more than 50 percentage points over its lowest ownership percentage within a specified testing period. Adicet has not conducted a study to assess whether a change of control has occurred or whether there have been multiple changes of control since inception due to the significant complexity and cost associated with such a study. If the Company has experienced a change of control, as defined by Section 382, at any time since inception, utilization of the net operating loss carryforwards or research and development tax credit carryforwards would be subject to an annual limitation under Section 382, which is determined by first multiplying the value of the Company's stock at the time of the ownership change by the applicable long-term tax-exempt rate, and then could be subject to additional adjustments, as required. Any

limitation may result in expiration of a portion of the net operating loss carryforwards or research and development tax credit carryforwards before utilization. In addition, the merger, if consummated, may constitute an ownership change under Sections 382 and 383 of the Code. Adicet's NOLs or credits may also be impaired under state law. Accordingly, Adicet may not be able to utilize a material portion of Adicet's NOLs or credits.

The ability of the combined company to utilize Adicet's NOLs or credits following the merger is conditioned upon the combined company attaining profitability and generating U.S. federal and state taxable income. As described above under the sections entitled "*Risk Factors—Risk Factors-Risks Related to resTORbio's Financial Position and Need for Capital*" and "*Risk Factors—Risks Related to Adicet's Business and Industry*" on pages 32 and 97, respectively, of this proxy statement/prospectus/information statement, each of resTORbio and Adicet has incurred significant net losses since inception and it is anticipated that each will continue to incur significant losses for the foreseeable future; and therefore, resTORbio does not know whether or when the combined company will generate the U.S. federal or state taxable income necessary to utilize Adicet's NOL or credit carryforwards that may be or may become subject to limitation by Sections 382 and 383 of the Code.

Raising funds through lending arrangements may restrict Adicet's operations or produce other adverse results.

Adicet's current Loan and Security Agreement with Pacific Western Bank, which Adicet entered into on April 28, 2020 (referred to as the "Loan Agreement") at an interest rate equal to the greater of 0.25% above the Prime Rate or 5.00%. The Loan Agreement contains a variety of affirmative and negative covenants, including required financial reporting, limitations on certain dispositions of assets, limitations on the incurrence of additional debt and other requirements. To secure Adicet's performance of its obligations under this Loan Agreement, Adicet granted a security interest in substantially all of its assets, other than certain intellectual property assets, to Pacific Western Bank and issued a warrant to purchase Adicet capital stock. Adicet's failure to comply with the covenants in the Loan Agreement, the occurrence of a material impairment in its prospect of repayment operations, business or financial condition, its ability to repay the loan, or in the value, perfection or priority of Pacific Western Bank's lien on Adicet's assets, as determined by Pacific Western Bank, or the occurrence of certain other specified events could result in an event of default that, if not cured or waived, could result in the acceleration of all or a substantial portion of its debt, potential foreclosure on its assets and other adverse results. Additionally, Adicet is bound by certain negative covenants setting forth actions that are not permitted to be taken during the term of the Loan Agreement without consent of Pacific Western Bank, including, without limitation, incurring certain additional indebtedness, making certain asset dispositions, entering into certain mergers, acquisitions or other business combination transactions or incurring any non-permitted lien or other encumbrance on its assets. Furthermore, Pacific Western Bank has consented in principle to the consummation of the merger subject to certain conditions, including: (i) that the merger is consummated in accordance with the merger agreement (unless otherwise approved by Pacific Western Bank in writing), (ii) Adicet providing copies of all material transaction documents to Pacific Western Bank, (iii) Adicet providing any diligence materials reasonably requested by Pacific Western Bank, (iv) resTORbio entering into a secured guaranty agreement in form and substance satisfactory to Pacific Western Bank and granting Pacific Western Bank a security interest in substantially all of its assets other than its intellectual property and (v) resTORbio issuing a new warrant to Pacific Western Bank pursuant to the terms of the merger agreement and the existing warrant issued by Adicet in favor of Pacific Western Bank. The foregoing prohibitions and constraints on its operations could result in Adicet's inability to: (a) acquire promising intellectual property or other assets on desired timelines or terms; (b) reduce costs by disposing of assets or business segments no longer deemed advantageous to retain; (c) stimulate further corporate growth or development through the assumption of additional debt; or (d) enter into other arrangements that necessitate the imposition of a lien on corporate assets. Moreover, if the conditions set forth in the consent provided by Pacific Western Bank are not satisfied, Adicet would effectively need to terminate the Loan Agreement and repay any outstanding loan funds or refinance the facility with another lender. As of the date of this proxy statement/prospectus/information statement, no amounts have been drawn under the Loan Agreement.

Adicet's internal computer systems, or those used by Adicet's CROs or other contractors or consultants, may fail or suffer security breaches.

Adicet's internal computer systems and the systems of Adicet's CROs, contractors and consultants are vulnerable to damage from computer viruses and unauthorized access. Additionally, as a result of the ongoing COVID-19

pandemic, Adicet has transitioned certain of its workforce to a remote working model. As Adicet's employees and Adicet's business partners' employees work from home and access Adicet's systems remotely, Adicet may be subject to heightened security and privacy risks, including the risks of cyberattacks and privacy incidents. While Adicet has not experienced any such material system failure or security breach to date, if such an event were to occur and cause interruptions in Adicet's operations, it could result in a material disruption of Adicet's development programs and Adicet's business operations. For example, the loss of clinical trial data from future clinical trials could result in delays in Adicet's regulatory approval efforts and significantly increase Adicet's costs to recover or reproduce the data. To the extent that any disruption or security breach were to result in a loss of, or damage to, Adicet's data or applications, or inappropriate disclosure of confidential or proprietary information, Adicet could incur liability and the further development and commercialization of Adicet's product candidates could be delayed.

Adicet may not realize the benefits of acquired assets or other strategic transactions.

Adicet actively evaluates various strategic transactions on an ongoing basis. Adicet may acquire other businesses, products or technologies as well as pursue joint ventures or investments in complementary businesses. The success of Adicet's strategic transactions, and any future strategic transactions depends on the risks and uncertainties involved including:

- unanticipated liabilities related to acquired companies or joint ventures;
- difficulties integrating acquired personnel, technologies and operations into Adicet's existing business;
- retention of key employees;
- diversion of management time and focus from operating its business to management of strategic alliances or joint ventures or acquisition integration challenges;
- increases in Adicet's expenses and reductions in Adicet's cash available for operations and other uses;
- disruption in Adicet's relationships with collaborators or suppliers as a result of such a transaction; and
- possible write-offs or impairment charges relating to acquired businesses or joint ventures.

If any of these risks or uncertainties occur, Adicet may not realize the anticipated benefit of any acquisition or strategic transaction. Additionally, foreign acquisitions and joint ventures are subject to additional risks, including those related to integration of operations across different cultures and languages, currency risks, potentially adverse tax consequences of overseas operations and the particular economic, political and regulatory risks associated with specific countries.

Future acquisitions or dispositions could result in potentially dilutive issuances of Adicet's equity securities, the incurrence of debt, contingent liabilities or amortization expenses or write-offs of goodwill, any of which could have a material adverse effect on Adicet's financial condition.

Adicet has identified material weaknesses in its internal control over financial reporting. Failure to achieve and maintain effective internal control over financial reporting could harm its business and negatively impact the value of its common stock.

Adicet has identified material weaknesses in its internal control over financial reporting. A material weakness is a deficiency, or a combination of deficiencies, in internal control over financial reporting, such that there is a reasonable possibility that a material misstatement of Adicet's annual or interim financial statements will not be prevented or detected on a timely basis. In connection with the audit of Adicet's financial statements as of and for the years ended December 31, 2019 and 2018, Adicet identified material weaknesses in its internal control over financial reporting. The material weaknesses Adicet identified were as follows: (i) Adicet did not design or maintain an effective control environment commensurate with its financial reporting requirements due to lack of a sufficient number of accounting professionals with the appropriate level of experience and training; (ii) Adicet

did not design and maintain formal accounting policies, procedures and controls to achieve complete, accurate and timely financial accounting, reporting and disclosures, and monitoring controls maintained at the corporate level were not at a sufficient level of precision to provide for the appropriate level of oversight of activities related to Adicet's internal control over financial reporting; (iii) Adicet did not design and maintain effective controls over segregation of duties with respect to the preparation and review of account reconciliations as well as creating and posting manual journal entries; and (iv) Adicet did not design and maintain formal accounting policies, processes and controls to analyze, account for and disclose complex transactions.

Additionally, each of the control deficiencies could result in a misstatement of Adicet's accounts or disclosures that would result in a material misstatement of its annual or interim financial statements that would not be prevented or detected, and accordingly, Adicet determined that these control deficiencies constitute material weaknesses.

Risks Related to Adicet's Reliance on Third Parties

If Adicet's collaboration with Regeneron is terminated, or if Regeneron materially breaches its obligations thereunder, Adicet's business, prospects, operating results, and financial condition would be materially harmed.

Adicet's financial performance may be significantly affected by its Regeneron collaboration that it has entered into to develop next-generation engineered immune-cell therapeutics with fully human chimeric antigen receptors (referred to as "CARs") and T-cell receptors (referred to as "TCRs") directed to disease-specific cell surface antigens in order to enable the precise engagement and killing of tumor cells. Under Adicet's agreement with Regeneron, Regeneron provided Adicet with an upfront payment of $25 million and additional payments for research funding and Adicet will collaborate with Regeneron to identify and validate targets and develop a pipeline of engineered immune-cell therapeutics for selected targets. Regeneron has the option to obtain development and commercial rights for a certain number of the product candidates developed by the parties, subject to an option payment for each product candidate. If Regeneron exercises its option on a given product candidate, Adicet then has an option to participate in the development and commercialization for such product. If Adicet does not exercise its option, Adicet will be entitled to royalties on any future sales of such products by Regeneron. In addition to developing CARs and TCRs for use in novel immune-cell therapies as part of the collaboration, Regeneron will have the right to use these CARs and TCRs in its other antibody programs outside of the collaboration. Regeneron will also be entitled to royalties on any future sales of products developed and commercialized by Adicet under the agreement. If Regeneron were to terminate its collaboration agreement with Adicet, Adicet may not have the resources or skills to replace those of its collaborator, which could require Adicet to seek additional funding or another collaboration that might not be available on favorable terms or at all, and could cause significant delays in development and/or commercialization efforts and result in substantial additional costs to Adicet. Termination of such collaboration agreement or the loss of rights provided to Adicet under such agreement may create substantial new and additional risks to the successful development and commercialization of its products and could materially harm its financial condition and operating results.

Regeneron may change its strategic focus or pursue alternative technologies in a manner that results in reduced, delayed or no revenue to Adicet under the agreement. Regeneron has a variety of marketed products and product candidates either by itself or under collaboration with other companies, including some of Adicet's competitors, and the corporate objectives of Regeneron may not be consistent with Adicet's best interests. Regeneron may change its position regarding its participation and funding of Adicet and Regeneron joint activities, which may impact Adicet's ability to successfully pursue the program.

Adicet's existing and future collaborations will be important to its business. If Adicet is unable to maintain any of these collaborations, or if these collaborations are not successful, its business could be adversely affected.

Adicet has entered, and plans to enter, into collaborations with other companies, including its collaboration agreement with Regeneron, that Adicet believes can provide it with additional capabilities beneficial to its

business. The collaboration with Regeneron provides Adicet with important technologies, expertise and funding for Adicet's programs and technology, and Adicet expects to receive additional technologies, expertise and funding under this and other collaborations in the future. Adicet's existing therapeutic collaborations, and any future collaborations it enters into, may pose a number of risks, including the following:

- collaborators have significant discretion in determining the efforts and resources that they will apply;
- collaborators may not perform their obligations as expected;
- collaborators may dispute the amounts of payments owed;
- collaborators may not pursue development and commercialization of any product candidates that achieve regulatory approval or may elect not to continue or renew development or commercialization programs or license arrangements based on clinical trial results, changes in the collaborators' strategic focus or available funding, or external factors, such as a strategic transaction that may divert resources or create competing priorities;
- collaborators may delay clinical trials, provide insufficient funding for a clinical trial program, stop a clinical trial or abandon a product candidate, repeat or conduct new clinical trials or require a new formulation of a product candidate for clinical testing;
- collaborators could develop independently, or with third parties, products that compete directly or indirectly with Adicet's products and product candidates if the collaborators believe that the competitive products are more likely to be successfully developed or can be commercialized under terms that are more economically attractive than Adicet's;
- product candidates discovered in collaboration with Adicet may be viewed by its collaborators as competitive with its own product candidates or products, which may cause collaborators to cease to devote resources to the development or commercialization of its product candidates;
- collaborators may dispute ownership or rights in jointly developed technologies or intellectual property;
- collaborators may fail to comply with applicable legal and regulatory requirements regarding the development, manufacture, sale, distribution or marketing of a product candidate or product;
- collaborators with sales, marketing, manufacturing and distribution rights to one or more of Adicet's product candidates that achieve regulatory approval may not commit sufficient resources to the sale, marketing, manufacturing and distribution of such product or products;
- disagreements with collaborators, including disagreements over proprietary rights, contract interpretation, payment obligations or the preferred course of discovery, development, sales or marketing, might cause delays or terminations of the research, development or commercialization of product candidates, might lead to additional and burdensome responsibilities for Adicet with respect to product candidates, or might result in litigation or arbitration, any of which would be time-consuming and expensive;
- collaborators may not properly maintain or defend their or Adicet's relevant intellectual property rights or may use Adicet's proprietary information in such a way as to invite litigation that could jeopardize or invalidate Adicet's intellectual property or proprietary information or expose Adicet to potential litigation and liability;
- collaborators may infringe the intellectual property rights of third parties, which may expose Adicet to litigation and potential liability;
- if a collaborator of Adicet's is involved in a business combination or cessation, the collaborator might deemphasize or terminate the development or commercialization of any product candidate licensed to it by Adicet; and

- collaborations may be terminated by the collaborator, and, if terminated, Adicet could be required to raise additional capital to pursue further development or commercialization of the applicable product candidates, or potentially lose access to the collaborator's intellectual property.

If Adicet's therapeutic collaborations do not result in the successful discovery, development and commercialization of products or if one of its collaborators terminates its agreement with Adicet, it may not receive any future research funding or milestone or royalty payments under the collaboration. If Adicet does not receive the funding it expects under these agreements, its development and commercialization of its technology and product candidates could be delayed and Adicet may need additional resources to develop product candidates and its technology. All of the risks relating to product discovery, development, regulatory approval and commercialization described in these risk factors also apply to the activities of Adicet's therapeutic collaborators.

In addition to the Regeneron collaboration described above, for some of Adicet's programs, it may in the future determine to collaborate with pharmaceutical and biotechnology companies for discovery, development and potential commercialization of therapeutic products. Adicet faces significant competition in seeking appropriate collaborators because, for example, third-parties also have rights to allogeneic T-cell technologies. For example, in April 2020, Johnson & Johnson entered into a collaboration agreement with Fate Therapeutics, a company that is also using allogeneic T-cell technologies, for up to four CAR NK and CAR-T cell therapies. Adicet's ability to reach a definitive agreement for a collaboration will depend, among other things, upon its assessment of the collaborator's resources and expertise, the terms and conditions of the proposed collaboration and the proposed collaborator's evaluation of a number of factors. If Adicet is unable to reach agreements with suitable collaborators on a timely basis, on acceptable terms, or at all, it may have to curtail discovery efforts or the development of a product candidate, reduce or delay its development program or one or more of its other development programs, delay its potential manufacture or commercialization, or reduce the scope of any sales or marketing activities, or increase its expenditures and undertake development or commercialization activities at its expense. If Adicet elects to fund and undertake discovery, development, manufacturing or commercialization activities on its own, it may need to obtain additional expertise and additional capital, which may not be available to it on acceptable terms or at all. If Adicet fails to enter into collaborations and does not have sufficient funds or expertise to undertake the necessary discovery, development, manufacturing and commercialization activities, it may not be able to further develop its product candidates, manufacture the product candidates, bring them to market or continue to develop its technology and Adicet's business may be materially and adversely affected.

Adicet is subject to certain exclusivity obligations under its agreement with Regeneron.

During the five year period following the effective date of the Regeneron agreement, with certain limited exceptions, Adicet may not directly or indirectly research, develop, manufacture or commercialize a gamma delta immune cell therapeutic (referred to as an "ICP"), or grant a license to do the foregoing, except pursuant to the terms of the Regeneron agreement. Both parties also have obligations not to research, develop, manufacture or commercialize an ICP with the same target as one being developed under a research program or commercialized by a party (and royalty bearing under the agreement), for so long as such activities are occurring. These exclusivity obligations are limited to engineered gamma delta immune cells to targets reasonably considered to have therapeutic relevance in oncology. If Adicet's collaboration with Regeneron is not successful, including any failure caused by the risks listed in the preceding paragraphs, and the agreement and research programs are not terminated, Adicet may not be able to enter into collaborations with other companies with respect to ICP's and its business could be adversely affected.

As a result, Adicet's ability to advance any gamma delta immune cell therapeutics outside of the scope of the research plan agreed on with Regeneron is limited through July 29, 2021. Adicet may have to forego business opportunities, and will also be limited in the gamma delta immune cell therapeutics it can advance on its own. The restrictions on internal development may also prevent Adicet from, outside of the scope of research conducted with Regeneron, improving its own technologies relating to gamma delta immune cells. These limitations could lead to delays in Adicet's ability to discover and develop gamma delta immune cell therapeutics

for targets not covered by the collaboration with Regeneron and loss of opportunities to obtain additional research funding and advance its own technologies separately from the Regeneron collaboration. If Adicet is delayed in its ability to advance its technologies, its business could be harmed.

Adicet relies and will continue to rely on third parties to conduct Adicet's clinical trials. If these third parties do not successfully carry out their contractual duties or meet expected deadlines, Adicet may not be able to obtain regulatory approval of or commercialize Adicet's product candidates.

Adicet depends and will continue to depend upon independent investigators and collaborators, such as universities, medical institutions, CROs and strategic partners to conduct Adicet's preclinical and clinical trials under agreements with Adicet.

Adicet negotiates budgets and contracts with CROs and study sites, which may result in delays to Adicet's development timelines and increased costs. Adicet will rely heavily on these third parties over the course of Adicet's clinical trials, and Adicet controls only certain aspects of their activities. Nevertheless, Adicet is responsible for ensuring that each of its studies is conducted in accordance with applicable protocol, legal, regulatory and scientific standards, and its reliance on third parties does not relieve Adicet of its regulatory responsibilities. Adicet and these third parties are required to comply with GCPs, which are regulations and guidelines enforced by the FDA and comparable foreign regulatory authorities for product candidates in clinical development. Regulatory authorities enforce these GCPs through periodic inspections of trial sponsors, principal investigators and trial sites. If Adicet or any of these third parties fail to comply with applicable GCP regulations, the clinical data generated in Adicet's clinical trials may be deemed unreliable and the FDA or comparable foreign regulatory authorities may require Adicet to perform additional clinical trials before approving Adicet's marketing applications. Adicet cannot assure you that, upon inspection, such regulatory authorities will determine that any of Adicet's clinical trials comply with the GCP regulations. In addition, Adicet's clinical trials must be conducted with biologic product produced under cGMPs and will require a large number of test patients. Adicet's failure or any failure by these third parties to comply with these regulations or to recruit a sufficient number of patients may require Adicet to repeat clinical trials, which would delay the regulatory approval process. Moreover, Adicet's business may be implicated if any of these third parties violates federal or state fraud and abuse or false claims laws and regulations or healthcare privacy and security laws.

Any third parties conducting Adicet's clinical trials are and will not be Adicet's employees and, except for remedies available to Adicet under its agreements with such third parties, Adicet cannot control whether or not they devote sufficient time and resources to Adicet's ongoing preclinical, clinical and nonclinical programs. These third parties may also have relationships with other commercial entities, including Adicet's competitors, for whom they may also be conducting clinical studies or other drug development activities, which could affect their performance on Adicet's behalf. If these third parties do not successfully carry out their contractual duties or obligations or meet expected deadlines, if they need to be replaced or if the quality or accuracy of the clinical data they obtain is compromised due to the failure to adhere to Adicet's clinical protocols or regulatory requirements or for other reasons, Adicet's clinical trials may be extended, delayed or terminated and Adicet may not be able to complete development of, obtain regulatory approval of or successfully commercialize Adicet's product candidates. As a result, Adicet's financial results and the commercial prospects for Adicet's product candidates would be harmed, Adicet's costs could increase and Adicet's ability to generate revenue could be delayed.

If any of Adicet's relationships with trial sites, or any CRO that Adicet may use in the future, terminates, Adicet may not be able to enter into arrangements with alternative trial sites or CROs or do so on commercially reasonable terms. Switching or adding third parties to conduct Adicet's clinical trials will involve substantial cost and require extensive management time and focus. In addition, there is a natural transition period when a new third party commences work. As a result, delays occur, which can materially impact Adicet's ability to meet its desired clinical development timelines.

Adicet may rely on third parties to manufacture Adicet's clinical product supplies, and Adicet may have to rely on third parties to produce and process Adicet's product candidates, if approved.

Adicet must currently rely on outside vendors to manufacture supplies and process Adicet's product candidates. Adicet has not yet caused its product candidates to be manufactured or processed on a commercial scale and may not be able to achieve manufacturing and processing and may be unable to create an inventory of mass-produced, off-the-shelf product to satisfy demands for any of Adicet's product candidates.

Adicet does not yet have sufficient information to reliably estimate the cost of the commercial manufacturing and processing of Adicet's product candidates, and the actual cost to manufacture and process Adicet's product candidates could materially and adversely affect the commercial viability of its product candidates. As a result, Adicet may never be able to develop a commercially viable product.

In addition, Adicet anticipates reliance on a limited number of third-party manufacturers exposes it to the following risks:

- Adicet may be unable to identify manufacturers on acceptable terms or at all because the number of potential manufacturers is limited and the FDA may have questions regarding any replacement contractor. This may require new testing and regulatory interactions. In addition, a new manufacturer would have to be educated in, or develop substantially equivalent processes for, production of Adicet's products after receipt of FDA questions, if any.
- Adicet's third-party manufacturers might be unable to timely formulate and manufacture Adicet's product or produce the quantity and quality required to meet Adicet's clinical and commercial needs, if any.
- Contract manufacturers may not be able to execute Adicet's manufacturing procedures appropriately.
- Adicet's future contract manufacturers may not perform as agreed or may not remain in the contract manufacturing business for the time required to supply Adicet's clinical trials or to successfully produce, store and distribute Adicet's products.
- Manufacturers are subject to ongoing periodic unannounced inspection by the FDA, the Drug Enforcement Administration and corresponding state agencies to ensure strict compliance with cGMP and other government regulations and corresponding foreign standards. Adicet does not have control over third-party manufacturers' compliance with these regulations and standards.
- Adicet may not own, or may have to share, the intellectual property rights to any improvements made by Adicet's third-party manufacturers in the manufacturing process for Adicet's products.
- Adicet's third-party manufacturers could breach or terminate their agreement(s) with Adicet.

Adicet's contract manufacturers would also be subject to the same risks Adicet faces in developing its own manufacturing capabilities, as described above. Each of these risks could delay Adicet's clinical trials, the approval, if any, of Adicet's product candidates by the FDA or the commercialization of Adicet's product candidates or result in higher costs or deprive Adicet of potential product revenue. In addition, Adicet will rely on third parties to perform release tests on Adicet's product candidates prior to delivery to patients. If these tests are not appropriately done and test data are not reliable, patients could be put at risk of serious harm.

Cell-based therapies rely on the availability of specialty raw materials, which may not be available to Adicet on acceptable terms or at all.

Adicet's product candidates require many specialty raw materials, including viral vectors that deliver the targeting moiety (CAR) and other genes to the product candidate. Adicet currently manufactures through contract manufacturers, some of which are manufactured by companies with limited resources and experience to support a

commercial product, and the suppliers may not be able to deliver raw materials to Adicet's specifications. In addition, those suppliers normally support blood-based hospital businesses and generally do not have the capacity to support commercial products manufactured under cGMP by biopharmaceutical firms. The suppliers may be ill-equipped to support Adicet's needs, especially in non-routine circumstances like an FDA inspection or medical crisis, such as widespread contamination. Adicet also does not have contracts with many of these suppliers, and Adicet may not be able to contract with them on acceptable terms or at all. Accordingly, Adicet may experience delays in receiving key raw materials to support clinical or commercial manufacturing.

In addition, some raw materials utilized in the manufacture of Adicet's candidates are currently available from a single supplier, or a small number of suppliers. Adicet cannot be sure that these suppliers will remain in business or that they will not be purchased by one of Adicet's competitors or another company that is not interested in continuing to produce these materials for Adicet's intended purpose. In addition, the lead time needed to establish a relationship with a new supplier can be lengthy, and Adicet may experience delays in meeting demand in the event Adicet must switch to a new supplier. The time and effort to qualify a new supplier could result in additional costs, diversion of resources or reduced manufacturing yields, any of which would negatively impact Adicet's operating results. Further, Adicet may be unable to enter into agreements with a new supplier on commercially reasonable terms, which could have a material adverse impact on Adicet's business.

If Adicet or Adicet's third-party suppliers use hazardous, non-hazardous, biological or other materials in a manner that causes injury or violates applicable law, Adicet may be liable for damages.

Adicet's research and development activities involve the controlled use of potentially hazardous substances, including chemical and biological materials. Adicet and its suppliers are subject to federal, state and local laws and regulations in the United States governing the use, manufacture, storage, handling and disposal of medical and hazardous materials. Although Adicet believes that its and its suppliers' procedures for using, handling, storing and disposing of these materials comply with legally prescribed standards, Adicet and its suppliers cannot completely eliminate the risk of contamination or injury resulting from medical or hazardous materials. As a result of any such contamination or injury, Adicet may incur liability or local, city, state or federal authorities may curtail the use of these materials and interrupt Adicet's business operations. In the event of an accident, Adicet could be held liable for damages or penalized with fines, and the liability could exceed Adicet's resources. Compliance with applicable environmental laws and regulations is expensive, and current or future environmental regulations may impair Adicet's research, development and production efforts, which could harm Adicet's business, prospects, financial condition or results of operations.

Risks Related to Government Regulation

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

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

Adicet expects the novel nature of Adicet's product candidates to create further challenges in obtaining regulatory approval. For example, the FDA has limited experience with commercial development of allogeneic T cell therapies for cancer. Adicet may also request regulatory approval of future product candidates by target, regardless of cancer type or origin, which the FDA may have difficulty accepting if Adicet's clinical trials only

involved cancers of certain origins. The FDA may also require a panel of experts, referred to as an Advisory Committee, to deliberate on the adequacy of the safety and efficacy data to support licensure. The opinion of the Advisory Committee, although not binding, may have a significant impact on Adicet's ability to obtain licensure of the product candidates based on the completed clinical trials, as the FDA often adheres to the Advisory Committee's recommendations. Accordingly, the regulatory approval pathway for Adicet's product candidates may be uncertain, complex, expensive and lengthy, and approval may not be obtained.

Adicet may also experience delays in obtaining regulatory approvals, including but not limited to:

- obtaining regulatory authorization to begin a trial, if applicable;
- redesigning its study protocols and need to conduct additional studies as may be required by a regulator;
- governmental or regulatory delays and changes in regulation or policy relating to the development and commercialization of its product candidate by the FDA or other comparable foreign regulatory authorities;
- the outcome, timing and cost of meeting regulatory requirements established by the FDA, and other comparable foreign regulatory authorities;
- the availability of financial resources to commence and complete the planned trials;
- negotiating the terms of any collaboration agreements Adicet may choose to initiate or conclude;
- reaching agreement on acceptable terms with prospective CROs and clinical trial sites, the terms of which can be subject to extensive negotiation and may vary significantly among different CROs and trial sites;
- failure of third-party contractors, such as CROs, or investigators to comply with regulatory requirements, including good clinical practice standards (GCPs);
- clinical sites deviating from trial protocol or dropping out of a trial;
- delay or failure in obtaining the necessary approvals from regulators or institutional review boards, or IRBs, in order to commence a clinical trial at a prospective trial site, or their suspension or termination of a clinical trial once commenced;
- Inability to recruit and enroll suitable patients to participate in a trial;
- having patients complete a trial, including having patients enrolled in clinical trials dropping out of the trial before the product candidate is manufactured and returned to the site, or return for post-treatment follow-up;
- difficulty in having patients complete a trial or return for post-treatment follow-up;
- clinical trial sites deviating from trial protocol or dropping out of a trial;
- addressing any patient safety concerns that arise during the course of a trial;
- inability to add new clinical trial sites; or
- varying interpretations of the data generated from its preclinical or clinical trials;
- the cost of defending intellectual property disputes, including patent infringement actions brought by third parties;
- the effect of competing technological and market developments;
- the cost and timing of establishing, expanding and scaling manufacturing capabilities;
- inability to manufacture, or obtain from third parties, sufficient quantities of qualified materials under Current Good Manufacturing Practice standards (cGMPs), for the completion in pre-clinical and clinical studies;

- problems with biopharmaceutical product candidate storage, stability and distribution resulting in global supply chain disruptions;
- the cost of establishing sales, marketing and distribution capabilities for any product candidate for which Adicet may receive regulatory approval in regions where Adicet chooses to commercialize its products on its own; or
- potential unforeseen business disruptions or market fluctuations that delay its product development or clinical trials and increase its costs or expenses, such as business or operational disruptions, delays, or system failures due to malware, unauthorized access, terrorism, war, natural disasters, strikes, geopolitical conflicts, restrictions on trade, import or export restrictions, or public health crises, such as the current COVID-19 pandemic.

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

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

Adicet expects the product candidates it develops will be regulated as biological products, or biologics, and therefore they may be subject to competition sooner than anticipated.

The Biologics Price Competition and Innovation Act of 2009 (referred to as "BPCIA") was enacted as part of the Affordable Care Act to establish an abbreviated pathway for the approval of biosimilar and interchangeable biological products. The regulatory pathway establishes legal authority for the FDA to review and approve biosimilar biologics, including the possible designation of a biosimilar as "interchangeable" based on its similarity to an approved biologic. Under the BPCIA, an application for a biosimilar product cannot be approved by the FDA until 12 years after the reference product was approved under a BLA. The law is complex and is still being interpreted and implemented by the FDA. As a result, its ultimate impact, implementation, and meaning are subject to uncertainty. While it is uncertain when such processes intended to implement the BPCIA may be fully adopted by the FDA, any such processes could have a material adverse effect on the future commercial prospects for Adicet biological products.

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

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

Government authorities in the United States at the federal, state and local level and in other countries regulate, among other things, the research, development, testing, manufacture, quality control, approval, labeling, packaging, storage, record-keeping, promotion, advertising, distribution, post-approval monitoring and reporting, marketing and export and import of drug and biological products. Generally, before a new drug or biologic can be marketed, considerable data demonstrating its quality, safety and efficacy must be obtained, organized into a format specific for each regulatory authority, submitted for review and approved by the regulatory authority.

Because Adicet is developing novel allogeneic cell immunotherapy product candidates, the regulatory requirements that Adicet will be subject to are not entirely clear. Even with respect to more established products that fit into the category of cell therapies, the regulatory landscape is still developing. For example, regulatory requirements governing cell therapy products have changed frequently and may continue to change in the future. Moreover, there is substantial, and sometimes uncoordinated, overlap in those responsible for regulation of existing cell therapy products.

Complex regulatory environments exist in other jurisdictions in which Adicet might consider seeking regulatory approvals for Adicet's product candidates, further complicating the regulatory landscape. For example, in the EU a special committee called the Committee for Advanced Therapies (referred to as "CAT") was established within the EMA in accordance with Regulation (EC) No 1394/2007 on advanced-therapy medicinal products (referred to as "ATMPs") to assess the quality, safety and efficacy of ATMPs, and to follow scientific developments in the field. ATMPs include somatic cell therapy products and tissue engineered products. These various regulatory review committees and advisory groups and new or revised guidelines that they promulgate from time to time may lengthen the regulatory review process, require Adicet to perform additional studies, increase Adicet's development costs, lead to changes in regulatory positions and interpretations, delay or prevent approval and commercialization of Adicet's product candidates or lead to significant post-approval limitations or restrictions. Because the regulatory landscape for Adicet's gamma delta CAR-T cell product candidates are new, Adicet may face even more cumbersome and complex regulations than those emerging for cell therapy products. Furthermore, even if Adicet's product candidates obtain required regulatory approvals, such approvals may later be withdrawn as a result of changes in regulations or the interpretation of regulations by applicable regulatory agencies.

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

The FDA may disagree with Adicet's regulatory plan and Adicet may fail to obtain regulatory approval of Adicet's product candidates.

The general approach for FDA approval of a new biologic or drug is for the sponsor to provide dispositive data from two well-controlled, Phase 3 clinical studies of the relevant biologic or drug in the relevant patient population. Phase 3 clinical studies typically involve hundreds of patients, have significant costs and take years to complete. Adicet expects registrational trials for ADI-001 and ADI-002 to be designed to evaluate the efficacy of the product candidate in an open-label, non-comparative, two-stage, pivotal, multicenter, single-arm clinical trial in patients who have exhausted available treatment options. If the results are sufficiently compelling, Adicet intends to discuss with the FDA submission of a BLA for the relevant product candidate. However, Adicet does not have any agreement or guidance from the FDA that its regulatory development plans will be sufficient for submission of a BLA. In addition, the FDA may only allow Adicet to evaluate patients that have failed or who are ineligible for autologous therapy, which are extremely difficult patients to treat and patients with advanced and aggressive cancer, and Adicet's product candidates may fail to improve outcomes for such patients.

Given the molecular similarities between ADI-001 and ADI-002, Adicet may have additional difficulties progressing any clinical trial of ADI-002, if emerging data from future clinical trials of ADI-001 have safety or other issues.

The FDA may grant accelerated approval for Adicet's product candidates and, as a condition for accelerated approval, the FDA may require a sponsor of a drug or biologic receiving accelerated approval to perform post-marketing studies to verify and describe the predicted effect on irreversible morbidity or mortality or other clinical endpoint, and the drug or biologic may be subject to withdrawal procedures by the FDA that are more accelerated than those available for regular approvals. In addition, the standard of care may change with the approval of new products in the same indications that Adicet is studying. This may result in the FDA or other regulatory agencies requesting additional studies to show that Adicet's product candidate are superior to the new products.

Adicet's clinical trial results may also not support approval. In addition, Adicet's product candidates could fail to receive regulatory approval for many reasons, including the following:

- the FDA or comparable foreign regulatory authorities may disagree with the design or implementation of Adicet's clinical trials;
- Adicet may be unable to demonstrate to the satisfaction of the FDA or comparable foreign regulatory authorities that Adicet's product candidates are safe and effective for any of their proposed indications;
- the results of clinical trials may not meet the level of statistical significance required by the FDA or comparable foreign regulatory authorities for approval, including due to the heterogeneity of patient populations;
- Adicet may be unable to demonstrate that Adicet's product candidates' clinical and other benefits outweigh their safety risks;
- the FDA or comparable foreign regulatory authorities may disagree with Adicet's interpretation of data from preclinical studies or clinical trials;
- the data collected from clinical trials of Adicet's product candidates may not be sufficient to the satisfaction of the FDA or comparable foreign regulatory authorities to support the submission of a BLA or other comparable submission in foreign jurisdictions or to obtain regulatory approval in the United States or elsewhere;
- the FDA or comparable foreign regulatory authorities will inspect Adicet's commercial manufacturing facility and may not approve Adicet's facility; and
- the approval policies or regulations of the FDA or comparable foreign regulatory authorities may significantly change in a manner rendering Adicet's clinical data insufficient for approval.

Adicet may seek orphan drug designation for some or all of Adicet's product candidates across various indications, but Adicet may be unable to obtain such designations or to maintain the benefits associated with orphan drug designation, including market exclusivity, which may cause Adicet's revenue, if any, to be reduced.

Under the Orphan Drug Act, the FDA may grant orphan designation to a drug or biologic intended to treat a rare disease or condition, defined as a disease or condition with a patient population of fewer than 200,000 in the United States, or a patient population greater than 200,000 in the United States when there is no reasonable expectation that the cost of developing and making available the drug or biologic in the United States will be recovered from sales in the United States for that drug or biologic. In order to obtain orphan drug designation, the request must be made before submitting a BLA. In the United States, orphan drug designation entitles a party to financial incentives such as opportunities for grant funding towards clinical trial costs, tax advantages, and

user-fee waivers. After the FDA grants orphan drug designation, the generic identity of the drug and its potential orphan use are disclosed publicly by the FDA. Orphan drug designation does not convey any advantage in, or shorten the duration of, the regulatory review and approval process.

If a product that has orphan drug designation subsequently receives the first FDA approval of that particular product for the disease for which it has such designation, the product is entitled to orphan product exclusivity, which means that the FDA may not approve any other applications, including a BLA, to market the same biologic (meaning, a product with the same principal molecular structural features) for the same indication for seven years, except in limited circumstances such as a showing of clinical superiority to the product with orphan drug exclusivity or if FDA finds that the holder of the orphan drug exclusivity has not shown that it can assure the availability of sufficient quantities of the orphan drug to meet the needs of patients with the disease or condition for which the drug was designated. As a result, even if one of Adicet's product candidates receives orphan exclusivity, the FDA can still approve other biologics that do not have the same principal molecular structural features for use in treating the same indication or disease or the same biologic for a different indication or disease during the exclusivity period. Furthermore, the FDA can waive orphan exclusivity if Adicet is unable to manufacture sufficient supply of Adicet's product or if a subsequent applicant demonstrates clinical superiority over Adicet's products.

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

Regenerative Medicine Advanced Therapy designation, even if granted for any of Adicet's product candidates, may not lead to a faster development or regulatory review or approval process and it does not increase the likelihood that its product candidates will receive marketing approval.

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

Positive results from early preclinical studies and clinical trials are not necessarily predictive of the results of any future clinical trials of its product candidate. If Adicet cannot replicate the positive results from its earlier preclinical studies and clinical trials of its product candidate in its future clinical trials, Adicet may be unable to successfully develop, obtain regulatory approval for and commercialize its product candidate.

Any positive results from Adicet's preclinical studies and future clinical trials of Adicet's product candidate may not necessarily be predictive of the results from required later clinical trials. Similarly, even if Adicet is able to complete its planned preclinical studies or any future clinical trials according to its current development timeline, the positive results from such preclinical studies and clinical trials may not be replicated in subsequent preclinical studies or clinical trial results.

Many companies in the pharmaceutical and biotechnology industries have suffered significant setbacks in late-stage clinical trials after achieving positive results in early-stage development, and Adicet cannot be certain that it will not face similar setbacks. These setbacks have been caused by, among other things, preclinical findings made while clinical trials were underway, or safety or efficacy observations made in preclinical studies and clinical trials, including previously unreported adverse events. Moreover, preclinical and clinical data are often susceptible to varying interpretations and analyses and many companies that believed their product candidate performed satisfactorily in preclinical studies and clinical trials nonetheless failed to obtain FDA or similar regulatory approval.

Obtaining and maintaining regulatory approval of Adicet's product candidates in one jurisdiction does not mean that Adicet will be successful in obtaining regulatory approval of Adicet's product candidates in other jurisdictions.

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

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

Even if Adicet receives regulatory approval of Adicet's product candidates, Adicet will be subject to ongoing regulatory obligations and continued regulatory review, which may result in significant additional expense and Adicet may be subject to penalties if Adicet fails to comply with regulatory requirements or experience unanticipated problems with Adicet's product candidates.

Any regulatory approvals that Adicet receives for Adicet's product candidates will require post-market surveillance to monitor the safety and efficacy of the product candidate. The FDA may also require a risk

evaluation and mitigation strategy, or REMS, in order to approve Adicet's product candidates, which could entail requirements for a medication guide, physician communication plans or additional elements to ensure safe use, such as restricted distribution methods, patient registries and other risk minimization tools. In addition, if the FDA or a comparable foreign regulatory authority approves Adicet's product candidates, the manufacturing processes, labeling, packaging, distribution, adverse event reporting, storage, advertising, promotion, import, export and recordkeeping for Adicet's product candidates will be subject to extensive and ongoing regulatory requirements. These requirements include submissions of safety and other post-marketing information and reports, registration, as well as continued compliance with cGMPs and cGCPs for any clinical trials that Adicet conducts post-approval. As such, Adicet and its contract manufacturers will be subject to continual review and inspections to assess compliance with cGMP and adherence to commitments made in any BLA, other marketing application and previous responses to inspectional observations. Accordingly, Adicet and others with whom Adicet's work must continue to expend time, money and effort in all areas of regulatory compliance, including manufacturing, production and quality control. In addition, the FDA could require Adicet to conduct another study to obtain additional safety or biomarker information.

Further, Adicet will be required to comply with FDA promotion and advertising rules, which include, among others, standards for direct-to-consumer advertising, restrictions on promoting products for uses or in patient populations that are not described in the product's approved uses (known as "off-label use"), limitations on industry-sponsored scientific and educational activities and requirements for promotional activities involving the internet and social media. The FDA and other agencies actively enforce the laws and regulations prohibiting the promotion of off-label uses, and a company that is found to have improperly promoted off-label may be subject to significant liability. However, physicians may, in their independent medical judgment, prescribe legally available products for off-label uses. The FDA does not regulate the behavior of physicians in their choice of treatments but the FDA does restrict manufacturer's communications on the subject of off-label use of their products. Later discovery of previously unknown problems with Adicet's product candidates, including adverse events of unanticipated severity or frequency, or with Adicet's third-party suppliers or manufacturing processes, or failure to comply with regulatory requirements, may result in revisions to the approved labeling to add new safety information; imposition of post-market studies or clinical studies to assess new safety risks; or imposition of distribution restrictions or other restrictions under a REMS program. Other potential consequences include, among other things:

- restrictions on the marketing or manufacturing of Adicet's product candidates, withdrawal of the product from the market or voluntary or mandatory product recalls;
- fines, warning letters or holds on clinical trials;
- refusal by the FDA to approve pending applications or supplements to approved applications filed by Adicet or suspension or revocation of license approvals;
- product seizure or detention, or refusal to permit the import or export of Adicet's product candidates; and
- injunctions or the imposition of civil or criminal penalties.

The FDA's and other regulatory authorities' policies may change and additional government regulations may be enacted that could prevent, limit or delay regulatory approval of Adicet's product candidates. Adicet cannot predict the likelihood, nature or extent of government regulation that may arise from future legislation or administrative or executive action, either in the United States or abroad. For example, certain policies of the current U.S. President's administration may impact Adicet's business and industry. Namely, the current U.S. President's administration has taken several executive actions, including the issuance of a number of Executive Orders, that could impose significant burdens on, or otherwise materially delay, FDA's ability to engage in routine oversight activities such as implementing statutes through rulemaking, issuance of guidance, and review and approval of marketing applications. It is difficult to predict how these orders will be implemented, and the extent to which they will impact the FDA's ability to exercise its regulatory authority. If these executive actions

impose restrictions on FDA's ability to engage in oversight and implementation activities in the normal course, Adicet's business may be negatively impacted. If Adicet is slow or unable to adapt to changes in existing requirements or the adoption of new requirements or policies, or if Adicet is not able to maintain regulatory compliance, Adicet may lose any marketing approval that Adicet may have obtained and Adicet may not achieve or sustain profitability.

Even if Adicet obtains regulatory approval of Adicet's product candidates, the products may not gain market acceptance among physicians, patients, hospitals, cancer treatment centers and others in the medical community, adversely affecting Adicet's ability to achieve its commercial and financial projections.

The use of engineered gamma delta T cells as a potential cancer treatment is a recent development and may not become broadly accepted by physicians, patients, hospitals, cancer treatment centers and others in the medical community. Adicet expects physicians in the large bone marrow transplant centers to be particularly important to the market acceptance of its products and Adicet may not be able to educate them on the benefits of using its product candidates for many reasons. Additional factors will influence whether Adicet's product candidates are accepted in the market, including:

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

If Adicet's product candidates are approved but fail to achieve market acceptance among physicians, patients, hospitals, cancer treatment centers or others in the medical community, Adicet will not be able to generate significant revenue. Even if Adicet's products achieve market acceptance, Adicet may not be able to maintain that market acceptance over time if new products or technologies are introduced that are more favorably received than Adicet's products, are more cost effective or render Adicet's products obsolete.

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

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

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

Third-party payors decide which drugs and treatments they will cover and the amount of reimbursement. Reimbursement by a third-party payor may depend upon a number of factors, including, but not limited to, the third-party payor's determination that use of a product is:

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

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

In the United States, no uniform policy of coverage and reimbursement for products exists among third-party payors. Therefore, coverage and reimbursement for products can differ significantly from payor to payor. Further, one payor's determination to provide coverage for a product does not assure that other payors will also provide coverage for the product. Adequate third-party reimbursement may not be available to enable Adicet to maintain price levels sufficient to realize an appropriate return on Adicet's investment in product development. Because its product candidate may have a higher cost of goods than conventional therapies, and may require long-term follow-up evaluations, the risk that coverage and reimbursement rates may be inadequate for Adicet to achieve profitability may be greater. There is significant uncertainty related to insurance coverage and reimbursement of newly approved products. It is difficult to predict at this time what third-party payors will decide with respect to the coverage and reimbursement for its product candidate. Moreover, payment methodologies may be subject to changes in healthcare legislation and regulatory initiatives. Additional state and federal healthcare reform measures are expected to be adopted in the future, any of which could limit the amounts that federal and state governments will pay for healthcare products and services, which could result in reduced demand for certain pharmaceutical products or additional pricing pressures. Specifically, there have been several U.S. Congressional inquiries and federal and state legislation designed to, among other things, bring more transparency to drug pricing, reduce the cost of prescription drugs under Medicare, review the relationship between pricing and manufacturer patient programs, and reform government program reimbursement methodologies for drugs. Adicet expects to experience pricing pressures in connection with the sale of any of its product candidates due to the trend toward managed healthcare, the increasing influence of health maintenance organizations, cost containment initiatives and additional legislative changes.

Adicet intends to seek approval to market Adicet's product candidates in both the United States and in selected foreign jurisdictions. Increased efforts by governmental and third-party payors in the United States and abroad to cap or reduce healthcare costs may cause such organizations to limit both coverage and the level of reimbursement for newly approved products and, as a result, they may not cover or provide adequate payment for its product candidate. If Adicet obtains approval in one or more foreign jurisdictions for Adicet's product candidates, Adicet will be subject to rules and regulations in those jurisdictions. In some foreign countries, particularly those in Europe, the pricing of biologics is subject to governmental control. In these countries, pricing negotiations with governmental authorities can take considerable time after obtaining marketing approval of a product candidate. Some of these countries may require the completion of clinical trials that compare the cost-effectiveness of a particular product candidate to currently available therapies. Other member states allow companies to fix their own prices for medicines, but monitor and control company profits. The downward pressure on health care costs has become very intense. As a result, increasingly high barriers are being erected to the entry of new products. In addition, in some countries, cross-border imports from low-priced markets exert a commercial pressure on pricing within a country.

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

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

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

There remain legal and political challenges to certain aspects of the Affordable Care Act. Since January 2017, the U.S. President has signed two Executive Orders and other directives designed to delay, circumvent, or loosen certain requirements mandated by the Affordable Care Act. In December 2017, Congress repealed the tax penalty for an individual's failure to maintain Affordable Care Act-mandated health insurance, commonly known as the "individual mandate", as part of the Tax Cuts and Jobs Act of 2017 (Tax Act). In addition, the 2020 federal spending package permanently eliminated, effective January 1, 2020, the Affordable Care Act's mandated "Cadillac" tax on high-cost employer-sponsored health coverage and medical device tax and, effective January 1, 2021, also eliminates the health insurer tax. The Bipartisan Budget Act of 2018 (BBA), among other things, amended the Affordable Care Act, effective January 1, 2019, to close the coverage gap in most Medicare drug plans, commonly referred to as the "donut hole". In December 2018, CMS published a final rule permitting

further collections and payments to and from certain Affordable Care Act qualified health plans and health insurance issuers under the Affordable Care Act risk adjustment program in response to the outcome of federal district court litigation regarding the method CMS uses to determine this risk adjustment. On December 14, 2018, a Texas U.S. District Court Judge ruled that the Affordable Care Act is unconstitutional in its entirety because the "individual mandate" was repealed by Congress as part of the Tax Act. Additionally, on December 18, 2019, the U.S. Court of Appeals for the 5th Circuit upheld the District Court ruling that the individual mandate was unconstitutional and remanded the case back to the District Court to determine whether the remaining provisions of the Affordable Care Act are invalid as well. It is unclear how this decision, future decisions, subsequent appeals, and other efforts to repeal and replace the Affordable Care Act will impact the Affordable Care Act and Adicet's business.

Further legislation or regulation could be passed that could harm Adicet's business, financial condition and results of operations. Other legislative changes have been proposed and adopted since the Affordable Care Act was enacted. For example, in August 2011, President Obama signed into law the Budget Control Act of 2011, which, among other things, created the Joint Select Committee on Deficit Reduction to recommend to Congress proposals in spending reductions. The Joint Select Committee on Deficit Reduction did not achieve a targeted deficit reduction of at least $1.2 trillion for fiscal years 2012 through 2021, triggering the legislation's automatic reduction to several government programs. This includes aggregate reductions to Medicare payments to providers of up to 2% per fiscal year, which went into effect beginning on April 1, 2013 and will stay in effect through 2029, unless additional Congressional action is taken. In January 2013, the American Taxpayer Relief Act of 2012 was signed into law, which, among other things, further reduced Medicare payments to several types of providers, including hospitals, imaging centers and cancer treatment centers, and increased the statute of limitations period for the government to recover overpayments to providers from three to five years.

There have been, and likely will continue to be, legislative and regulatory proposals at the foreign, federal and state levels directed at broadening the availability of healthcare and containing or lowering the cost of healthcare. The implementation of cost containment measures or other healthcare reforms may prevent Adicet from being able to generate revenue, attain profitability, or commercialize its products. Such reforms could have an adverse effect on anticipated revenue from product candidates that Adicet may successfully develop and for which Adicet may obtain regulatory approval and may affect its overall financial condition and ability to develop product candidates.

In addition, there has been increasing legislative and enforcement interest in the United States with respect to specialty drug pricing practices. Specifically, there have been several recent U.S. Congressional inquiries and federal and state legislative activity designed to, among other things, bring more transparency to drug pricing, review the relationship between pricing and manufacturer patient assistance programs, and reform government program reimbursement methodologies for drugs. At the federal level, the U.S. President's administration's budget proposal for fiscal year 2020 contains further drug price control measures that could be enacted during the budget process or in other future legislation, including, for example, measures to permit Medicare Part D plans to negotiate the price of certain drugs under Medicare Part B, to allow some states to negotiate drug prices under Medicaid, and to eliminate cost sharing for generic drugs for low-income patients. Further, the current U.S. President's administration released a "Blueprint", or plan, to lower drug prices and reduce out of pocket costs of drugs that contains additional proposals to increase drug manufacturer competition, increase the negotiating power of certain federal healthcare programs, incentivize manufacturers to lower the list price of their products, and reduce the out of pocket costs of drug products paid by consumers. HHS has solicited feedback on some of these measures and has implemented others under its existing authority. For example, in May 2019, CMS issued a final rule to allow Medicare Advantage plans the option to use step therapy for Part B drugs beginning January 1, 2020. This final rule codified CMS's policy change that was effective January 1, 2019. While some of these and other measures may require additional authorization to become effective, Congress and the current U.S. President's administration have each indicated that it will continue to seek new legislative and/or administrative measures to control drug costs. Individual states in the United States have also become increasingly active in passing legislation and implementing regulations designed to control pharmaceutical product pricing, including

price or patient reimbursement constraints, discounts, restrictions on certain product access and marketing cost disclosure and transparency measures, and, in some cases, designed to encourage importation from other countries and bulk purchasing.

Adicet cannot predict the initiatives that may be adopted in the future. The continuing efforts of the government, insurance companies, managed care organizations and other payors of healthcare services to contain or reduce costs of healthcare and/or impose price controls may adversely affect:

- the demand for Adicet's product candidates, if it obtains regulatory approval;
- Adicet's ability to set a price that it believes is fair for its products;
- Adicet's ability to generate revenue and achieve or maintain profitability;
- the level of taxes that Adicet is required to pay; and
- the availability of capital.

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

Risks Related to Adicet Intellectual Property

Adicet depends on intellectual property licensed from third parties and termination of any of these licenses could result in the loss of significant rights, which would harm Adicet's business.

Adicet is dependent on patents, know-how and proprietary technology, both its own and licensed from others. Adicet depends substantially on Adicet's license agreements with Regeneron and Technion. These licenses may be terminated upon certain conditions. Any termination of these licenses could result in the loss of significant rights and could harm Adicet's ability to commercialize its product candidates. To the extent these licensors fail to meet their obligations under their license agreements, which Adicet is not in control of, Adicet may lose the benefits of its license agreements with these licensors. In the future, Adicet may also enter into additional license agreements that are material to the development of Adicet's product candidates.

Disputes may also arise between Adicet and its licensors regarding intellectual property subject to a license agreement, including those related to:

- the scope of rights granted under the license agreement and other interpretation-related issues;
- whether and the extent to which Adicet's technology and processes infringe on intellectual property of the licensor that is not subject to the licensing agreement;
- Adicet's right to sublicense patent and other rights to third parties under collaborative development relationships;
- Adicet's diligence obligations with respect to the use of the licensed technology in relation to Adicet's development and commercialization of Adicet's product candidates, 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 Adicet licensors and Adicet and Adicet partners.

If disputes over intellectual property that Adicet has licensed, or licenses in the future, prevent or impair Adicet's ability to maintain its current licensing arrangements on acceptable terms, Adicet may be unable to successfully develop and commercialize the affected product candidates.

Adicet is generally also subject to all of the same risks with respect to protection of intellectual property that Adicet licenses, as Adicet is for intellectual property that it owns, which are described below. If Adicet or its licensors fails to adequately protect this intellectual property, Adicet's ability to commercialize products could suffer.

If Adicet's efforts to protect the proprietary nature of the intellectual property related to its technologies are not adequate, Adicet may not be able to compete effectively in its market.

Adicet relies upon a combination of patents, trade secret protection and license agreements to protect the intellectual property related to its technologies. Any disclosure to or misappropriation by third parties of Adicet's confidential proprietary information could enable competitors to quickly duplicate or surpass Adicet's technological achievements, thus eroding Adicet's competitive position in its market.

Additional patent applications have been filed, and Adicet anticipates additional patent applications will be filed, both in the United States and in other countries, as appropriate. However, Adicet cannot predict:

- if and when patents will issue;
- the degree and range of protection any issued patents will afford Adicet against competitors including whether third parties will find ways to invalidate or otherwise circumvent Adicet's patents;
- whether or not others will obtain patents claiming aspects similar to those covered by Adicet's patents and patent applications; or
- whether Adicet will need to initiate litigation or administrative proceedings which may be costly whether Adicet wins or loses.

Composition of matter patents for biological and pharmaceutical products such as CAR-based product candidates often provide a strong form of intellectual property protection for those types of products, as such patents provide protection without regard to any method of use. Adicet cannot be certain that the claims in Adicet's pending patent applications covering composition of matter of Adicet's product candidates will be considered patentable by the United States Patent and Trademark Office (USPTO) or by patent offices in foreign countries, or that the claims in any of Adicet's issued patents will be considered valid and enforceable by courts in the United States or foreign countries. Method of use patents protect the use of a product for the specified method. This type of patent does not prevent a competitor from making and marketing a product that is identical to Adicet's product for an indication that is outside the scope of the patented method. Moreover, even if competitors do not actively promote their product for Adicet's targeted indications, physicians may prescribe these products "off-label." Although off-label prescriptions may infringe or contribute to the infringement of method of use patents, the practice is common and such infringement is difficult to prevent or prosecute.

The strength of patents in the biotechnology and pharmaceutical field involves complex legal and scientific questions and can be uncertain. The patent applications that Adicet owns or in-licenses may fail to result in issued patents with claims that cover Adicet's product candidates or uses thereof in the United States or in other foreign countries. Even if the patents do successfully issue, third parties may challenge the patentability, validity, enforceability or scope thereof, for example through inter partes review (IPR) post-grant review or ex parte reexamination before the USPTO or oppositions and other comparable proceedings in foreign jurisdictions, which may result in such patents being cancelled, narrowed, invalidated or held unenforceable. Furthermore, even if they are unchallenged, Adicet's patents and patent applications may not adequately protect Adicet's intellectual property or prevent others from designing their products to avoid being covered by Adicet's claims. If the breadth or strength of protection provided by the patents and patent applications Adicet holds with respect to Adicet's product candidates is threatened, it could dissuade companies from collaborating with Adicet to develop, and threaten Adicet's ability to commercialize, Adicet's product candidates. Further, if Adicet encounters delays in its clinical trials, the period of time during which Adicet could market Adicet's product candidates under patent protection would be reduced. United States patent applications containing or that at any time contained a claim not entitled to a priority date before March 16, 2013 are subject to the "first to file" system implemented by the America Invents Act (2011).

This first to file system will require Adicet to be cognizant going forward of the time from invention to filing of a patent application. Since patent applications in the United States and most other countries are confidential for a

period of time after filing, Adicet cannot be certain that it was the first to file any patent application related to Adicet's product candidates. Furthermore, for United States applications in which all claims are entitled to a priority date before March 16, 2013, an interference proceeding can be provoked by a third-party or instituted by the USPTO, to determine who was the first to invent any of the subject matter covered by the patent claims of Adicet's applications. For United States applications containing a claim not entitled to priority before March 16, 2013, there is a greater level of uncertainty in the patent law in view of the passage of the America Invents Act, which brought into effect significant changes to the United States patent laws, including new procedures for challenging patent applications and issued patents.

Confidentiality agreements with employees and third parties may not prevent unauthorized disclosure of trade secrets and other proprietary information.

In addition to the protection afforded by patents, Adicet seeks to rely on trade secret protection and confidentiality agreements to protect proprietary know-how that is not patentable, processes for which patents are difficult to enforce and any other elements of Adicet's product discovery and development processes that involve proprietary know-how, information or technology that is not covered by patents. Trade secrets, however, may be difficult to protect. Although Adicet requires all of its employees to assign their inventions to Adicet, and requires all of Adicet's employees and key consultants who have access to Adicet's proprietary know-how, information, or technology to enter into confidentiality agreements, Adicet cannot be certain that its trade secrets and other confidential proprietary information will not be disclosed or that competitors will not otherwise gain access to Adicet's trade secrets or independently develop substantially equivalent information and techniques. Furthermore, the laws of some foreign countries do not protect proprietary rights to the same extent or in the same manner as the laws of the United States. As a result, Adicet may encounter significant problems in protecting and defending Adicet's intellectual property both in the United States and abroad. If Adicet is unable to prevent unauthorized material disclosure of its intellectual property to third parties, Adicet will not be able to establish or maintain a competitive advantage in its market, which could materially adversely affect its business, operating results and financial condition.

Third-party claims of intellectual property infringement may prevent or delay Adicet's product discovery and development efforts.

Adicet's commercial success depends in part on Adicet avoiding infringement of the patents and proprietary rights of third parties. There is a substantial amount of litigation involving patents and other intellectual property rights in the biotechnology and pharmaceutical industries. Numerous U.S. and foreign issued patents and pending patent applications, which are owned by third parties, exist in the fields in which Adicet is developing Adicet's product candidates. As the biotechnology and pharmaceutical industries expand and more patents are issued, the risk increases that Adicet's product candidates may give rise to claims of infringement of the patent rights of others.

Adicet is aware of U.S. and foreign patents held by a third parties relating to gamma delta T cell expansion protocols and related compositions which, on information and belief, are invalid and/or not infringed. In the event that these patents are successfully asserted against its product candidates, such as ADI-001 and ADI-002, or the use of its precursor cells in manufacture of these product candidates, such litigation may negatively impact its ability to commercialize these product candidates in such jurisdictions. Adicet is also aware of several U.S. and foreign patents held by third parties relating to certain CAR compositions of matter, methods of making and methods of use which, on information and belief, are invalid and/or not infringed. Nevertheless, third parties may assert that Adicet infringes their patents or are otherwise employing their proprietary technology without authorization and may sue Adicet. Generally, conducting clinical trials and other development activities in the United States is not considered an act of infringement. If and when ADI-001 or ADI-002 or another CAR-based product candidate is approved by the FDA, third parties may then seek to enforce their patents by filing a patent infringement lawsuit against Adicet. Patents issued in the United States by law enjoy a presumption of validity that can be rebutted only with evidence that is "clear and convincing," a heightened standard of proof. Adicet may not be able to prove in litigation that any patent enforced against it is invalid and/or not infringed.

Additionally, there may be third-party patents of which Adicet is currently unaware with claims to materials, formulations, methods of manufacture or methods for treatment related to the use or manufacture of Adicet's product candidates. Because patent applications can take many years to issue, there may be currently pending patent applications which may later result in issued patents that Adicet's product candidates may infringe. In addition, third parties may obtain patents in the future and claim that use of Adicet technologies infringes upon these patents. If any third-party patents were held by a court of competent jurisdiction to cover the manufacturing process of Adicet's product candidates, constructs or molecules used in or formed during the manufacturing process, or any final product itself, the holders of any such patents may be able to block Adicet's ability to commercialize the product candidate unless Adicet obtained a license under the applicable patents, or until such patents expire or they are finally determined to be held not infringed, unpatentable, invalid or unenforceable. Similarly, if any third-party patent were held by a court of competent jurisdiction to cover aspects of Adicet's formulations, processes for manufacture or methods of use, including combination therapy or patient selection methods, the holders of any such patent may be able to block Adicet's ability to develop and commercialize the product candidate unless Adicet obtained a license or until such patent expires or is finally determined to be held not infringed, unpatentable, invalid or unenforceable. In either case, such a license may not be available on commercially reasonable terms or at all. If Adicet is unable to obtain a necessary license to a third-party patent on commercially reasonable terms, or at all, Adicet's ability to commercialize its product candidates may be impaired or delayed, which could in turn significantly harm its business.

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

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

Adicet may require access to additional intellectual property to develop its current or future product candidates. Accordingly, the growth of Adicet's business will likely depend in part on its ability to acquire, in-license or use these proprietary rights.

Adicet's product candidates may also require specific formulations to work effectively and efficiently and these rights may be held by others. Adicet may be unable to acquire or in-license any compositions, methods of use, processes or other third-party intellectual property rights from third parties that Adicet identifies. Adicet may fail to obtain any of these licenses at a reasonable cost or on reasonable terms, which would harm its business. Even if Adicet is able to obtain a license, it may be non-exclusive, thereby giving its competitors access to the same technologies licensed to Adicet. In that event, Adicet may be required to expend significant time and resources to develop or license replacement technology. Adicet may need to cease use of the compositions or methods covered by such third-party intellectual property rights.

The licensing and acquisition of third-party intellectual property rights is a competitive area, and companies, which may be more established, or have greater resources than Adicet does, may also be pursuing strategies to license or acquire third-party intellectual property rights that Adicet may consider necessary or attractive in order

to commercialize Adicet's product candidates. More established companies may have a competitive advantage over Adicet due to their size, cash resources and greater clinical development and commercialization capabilities.

Adicet may be involved in lawsuits to protect or enforce Adicet's patents or the patents of its licensors, which could be expensive, time-consuming and unsuccessful.

Competitors may infringe Adicet's patents or the patents of its licensors. To counter infringement or unauthorized use, Adicet may be required to file infringement claims, which can be expensive and time-consuming. In addition, in an infringement proceeding, a court may decide that one or more of its patents is not valid or is unenforceable or may refuse to stop the other party from using the technology at issue on the grounds that Adicet's patents do not cover the technology in question. An adverse result in any litigation or defense proceedings could put one or more of Adicet's patents at risk of being invalidated, held unenforceable or interpreted narrowly and could put Adicet's patent applications at risk of not issuing. Defense of these claims, regardless of their merit, would involve substantial litigation expense and would be a substantial diversion of employee resources from Adicet's business. In the event of a successful claim of infringement against Adicet, Adicet may have to pay substantial damages, including treble damages and attorneys' fees for willful infringement, obtain one or more licenses from third parties, pay royalties or redesign Adicet's infringing products, which may be impossible or require substantial time and monetary expenditure.

Interference proceedings provoked by third parties or brought by the USPTO may be necessary to determine the priority of inventions with respect to Adicet's patents or patent applications or those of its licensors. An unfavorable outcome could result in a loss of Adicet's current patent rights and could require Adicet to cease using the related technology or to attempt to license rights to it from the prevailing party. Adicet's business could be harmed if the prevailing party does not offer Adicet a license on commercially reasonable terms. Litigation or interference proceedings may result in a decision adverse to Adicet's interests and, even if Adicet is successful, may result in substantial costs and distract Adicet's management and other employees. Adicet may not be able to prevent, alone or with Adicet's licensors, misappropriation of Adicet's trade secrets or confidential information, particularly in countries where the laws may not protect those rights as fully as in the United States.

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

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

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

The lives of Adicet's patents may not be sufficient to effectively protect its products and business.

Patents have a limited lifespan. In the United States, the natural expiration of a patent is generally 20 years after its first effective filing date. Although various extensions may be available, the life of a patent, and the protection

it affords, is limited. Even if patents covering Adicet's product candidates are obtained, once the patent life has expired for a product, Adicet may be open to competition from biosimilar or generic medications. In addition, although upon issuance in the United States a patent's life can be increased based on certain delays caused by the USPTO, this increase can be reduced or eliminated based on certain delays caused by the patent applicant during patent prosecution. If Adicet does not have sufficient patent life to protect its products, Adicet's business and results of operations will be adversely affected.

Adicet may be subject to claims challenging the inventorship of Adicet's patents and other intellectual property.

Adicet may in the future be subject to claims that former employees, collaborators, or other third parties have an interest in Adicet's patents or other intellectual property as an inventor or co-inventor. For example, Adicet may have inventorship disputes arise from conflicting obligations of consultants or others who are involved in developing Adicet's product candidates. Litigation may be necessary to defend against these and other claims challenging inventorship. If Adicet fails in defending any such claims, in addition to paying monetary damages, Adicet may lose valuable intellectual property rights, such as exclusive ownership of, or right to use, valuable intellectual property. Such an outcome could have a material adverse effect on Adicet's business. Even if Adicet is successful in defending against such claims, litigation could result in substantial costs and be a distraction to management and other employees.

Issued patents covering Adicet's product candidates could be found unpatentable, invalid or unenforceable if challenged in court or the USPTO.

If Adicet or one of its licensing partners initiate legal proceedings against a third party to enforce a patent covering one of Adicet's product candidates, the defendant could counterclaim that the patent covering Adicet's product candidate, as applicable, is invalid and/or unenforceable. In patent litigation in the United States, defendant counterclaims alleging invalidity and/or unenforceability are commonplace, and there are numerous grounds upon which a third party can assert invalidity or unenforceability of a patent. Third parties may also raise similar claims before administrative bodies in the United States or abroad, even outside the context of litigation. Such mechanisms include IPR, ex parte re-examination and post grant review in the United States, and equivalent proceedings in foreign jurisdictions (e.g., opposition proceedings). Such proceedings could result in revocation or amendment to Adicet's patents in such a way that they no longer cover and protect Adicet's product candidates. The outcome following legal assertions of unpatentability, invalidity and unenforceability is unpredictable. With respect to the validity question, for example, Adicet cannot be certain that there is no invalidating prior art, of which Adicet, Adicet's patent counsel and the patent examiner were unaware during prosecution. If a defendant were to prevail on a legal assertion of unpatentability, invalidity and/or unenforceability, Adicet would lose at least part, and perhaps all, of the patent protection on Adicet's product candidates. Such a loss of patent protection could have a material adverse impact on its business.

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

As is the case with other biopharmaceutical companies, Adicet's success is heavily dependent on intellectual property, particularly patents. Obtaining and enforcing patents in the biopharmaceutical industry involve both technological and legal complexity, and is therefore costly, time-consuming and inherently uncertain. Recent U.S. Supreme Court rulings have narrowed the scope of patent protection available in certain circumstances and weakened the rights of patent owners in certain situations. In addition to increasing uncertainty with regard to Adicet's ability to obtain patents in the future, this combination of events has created uncertainty with respect to the value of patents, once obtained. Depending on decisions by the U.S. Congress, the federal courts, and the USPTO, the laws and regulations governing patents could change in unpredictable ways that would weaken Adicet's ability to obtain new patents or to enforce Adicet's existing patents and patents that Adicet might obtain in the future.

Adicet may not be able to protect its intellectual property rights throughout the world.

Adicet may not be able to protect its intellectual property rights outside the United States. Filing, prosecuting and defending patents on product candidates in all countries throughout the world would be prohibitively expensive, and Adicet's intellectual property rights in some countries outside the United States can be less extensive than those in the United States. In addition, the laws of some foreign countries do not protect intellectual property rights to the same extent as federal and state laws in the United States. Consequently, Adicet may not be able to prevent third parties from practicing Adicet's inventions in all countries outside the United States, or from selling or importing products made using Adicet's inventions in and into the United States or other jurisdictions. Competitors may use Adicet's technologies in jurisdictions where Adicet has not obtained patent protection to develop their own products and further, may export otherwise infringing products to territories where Adicet has patent protection, but enforcement is not as strong as that in the United States. These products may compete with Adicet's products and Adicet's patents or other intellectual property rights may not be effective or sufficient to prevent them from competing.

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

Adicet may be subject to claims that its employees, consultants or independent contractors have wrongfully used or disclosed confidential information of third parties.

Adicet has received confidential and proprietary information from third parties. In addition, Adicet employ individuals who were previously employed at other biotechnology or pharmaceutical companies. Adicet may be subject to claims that Adicet or Adicet's employees, consultants or independent contractors have inadvertently or otherwise used or disclosed confidential information of these third parties or Adicet's employees' former employers. Litigation may be necessary to defend against these claims. Even if Adicet is successful in defending against these claims, litigation could result in substantial cost and be a distraction to Adicet's management and employees.

Risks Related to the Combined Company

The market price of the combined company's common stock is expected to be volatile and may drop following the merger.

The market price of the combined company's common stock is likely to be volatile following the merger. The combined company's stock price could be subject to wide fluctuations in response to a variety of factors including the following:

- results from, and any delays in, research and development efforts, planned clinical trials for the combined company's product candidates, or any other future product candidates, including potential delays due to the COVID-19 pandemic, and the results of trials of competitors or those of other companies in the combined company's market sector;
- potential delays and disruptions in the manufacture and supply of experimental drug product for pre-clinical and clinical studies;

- any delay in filing an IND, Investigational Device Exemption or NDA for any of the combined company's product candidates and any adverse development or perceived adverse development with respect to the FDA's review of that NDA;
- significant lawsuits, including patent or stockholder litigation;
- inability to obtain additional funding;
- failure to successfully develop and commercialize the combined company's product candidates;
- changes in laws or regulations applicable to the combined company's product candidates;
- inability to obtain adequate product supply for the combined company's product candidates, or the inability to do so at acceptable prices;
- unanticipated serious safety concerns related to any of the combined company's product candidates;
- adverse regulatory decisions;
- introduction of new products or technologies by the combined company's competitors;
- failure to meet or exceed drug development or financial projections the combined company provides to the public;
- failure to meet or exceed the estimates and projections of the investment community;
- the perception of the biopharmaceutical industry by the public, legislatures, regulators and the investment community;
- announcements of significant acquisitions, strategic partnerships, joint ventures or capital commitments by the combined company or the combined company's competitors;
- disputes or other developments relating to proprietary rights, including patents, litigation matters and the combined company's ability to obtain patent protection for the combined company's licensed and owned technologies;
- additions or departures of key scientific or management personnel;
- changes in the market valuations of similar companies;
- general economic and market conditions and overall fluctuations in the U.S. equity market;
- sales of the combined company's common stock by the combined company or its stockholders in the future; and
- trading volume of the combined company's common stock.

In addition, the stock market, in general, and small biopharmaceutical companies, in particular, have experienced extreme price and volume fluctuations that have often been unrelated or disproportionate to the operating performance of these companies. Broad market and industry factors may negatively affect the market price of the combined company's common stock, regardless of the combined company's actual operating performance. Further, a decline in the financial markets and related factors beyond the combined company's control may cause the combined company's stock price to decline rapidly and unexpectedly.

The combined company will need to raise additional financing in the future to fund its operations, which may not be available to it on favorable terms or at all.

The combined company will require substantial additional funds to conduct the costly and time-consuming clinical efficacy trials necessary to pursue regulatory approval of each potential product candidate and to continue the development of ADI-001 and ADI-002. The combined company's future capital requirements will depend upon a number of factors, including: the number and timing of future product candidates in the

pipeline; progress with and results from preclinical testing and clinical trials; the ability to manufacture sufficient drug supplies to complete preclinical and clinical trials; the costs involved in preparing, filing, acquiring, prosecuting, maintaining and enforcing patent and other intellectual property claims; and the time and costs involved in obtaining regulatory approvals and favorable reimbursement or formulary acceptance. Raising additional capital may be costly or difficult to obtain and could significantly dilute stockholders' ownership interests or inhibit the combined company's ability to achieve its business objectives. If the combined company raises additional funds through public or private equity offerings, the terms of these securities may include liquidation or other preferences that adversely the rights of its common stockholders. Further, to the extent that the combined company raises additional capital through the sale of common stock or securities convertible or exchangeable into common stock, its stockholder's ownership interest in the combined company will be diluted. In addition, any debt financing may subject the combined company to fixed payment obligations and covenants limiting or restricting its ability to take specific actions, such as incurring additional debt, making capital expenditures or declaring dividends. If the combined company raises additional capital through marketing and distribution arrangements or other collaborations, strategic alliances or licensing arrangements with third parties, the combined company may have to relinquish certain valuable intellectual property or other rights to its product candidates, technologies, future revenue streams or research programs or grant licenses on terms that may not be favorable to it. Even if the combined company were to obtain sufficient funding, there can be no assurance that it will be available on terms acceptable to the combined company or its stockholders.

The combined company will incur costs and demands upon management as a result of complying with the laws and regulations affecting public companies.

The combined company will incur significant legal, accounting, and other expenses Adicet did not incur as a private company, including costs associated with public company reporting requirements. The combined company will also incur costs associated with corporate governance requirements, including requirements under the Sarbanes-Oxley Act, as well as new rules implemented by the SEC and Nasdaq. These rules and regulations are expected to increase the combined company's legal and financial compliance costs and to make some activities more time-consuming and costly. For example, the combined company's management team will consist partially of the executive officers of Adicet prior to the merger, some of whom may not have previously managed and operated a public company. These executive officers and other personnel will need to devote substantial time to gaining expertise regarding operations as a public company and compliance with applicable laws and regulations. These rules and regulations may also make it difficult and expensive for the combined company to obtain directors and officers liability insurance. As a result, it may be more difficult for the combined company to attract and retain qualified individuals to serve on the combined company's board of directors or as executive officers of the combined company, which may adversely affect investor confidence in the combined company and could cause the combined company's business or stock price to suffer. Further, the combined company may need to add additional experience and personnel to support its public company operations. The loss of any existing personnel in these areas or the combined company's inability to achieve or manage such expansion effectively may result in weaknesses in its infrastructure and the combined company's business, financial condition and results of operations may be materially adversely affected.

Anti-takeover provisions in the combined company charter documents and under Delaware law could make an acquisition of the combined company more difficult and may prevent attempts by the combined company stockholders to replace or remove the combined company management.

Provisions in the combined company's certificate of incorporation and bylaws may delay or prevent an acquisition or a change in management. These provisions include a classified board of directors, a prohibition on actions by written consent of the combined company's stockholders and the ability of the board of directors to issue preferred stock without stockholder approval. In addition, because the combined company will be incorporated in Delaware, it is governed by the provisions of Section 203 of the DGCL, which prohibits stockholders owning in excess of 15% of the outstanding combined company voting stock from merging or combining with the combined company. Although resTORbio and Adicet believe these provisions collectively

will provide for an opportunity to receive higher bids by requiring potential acquirers to negotiate with the combined company's board of directors, they would apply even if the offer may be considered beneficial by some stockholders. In addition, these provisions may frustrate or prevent any attempts by the combined company's stockholders to replace or remove then current management by making it more difficult for stockholders to replace members of the board of directors, which is responsible for appointing the members of management.

resTORbio and Adicet do not anticipate the combined company will pay any cash dividends in the foreseeable future.

The current expectation is the combined company will retain its future earnings to fund the development and growth of the combined company's business. As a result, capital appreciation, if any, of the common stock of the combined company will be your sole source of gain, if any, for the foreseeable future.

An active trading market for the combined company's common stock may not develop and its stockholders may not be able to resell their shares of common stock for a profit, if at all.

Prior to the merger, there had been no public market for Adicet's capital stock. Although resTORbio's common stock is listed on Nasdaq, and resTORbio and Adicet will apply to have the combined company's common stock listed on Nasdaq, an active trading market for the combined company's shares of common stock may never develop or be sustained. resTORbio, Adicet and their financial advisors will set the final reverse split ratio to target a trading price to provide for sufficient liquidity. The price that the combined company trades at immediately after the merger may not necessarily reflect the price at which investors in the market will be willing to buy and sell the shares on a sustained basis. The lack of an active market may impair your ability to sell your shares at the time you wish to sell them or at a price that you consider reasonable. An inactive market may also impair the combined company's ability to raise capital by selling shares and may impair the combined company's ability to acquire other businesses or technologies using the combined company's shares as consideration, which, in turn, could materially adversely affect the combined company's business.

If equity research analysts do not publish research or reports, or publish unfavorable research or reports, about the combined company, its business or its market, its stock price and trading volume could decline.

The trading market for the combined company's common stock will be influenced by the research and reports that equity research analysts publish about it and its business. Equity research analysts may elect not to provide research coverage of the combined company's common stock after the completion of this offering, and such lack of research coverage may adversely affect the market price of its common stock. In the event it does have equity research analyst coverage, the combined company will not have any control over the analysts or the content and opinions included in their reports. The price of the combined company's common stock could decline if one or more equity research analysts downgrade its stock or issue other unfavorable commentary or research. If one or more equity research analysts ceases coverage of the combined company or fails to publish reports on it regularly, demand for its common stock could decrease, which in turn could cause its stock price or trading volume to decline.

The funding transaction may not be completed.

In order to fund the research and development programs and working capital requirements described elsewhere in this proxy statement/prospectus/information statement and to enhance the overall capitalization of Adicet and the combined company following the merger, the parties entered into a funding agreement simultaneously with the signing of the merger agreement (See the section entitled "*Agreements Related To The Merger—Funding Agreement*" beginning on page 220 of this proxy statement/prospectus/information statement) with certain current investors of Adicet, pursuant to which such investors committed to fund up to an aggregate of $15,000,000 into an escrow account at or prior the time of completion of the merger (referred to as the "funding transaction"). If a Qualified Financing under such funding agreement does not occur within 12 months of the

effective time of the merger, the escrowed cash will be returned to the investors party to the funding agreement. The combined company cannot predict whether it will be successful in consummating a Qualified Financing. Accordingly, there can be no guarantee that the Qualified Financing will occur at all or within the time period required under the funding agreement and that the combined company will receive the escrowed funds pursuant to the terms of the funding agreement.

The combined company will have broad discretion in the use of proceeds released to it from the escrow under the funding agreement, if any, and may invest or spend any such proceeds in ways with which you do not agree and in ways that may not increase the value of your investment.

The combined company will have broad discretion over the use of proceeds released to it from the escrow under the funding agreement, if any. Its stockholders may not agree with the combined company's decisions, and its use of the proceeds may not yield any return on its stockholders' investments. The combined company's failure to apply such net proceeds effectively could compromise its ability to pursue its growth strategy and the combined company might not be able to yield a significant return, if any, on its investment of these net proceeds. The combined company's stockholders will not have the opportunity to influence its decisions on how to use such net proceeds.

The combined company is expected to take advantage of reduced disclosure and governance requirements applicable to smaller reporting companies, which could result in its common stock being less attractive to investors.

Following the merger, the combined company is expected to have annual revenues below $100 million and a public float of less than $700 million and therefore will qualify as a smaller reporting company under the rules of the SEC. As a smaller reporting company, the combined company will be able to take advantage of reduced disclosure requirements, such as simplified executive compensation disclosures and reduced financial statement disclosure requirements in its SEC filings. Decreased disclosures in the combined company's SEC filings due to its status as a smaller reporting company may make it harder for investors to analyze its results of operations and financial prospects. resTORbio and Adicet cannot predict if investors will find the combined company's common stock less attractive if it relies on these exemptions. If some investors find its common stock less attractive as a result, there may be a less active trading market for its common stock and its stock price may be more volatile. The combined company may take advantage of the reporting exemptions applicable to a smaller reporting company until it is no longer a smaller reporting company. The combined company would continue to be a smaller reporting company if the combined company has (i) less than $250 million in market value of its shares held by non-affiliates as of the last business day of its second fiscal quarter or (ii) less than $100 million of annual revenues in its most recent fiscal year completed before the last business day of its second fiscal quarter and a market value of its shares held by non-affiliates of less than $700 million as of the last business day of its second fiscal quarter.

The pre-merger net operating loss carryforwards and certain other tax attributes of resTORbio and Adicet may be subject to limitations.

In general, a corporation that undergoes an "ownership change" as defined in Section 382 of the Code, is subject to limitations on its ability to utilize its pre-change net operating loss carryforwards to offset future taxable income. resTORbio and Adicet may have experienced ownership changes in the past and the combined organization may experience ownership changes in the future. In addition, the closing of the merger is expected to result in an ownership change for resTORbio, and may result in an ownership change for Adicet. Consequently, even if the combined organization achieves profitability, it may not be able to utilize a material portion of resTORbio's, Adicet's or the combined organization's net operating loss carryforwards and certain other tax attributes.

For a more complete discussion of the risks related to the respective net operating loss carryforwards and certain other tax attributes of Adicet and resTORbio, please see the discussions under "*Risk Factors—Risks Related to Adicet—Adicet's ability to use net operating losses to offset future taxable income may be subject to certain*

limitations as a result of the merger" and "*Risk Factors—Risks Related to resTORbio's Common Stock—resTORbio's ability to use net operating losses and research and development credits to offset future taxable income may be subject to certain limitations as a result of the merger*", respectively.

Changes in tax law could adversely affect the combined company's business and financial condition.

The rules dealing with U.S. federal, state, and local income taxation are constantly under review by persons involved in the legislative process and by the IRS and the U.S. Treasury Department. Changes to tax laws (which changes may have retroactive application) could adversely affect the combined company or the combined company's stockholders. In recent years, many such changes have been made and changes are likely to continue to occur in the future. For example, the Tax Cuts and Jobs Act (referred to as the "TCJA") was enacted in 2017 and significantly reformed the Code. The TCJA, among other things, contained significant changes to corporate taxation, including reduction of the corporate tax rate from a top marginal rate of 35% to a flat rate of 21%, a limitation of the tax deduction for net interest expense to 30% of adjusted earnings (except for certain small businesses), a limitation of the deduction for net operating losses to 80% of current year taxable income for losses generated in taxable years beginning after December 31, 2017 and an elimination of net operating loss carrybacks for losses generated in taxable years ending after December 31, 2017 (though any such net operating losses may be carried forward indefinitely), and the modification or repeal of many business deductions and credits.

Additionally, on March 27, 2020, President Trump signed into law the Coronavirus Aid, Relief, and Economic Security Act, which, among other things, suspends the 80% limitation on the deduction for net operating losses in taxable years beginning before January 1, 2021, permits a 5-year carryback of net operating losses arising in taxable years beginning after December 31, 2017 and before January 1, 2021, and generally caps the limitation on the deduction for net interest expense at 50% of adjusted taxable income for taxable years beginning in 2019 and 2020.

It cannot be predicted whether, when, in what form, or with what effective dates, new tax laws may be enacted, or regulations and rulings may be enacted, promulgated or issued under existing or new tax laws, which could result in an increase in the combined company's or the combined company's stockholders' tax liability or require changes in the manner in which the combined company operates in order to minimize or mitigate any adverse effects of changes in tax law or in the interpretation thereof.

The combined company's failure to meet the continued listing requirements of the Nasdaq could result in a delisting of the combined company's common stock.

If, after listing, the combined company fails to satisfy the continued listing requirements of the Nasdaq, such as the corporate governance requirements or the minimum closing bid price requirement, Nasdaq may take steps to delist the combined company's common stock. Such a delisting would likely have a negative effect on the price of the combined company's common stock and would impair your ability to sell or purchase the combined company's common stock when you wish to do so. In the event of a delisting, the combined company can provide no assurance that any action taken by the combined company to restore compliance with listing requirements would allow the combined company's common stock to become listed again, stabilize the market price or improve the liquidity of the combined company's common stock, prevent the combined company's common stock from dropping below the Nasdaq minimum bid price requirement or prevent future non-compliance with Nasdaq's listing requirements.

Future sales of shares by existing stockholders could cause the combined company's stock price to decline.

If existing stockholders of resTORbio and Adicet sell, or indicate an intention to sell, substantial amounts of the combined company's common stock in the public market after legal restrictions on resale discussed in this proxy statement/prospectus/information statement lapse, the trading price of the common stock of the combined

company could decline. Neither resTORbio nor Adicet is able to predict the effect that sales may have on the prevailing market price of the combined company's common stock.

The combined company's internal control over financial reporting may not meet the standards required by Section 404 of the Sarbanes-Oxley Act, and failure to achieve and maintain effective internal control over financial reporting in accordance with Section 404 of the Sarbanes-Oxley Act, could have a material adverse effect on the combined company's business and share price.

As a privately held company, Adicet was not required to evaluate its internal control over financial reporting in a manner that meets the standards of publicly traded companies required by Section 404 of the Sarbanes-Oxley Act (referred to herein as "Section 404"). Commencing with the combined company's Annual Report on Form 10-K for this fiscal year, the combined company's management will be required to report on the effectiveness of the combined company's internal control over financial reporting. The rules governing the standards that must be met for the combined company's management to assess the combined company's internal control over financial reporting are complex and require significant documentation, testing and possible remediation.

In connection with the audit of Adicet's financial statements as of and for the years ended December 31, 2018 and 2019, Adicet identified material weaknesses in its internal control over financial reporting. See "*Risk Related to Adicet—Risks Related to Adicet's Business and Industry—Adicet has identified material weaknesses in its internal control over financial reporting. Failure to achieve and maintain effective internal control over financial reporting could harm its business and negatively impact the value of its common stock*." The combined company cannot assure you that the material weaknesses identified at Adicet will be remediated by the combined company on the timelines currently anticipated by Adicet, or at all, and/or that there will not be additional material weaknesses or significant deficiencies in the combined company's internal control over financial reporting in the future. Any failure to maintain internal control over financial reporting could severely inhibit the combined company's ability to accurately report its financial condition, results of operations or cash flows. If the combined company is unable to conclude that its internal control over financial reporting is effective, or if the combined company's independent registered public accounting firm determines the combined company has a material weakness or significant deficiency in the combined company's internal control over financial reporting once that firm begin its Section 404 reviews, investors may lose confidence in the accuracy and completeness of the combined company's financial reports, the market price of the combined company's common stock could decline, and the combined company could be subject to sanctions or investigations by Nasdaq, the SEC or other regulatory authorities. Failure to remedy any material weakness in the combined company's internal control over financial reporting, or to implement or maintain other effective control systems required of public companies, could also restrict the combined company's future access to the capital markets.

The existence of the CVR may result in the combined company spending funds, time and resources outside of its core focus.

In connection with the merger, resTORbio intends to enter into the CVR Agreement, pursuant to which each holder of resTORbio common stock as of immediately prior to the effective time of the merger shall be entitled to one CVR issued by resTORbio, subject to and in accordance with the terms and conditions of the CVR Agreement, for each share of resTORbio common stock held by such holder (See the section entitled "*Agreements Related To The Merger—Contingent Value Rights Agreement*" beginning on page 223 of this proxy statement/prospectus/information statement). Each CVR will entitle the holder of the CVR to receive net proceeds of the commercialization, if any, received from a third party commercial partner of RTB101 for a COVID-19-related indication, with clinical data expected by the first quarter of 2021. The combined company is obligated to use commercially reasonable efforts (as such term is defined in the CVR Agreement) with respect to developing, seeking regulatory approval for and commercializing RTB101 for a COVID-19 related indication, which will result in the combined company spending funds, time and resources to comply with the terms of the CVR Agreement. Further, pursuant to the terms of the CVR Agreement, the holders of resTORbio common stock as of immediately prior to the Effective Time, rather than the holders of the combined company's common stock,

are the primary recipients of any net proceeds of the commercialization, if any, received from a third party commercial partner of RTB101 for a COVID-19-related indication. Absent such CVR Agreement, the combined company could have allocated such funds, time and resources to its core programs and the foregoing , and could be a distraction to the combined company's management and employees. As a result, the combined company's operations and financial condition may be adversely affected.

After the merger, the combined company's executive officers, directors and principal stockholders, if they choose to act together, will continue to control or significantly influence all matters submitted to stockholders for approval. Furthermore, five of the combined company's anticipated directors will be appointed by Adicet pursuant to the terms of the merger agreement.

Following the completion of the merger, the combined company's executive officers, directors and greater than 5% stockholders, in the aggregate, will own approximately 46.1% of combined company's outstanding common stock (assuming no exercise of outstanding options). Furthermore, five of the combined company's anticipated directors will be appointed by Adicet pursuant to the terms of the merger agreement. As a result, such persons or their appointees to the combined company's board of directors, acting together, will have the ability to control or significantly influence all matters submitted to the combined company's board of directors or stockholders for approval, including the appointment of the combined company's management, the election and removal of directors and approval of any significant transaction, as well as the combined company's management and business affairs. This concentration of ownership may have the effect of delaying, deferring or preventing a change in control, impeding a merger, consolidation, takeover or other business combination involving the combined company, or discouraging a potential acquiror from making a tender offer or otherwise attempting to obtain control of the combined company's business, even if such a transaction would benefit other stockholders.

The combined company could be subject to securities class action litigation.

In the past, securities class action litigation has often been brought against a company following a decline in the market price of its securities. This risk is especially relevant for the combined company, because biotechnology and pharmaceutical companies have experienced significant stock price volatility in recent years. If the combined company faces such litigation, it could result in substantial costs and a diversion of management's attention and resources, which could harm the combined company's business.

The integration of the management team and operations of Adicet and resTORbio may be more difficult, costly or time-consuming than expected.

The success of the merger will depend, in part, on the combined company's ability to successfully combine and integrate the management team and operations of Adicet and resTORbio into the combined company. There are a large number of processes, policies, procedures, operations, technologies and systems that must be integrated, including purchasing, accounting and finance, sales, payroll, pricing, revenue management, marketing and benefits. A number of factors could affect the combined company's ability to successfully combine the two companies management teams and operations, including the following:

- the potential for unexpected costs, delays and challenges that may arise in integrating the management team and operations of the two companies;
- any departures of key employees in connection with the merger;
- the combined company's ability to retain key employees and maintain relationships;
- the combined company's ability to integrate the finance and public company support operations of the Boston office with the clinical and research operations in California; and
- diversion of management's attention and resources during integration efforts.

If the combined company is unable to successfully integrate the management team and operations of the two companies, the combined company's business, financial condition and results of operations may be materially adversely affected.

FORWARD-LOOKING STATEMENTS

This proxy statement/prospectus/information statement and the documents incorporated by reference into this proxy statement/prospectus/information statement contain forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995, including, but not limited to, statements regarding: the expected structure, timing and completion of the merger, future product development plans and projected timelines for the initiation and completion of preclinical and clinical trials; the potential for the results of ongoing preclinical or clinical trials and the efficacy of either party's drug candidates; the potential market opportunities and value of drug candidates; future product development and regulatory strategies, including with respect to specific indications; the combined company's future financial performance, results of operations or sufficiency of capital resources to fund operating requirements; future Nasdaq listing; expectations regarding the combined company's focus, operations, resources and development plan; expectations regarding synergies resulting from the merger; the executive and board structure of the combined company; expectations of the potential impact of the COVID-19 pandemic on resTORbio's, Adicet's and the combined company's strategy and future operations including ability to access capital or obtain additional financing, and ability to conduct, and the timing of clinical trials; and the potential payment of proceeds pursuant to the CVR agreement. The use of words such as, but not limited to, "believe," "expect," "estimate," "project," "intend," "future," "potential," "continue," "may," "might," "plan," "will," "should," "seek," "anticipate," or "could" and other similar words or expressions are intended to identify forward-looking statements. Forward-looking statements are neither historical facts nor assurances of future performance. Instead, they are based on resTORbio's current beliefs, expectations and assumptions regarding the future of resTORbio's and Adicet's business, future plans and strategies, clinical results and other future conditions. New risks and uncertainties may emerge from time to time, and it is not possible to predict all risks and uncertainties. No representations or warranties (expressed or implied) are made about the accuracy of any such forward-looking statements. There can be no assurance that the parties will be able to complete the merger on the anticipated terms, or at all.

Such forward-looking statements are subject to a number of material risks and uncertainties including but not limited to: (i) risks associated with resTORbio's ability to obtain the stockholder approval required to consummate the merger and the timing of the closing of the merger, including the risks that a condition to closing would not be satisfied within the expected timeframe or at all or that the closing of the merger will not occur; (ii) the outcome of any legal proceedings that may be instituted against the parties and others related to the merger agreement; (iii) unanticipated difficulties or expenditures relating to the merger, the response of business partners and competitors to the announcement of the merger, and/or potential difficulties in employee retention as a result of the announcement and pendency of the merger; (iv) the length of time necessary to consummate the merger may be longer than anticipated; (v) resTORbio's continued listing on Nasdaq until closing of the merger; (vi) the combined company's listing on Nasdaq after closing of the merger; (vii) the adequacy of the combined company's capital to support its future operations and its ability to successfully initiate and complete clinical trials; (viii) the nature, strategy and focus of the combined company; (ix) the difficulty in predicting the time and cost of development of resTORbio's and Adicet's product candidates; (x) the executive management and board structure of the combined company; (xi) the risk that any potential payment of proceeds pursuant to the CVR agreement may not be distributed at all or result in any value to resTORbio stockholders; (xii) Adicet's plans to develop and commercialize its product candidates, including ADI-001; (xiii) the timing of initiation of Adicet's planned clinical trials; (xiv) the timing of the availability of data from Adicet's clinical trials; (xv) the timing of any planned IND or new drug application; (xvi) Adicet's plans to research, develop and commercialize its current and future product candidates; (xvii) Adicet's ability to enter into new collaborations, and to fulfill its obligations under any such collaboration agreements; (xviii) the clinical utility, potential benefits and market acceptance of Adicet's product candidates; (xix) Adicet's commercialization, marketing and manufacturing capabilities and strategy; (xx) Adicet's ability to identify additional products or product candidates with significant commercial potential; (xxi) developments and projections relating to Adicet's competitors and its industry; (xxii) the impact of government laws and regulations; (xxiii) Adicet's ability to protect its intellectual property position; (xxiv) Adicet's estimates regarding future revenue, expenses, capital requirements and need for additional financing following the merger; and (xxv) those risks detailed in resTORbio's most recent Annual Report on

Form 10-K and Quarterly Report on Form 10-Q filed with the SEC, as well as discussions of potential risks, uncertainties, and other important factors in resTORbio's subsequent filings with the SEC. Any forward-looking statement speaks only as of the date on which it was made. None of resTORbio, Adicet, nor their affiliates, advisors or representatives, undertake any obligation to publicly update or revise any forward-looking statement, whether as result of new information, future events or otherwise, except as required by law.

For a discussion of the factors that may cause resTORbio, Adicet or the combined company's actual results, performance or achievements to differ materially from any future results, performance or achievements expressed or implied in such forward-looking statements, or for a discussion of risk associated with the ability of resTORbio and Adicet to complete the merger and the effect of the merger on the business of resTORbio, Adicet and the combined company, please see the section entitled "*Risk Factors*" beginning on page 25 of this proxy statement/prospectus/information statement.

Additional factors that could cause actual results to differ materially from those expressed in the forward-looking statements are discussed in reports filed with the SEC by resTORbio including the risk factors included in resTORbio's most recent Annual Report on Form 10-K, most recent resTORbio Quarterly Report on Form 10-Q and Current Reports on Form 8-K filed with the SEC. Please see the section entitled "*Where You Can Find More Information*" on page 417 of this proxy statement/prospectus/information statement.

If any of these risks or uncertainties materialize or any of these assumptions prove incorrect, the results of resTORbio, Adicet or the combined company could differ materially from the forward-looking statements. All forward-looking statements in this proxy statement/prospectus/information statement are current only as of the date on which the statements were made. resTORbio and Adicet do not undertake any obligation to publicly update any forward-looking statement to reflect events or circumstances after the date on which any statement is made or to reflect the occurrence of unanticipated events, except as required by law.

THE SPECIAL MEETING

Date, Time and Place

resTORbio is holding a special meeting of its stockholders in order to obtain the stockholder approvals necessary to complete the merger and related matters. The special meeting will be held at [●], Eastern Time, on [●], 2020, unless postponed or adjourned to a later date. In light of the COVID-19 (coronavirus) pandemic and to support the well-being of resTORbio stockholders and partners, the special meeting will be completely virtual. You may attend the meeting, and vote your shares electronically during the meeting via live webcast by visiting [●]. You will need the control number that is printed on your proxy card to enter the special meeting. resTORbio recommends that you log in at least 15 minutes before the meeting to ensure you are logged in when the special meeting starts. Please note that you will not be able to attend the special meeting in person. This proxy statement/prospectus/information statement is first being furnished to resTORbio stockholders on or about [●], 2020.

Purpose of the Special Meeting

The purpose of the special meeting is to consider and vote on the following proposals:

1. To approve the issuance of resTORbio common stock pursuant to the Agreement and Plan of Merger, dated as of April 28, 2020, as amended, by and among resTORbio, the merger subsidiary and Adicet, and the resulting "change of control" of resTORbio under the Nasdaq rules;
2. To approve an amendment to the resTORbio certificate of incorporation to effect a reverse stock split of resTORbio common stock; and
3. To approve an adjournment or postponement of the special meeting, if necessary, to solicit additional proxies if there are not sufficient votes in favor of Proposal No. 1 and Proposal No. 2.

If resTORbio is to complete the merger with Adicet, stockholders must approve Proposal No. 1 and Proposal No. 2. The approval of Proposal No. 3 is not a condition to the completion of the merger with Adicet.

Record Date; Shares Outstanding and Entitled to Vote

The resTORbio Board has fixed [●], 2020 as the record date for the determination of stockholders entitled to notice of, and to vote at, the special meeting and any adjournment or postponement thereof. Only holders of record of shares of resTORbio common stock at the close of business on the record date are entitled to notice of, and to vote at, the special meeting. At the close of business on the record date, resTORbio had [●] shares of resTORbio common stock outstanding and entitled to vote at the special meeting. Each holder of record of shares of common stock on the record date will be entitled to one vote for each share held on all matters to be voted upon at the special meeting.

How to Vote Your Shares

If you hold your shares in your own name, you may submit a proxy by telephone, via the internet or by mail or vote by attending the special meeting virtually and voting online.

- *Submitting a Proxy by Telephone*: You can submit a proxy for your shares by telephone until [●] Eastern Time on [●] by calling the toll-free telephone number on the enclosed proxy card.
- *Submitting a Proxy via the internet*: You can submit a proxy via the internet until [●] PM Eastern Time on [●] by accessing the website listed on your proxy card and following the instructions you will find on the website.

- *Submitting a Proxy by Mail*: If you choose to submit a proxy by mail, simply mark the enclosed proxy card, date and sign it, and return it in the postage paid envelope provided or return it to Vote Processing, c/o Broadridge, 51 Mercedes Way, Edgewood, NY 11717.

By casting your vote in any of the three ways listed above, you are authorizing the individuals listed on the proxy to vote your shares in accordance with your instructions.

If your shares are held in the name of a bank, broker or other nominee, you will receive instructions from the holder of record that you must follow for your shares to be voted. Please follow the instructions from the holder of record carefully. Also, please note that if the holder of record of your shares is a broker, bank or other nominee and you wish to vote online at the special meeting, you must request a proxy from your bank, broker or other nominee that holds your shares and present that proxy and proof of identification at the special meeting.

How to Change Your Vote

The proxy accompanying this proxy statement/prospectus/information statement is solicited on behalf of the resTORbio Board for use at the special meeting.

Any resTORbio stockholder of record voting by proxy, other than those of resTORbio stockholders who have executed the resTORbio support agreement and irrevocable proxy, has the right to revoke the proxy at any time before the polls close at the special meeting by:

- delivering a written notice stating that he, she or it would like to revoke his, her or its proxy to the Corporate Secretary of resTORbio;
- delivering a duly executed proxy card to the Corporate Secretary of resTORbio bearing a later date than the proxy being revoked;
- submitting a proxy on a later date by telephone or via the internet (only your last telephone or internet proxy will be counted), before [●] Eastern Time on [●]; or
- attending the special meeting virtually, withdrawing his, her or its proxy, and voting online. Attendance alone at the special meeting will not revoke a proxy.

If a stockholder of resTORbio has instructed a broker to vote its shares of resTORbio common stock that are held in “street name,” the stockholder must follow directions received from its broker to change those instructions.

Proxies; Counting Your Vote

A majority of the shares entitled to vote, present in person or represented by proxy constitute a quorum at the special meeting. Stockholders shall have one vote for each share of stock entitled to vote owned by them as of the record date. Assuming the presence of a quorum at the meeting:

- To approve the issuance of resTORbio common stock pursuant to the merger agreement and the resulting “change of control” of resTORbio under the Nasdaq rules, the affirmative vote of a majority of the votes properly cast at the special meeting is required. A failure to submit a proxy card or vote at the special meeting, or an abstention or “broker non-vote” will have no effect on the outcome of this proposal;
- To approve an amendment to the resTORbio certificate of incorporation to effect a reverse stock split of resTORbio common stock, the affirmative vote of holders of a majority of the outstanding shares of resTORbio common stock as of the record date for the special meeting is required. A failure to submit a proxy card or vote at the special meeting, or an abstention will have the same effect as a vote against the approval of this proposal; and

- To approve an adjournment or postponement of the special meeting, if necessary, to solicit additional proxies if there are not sufficient votes in favor of Proposal No. 1 and Proposal No. 2, the affirmative vote of a majority of the votes properly cast at the special meeting is required. A failure to submit a proxy card or vote at the special meeting, or an abstention or "broker non-vote" will have no effect on the outcome of this proposal.

Appraisal Rights

Holders of resTORbio common stock are not entitled to appraisal rights in connection with the merger. Adicet's stockholders are entitled to appraisal rights in connection with the merger under Delaware law. For more information about such rights, see the provisions of Section 262 of the DGCL attached hereto as *Annex C* and incorporated herein by reference, and the section entitled "*The Merger—Appraisal Rights*" beginning on page 194 of this proxy statement/prospectus/information statement.

Voting by resTORbio's Directors, Executive Officers and Certain Stockholders

Certain of resTORbio stockholders, including certain directors and officers of resTORbio, currently own approximately 24% of resTORbio's fully-diluted common stock and are subject to the resTORbio support agreement, pursuant to which each such stockholder has granted a proxy to resTORbio to vote such stockholder's shares of resTORbio common stock in favor of the contemplated transactions, as further described in the section entitled "*Agreements Related To The Merger*" beginning on page 220 of this proxy statement/prospectus/information statement.

Solicitation of Proxies

resTORbio and Adicet will share equally the cost of soliciting proxies, including the printing, mailing and filing of this proxy statement/prospectus/information statement, the proxy card and any additional information furnished to resTORbio stockholders. You will need to obtain your own internet access if you choose to access the proxy materials and/or vote over the internet. resTORbio and Adicet may use the services of its directors, officers and other employees to solicit proxies from resTORbio stockholders without additional compensation. In addition, resTORbio has engaged The Proxy Advisory Group, LLC, a proxy solicitation firm, to assist in the solicitation of proxies and provide related advice and informational support, for a services fee and the reimbursement of customary disbursements, which are not expected to exceed $20,000 in total. Arrangements will also be made with banks, brokers, nominees, custodians and fiduciaries who are record holders of resTORbio common stock for the forwarding of solicitation materials to the beneficial owners of resTORbio common stock. resTORbio will reimburse these banks, brokers, nominees, custodians and fiduciaries for the reasonable out-of-pocket expenses they incur in connection with the forwarding of solicitation materials.

THE MERGER

This section and the section entitled "The Merger Agreement" beginning on page 198 of this proxy statement/prospectus/information statement describe the material aspects of the merger, including the merger agreement. While resTORbio and Adicet believe that this description covers the material terms of the merger and the merger agreement, it may not contain all of the information that is important to you. You should read carefully this entire proxy statement/prospectus/information statement for a more complete understanding of the merger and the merger agreement, including the merger agreement attached as Annex A, the opinion of JMP Securities LLC attached as Annex B, and the other documents to which you are referred herein. Please see the section entitled "Where You Can Find More Information" on page 417 of this proxy statement/prospectus/information statement.

Background of the Merger

Historical Background for resTORbio

The following chronology summarizes the key meetings and events that led to the signing of the merger agreement. The following chronology does not purport to catalogue every conversation among the resTORbio Board, the Transaction Committee (as defined below), members of resTORbio management or resTORbio's directors, representatives and other parties.

Prior to November 2019, resTORbio was a clinical-stage biopharmaceutical company developing innovative medicines that target the biology of aging to prevent or treat aging-related diseases with the potential to extend healthy lifespan. As discussed below, in November 2019, resTORbio announced that top line data from its Phase 3 study did not meet its primary endpoint and that it had stopped the development of its lead product candidate, RTB101, for the targeted Phase 3 indication.

From time to time the resTORbio Board, together with resTORbio management, has considered various strategic business initiatives intended to strengthen its business and enhance stockholder value. These have included licensing or acquiring rights to product candidates, divesting certain product candidates or businesses, or acquisitions of or mergers with other companies with other products, product candidates or technologies.

From April through December 2019, as authorized by the resTORbio Board, and with the assistance of a financial advisor, management had discussions with potentially interested companies primarily regarding resTORbio licensing or acquiring rights to product candidates or acquisitions of other products, product candidates or technologies. Ultimately, no definitive proposals were received that the resTORbio Board believed would enhance stockholder value, and the financial advisor's engagement was terminated.

On November 15, 2019, resTORbio announced that top line data from the PROTECTOR 1 Phase 3 study, evaluating the safety and efficacy of RTB101 in preventing clinically symptomatic respiratory illness in adults age 65 and older, did not meet its primary endpoint and that resTORbio stopped the development of RTB101 for clinically symptomatic respiratory illness. resTORbio also announced that it would continue to explore additional indications for RTB101 with phase 1b/2a data in Parkinson's disease to be released by mid-2020. On November 15, 2019, the closing price of resTORbio's common stock was $1.09, which represented a 86% decline from the previous trading day's closing price of $7.95.

During November and December 2019, the resTORbio Board held meetings at which it discussed the strategic, financial and operational challenges of operating resTORbio's business given that the Phase 3 study did not meet its endpoint and the uncertainty of the exploration of additional indications for RTB101 in Parkinson's disease. The resTORbio Board also discussed the risks and challenges facing resTORbio as a result of its cash burn levels and declining cash position. In addition, the resTORbio Board also reviewed the strategic alternatives that may have been available to resTORbio, including the potential risks and benefits of licensing or acquiring rights to product candidates, divesting certain product candidates or businesses or entering into a business combination

transaction with another company, each with a view towards enhancing value for resTORbio stockholders. In addition, the resTORbio Board discussed the advisability of engaging a financial advisor to assist the resTORbio Board in evaluating strategic alternatives, including any interest that might be received in connection with a strategic process, as well as resTORbio's business and prospects as a standalone company. Following these discussions, the resTORbio Board instructed management to proceed with various strategic actions, including preserving cash available by discontinuing certain activities and terminating certain employees for cost reduction purposes. The resTORbio Board also authorized management to begin to explore strategic alternatives, including partnership and in-licensing product opportunities, as well as potential business combinations.

During December 2019, resTORbio management discussed with representatives of JMP Securities LLC (referred to as "JMP") resTORbio's situation and prospects and the possibility of JMP acting as its financial advisor in evaluating strategic alternatives that might be available to resTORbio considering the risks and challenges facing resTORbio described above. resTORbio considered JMP as a potential financial advisor to assist and advise resTORbio given, among other things, JMP's qualifications, experience and reputation, its knowledge of and involvement in recent transactions in the life sciences industry and its familiarity with resTORbio. In view of these considerations, resTORbio engaged JMP in February 2020, pursuant to an engagement letter dated February 7, 2020, to assist the resTORbio Board in exploring and evaluating a broad range of strategic and financial alternatives to enhance stockholder value, including a possible reverse merger or strategic merger, as well as resTORbio's business and prospects as a standalone company.

On December 31, 2019, as authorized by resTORbio Board, resTORbio's Chief Executive Officer, Chen Schor, had a discussion with a representative of OrbiMed, a healthcare investment firm (who was not a resTORbio director), to identify leads for pre-clinical or clinical assets or companies that could be of interest to resTORbio as potential licensing or merger candidates. Several possible opportunities were discussed, including Adicet. No proposals were made during this discussion.

During January 2020, as authorized by the resTORbio Board, management and JMP conducted a broad search of potential strategic opportunities for partnership oncology indications for RTB101 and in-licensing product opportunities in age-related diseases and CNS, contacting 102 parties. Ultimately, no definitive proposals were received that the resTORbio Board believed would enhance stockholder value.

On January 7, 2020, Mr. Schor had a discussion with an Adicet director regarding Adicet's technology, pre-clinical pipeline and capabilities and resTORbio's assets and capabilities. No proposals were made during this discussion.

On January 8, 2020, the resTORbio Board held a meeting with members of resTORbio management and representatives of Goodwin Procter LLP (referred to as "Goodwin"), resTORbio's outside legal counsel, present. Mr. Schor provided an update on his discussions with representatives of JMP regarding a potential broader review of strategic alternatives, including a possible reverse merger or strategic merger. The resTORbio Board discussed the risks and challenges facing resTORbio as a result of its cash burn levels and declining cash position. In addition, the resTORbio Board also reviewed the strategic alternatives that may have been available to resTORbio, including the potential risks and benefits of licensing or acquiring rights to product candidates, divesting certain product candidates or businesses, or a possible strategic merger or reverse merger with another company, each with a view towards enhancing value for resTORbio stockholders. A reverse merger, which represents a transaction in which a resTORbio subsidiary would merge with and into another company, with resTORbio surviving as the parent company and the other company continuing as a resTORbio subsidiary, was considered as a potential transaction structure, given resTORbio's cash position and its status as a public company. In addition, the resTORbio Board discussed the advisability of engaging a financial advisor to assist the resTORbio Board in evaluating strategic alternatives, including any interest that might be received in connection with a strategic process, as well as resTORbio's business and prospects as a standalone company. Following these discussions the resTORbio Board concluded that it should consider at a subsequent meeting the process for exploration of a broader review of strategic alternatives with the assistance of JMP.

On January 10, 2020, resTORbio and Adicet entered into a mutual confidentiality agreement that did not include a standstill provision.

On January 14 and 15, 2020, during a healthcare conference in San Francisco, California, Mr. Schor met with an Adicet director and Adicet's Chief Executive Officer, Dr. Anil Singhal, in San Francisco, California to further discuss Adicet's technology, pipeline and capabilities.

On January 18, 2020, resTORbio entered into a mutual confidentiality agreement that did not include a standstill provision with a private biopharmaceutical company (referred to as "Company A") whose chief executive officer introduced Company A to resTORbio as a possible merger candidate. Subsequently, members of resTORbio management met and held calls with representatives of Company A in order to gain an understanding and conduct due diligence of Company A's corporate structure and background, drug candidate pipelines, clinical and regulatory status, market opportunities and competitive landscape, strength of intellectual property portfolio, timelines, and capital requirements.

On January 22, 2020, the resTORbio Board held a meeting with members of resTORbio management and representatives of Goodwin present. Representatives of JMP were present for a portion of the meeting. Representatives of JMP discussed their contacts with parties potentially interested in partnerships or in-licensing transactions with resTORbio. Representatives of JMP also discussed additional strategic alternatives that may be available to resTORbio, including a possible strategic merger or reverse merger with another company. Representatives of JMP also described its extensive screening process of companies, which would include outreach to a broad list of venture capital firms which might have portfolio companies potentially looking to go public through a reverse merger, a review of current, soon-to-be and previously-filed initial public offering candidates and input from resTORbio management and directors. Representatives of JMP discussed the proposed timetable for a strategic process and soliciting proposals from the selected companies. The resTORbio Board discussed the risks, challenges, and strategic opportunities facing resTORbio taking into consideration that the PROTECTOR 1 Phase 3 study did not meet its endpoint and resTORbio's near-term cash requirements. The resTORbio Board also discussed that resTORbio had not found an opportunity to license or acquire rights to product candidates that the resTORbio Board believed would enhance stockholder value. Representatives of Goodwin discussed the resTORbio Board's fiduciary duties in the context of resTORbio conducting a strategic process and entering into discussions with one or more third parties relating to a potential strategic transaction. Following discussion, the resTORbio Board concluded that it was in the best interests of stockholders for resTORbio to explore its broader strategic alternatives, including a reverse merger, strategic merger and remaining as an independent company. The resTORbio Board directed JMP and management to commence the strategic process and approved timetable discussed at the meeting.

Also at the meeting, the resTORbio Board established an advisory transaction committee (referred to as the "Transaction Committee"), for convenience in order to assist the resTORbio Board in exploring potential strategic alternatives, including a possible business combination transaction. Jeffrey Chodakewitz, M.D., Paul Fonteyne and Michael Grissinger, all of whom are non-management, independent directors, and have significant experience with merger and acquisition transactions, were appointed to the Transaction Committee. The resTORbio Board authorized the Transaction Committee to oversee the exploration of strategic alternatives, and, in between meetings of the resTORbio Board, to give direction to resTORbio's financial and legal advisors and to lead on behalf of resTORbio (or to give guidance to resTORbio's representatives in connection with) any negotiations with potentially interested parties and periodically to brief the resTORbio Board on the status of the exploration of strategic alternatives.

On January 23, 2020, resTORbio was provided access to an online data room containing nonpublic information regarding Adicet.

On January 24, 2020, the Transaction Committee held a meeting with members of resTORbio management and representatives of Goodwin present. Mr. Schor provided an update on the strategic process that management was

working on with representatives of JMP. Mr. Schor provided an update on discussions with Adicet and Company A. The Transaction Committee discussed key considerations in the selection of potential licensing and merger partners for resTORbio.

From January 29 through February 8, 2020, members of resTORbio management had discussions with representatives of Company A regarding proposed terms for a possible merger transaction between the companies. During these discussions, representatives of Company A indicated to resTORbio management that Company A was interested in pursuing a merger transaction with resTORbio that provided for, among other things, a 51% and 49% ownership split for resTORbio and Company A equityholders in the post-closing company, which was reflected in a term sheet exchanged between the companies on February 8, 2020.

On January 30, 2020, members of resTORbio management visited Adicet's office and research facilities for due diligence meetings. Subsequently, resTORbio management continued its due diligence review of Adicet.

During late January and early February 2020, in accordance with the directions from the Transaction Committee, JMP and resTORbio management developed a list of potential merger candidates based on criteria developed in consultation with the Transaction Committee. From an initial universe of over 300 companies, the list was narrowed to 52 potential merger candidates (including Company A, Company B and Adicet). On February 10, 2020, representatives of JMP began their initial outreach to these 52 companies, and invited these companies to express an interest in a strategic transaction with resTORbio.

On February 4, 5 and 11, 2020, the Transaction Committee held meetings with members of resTORbio management and representatives of JMP and Goodwin present. Management and representatives of JMP provided updates regarding the strategic process. Mr. Schor provided updates regarding discussions with Company A, Company B and Adicet. Management discussed resTORbio's cash burn and cash position.

On February 11, 2020, resTORbio entered into a mutual confidentiality agreement that did not include a standstill provision with a publicly listed biopharmaceutical company (referred to as "Company B") that an independent resTORbio director introduced to resTORbio as a potential merger candidate. Subsequently, members of resTORbio management had discussions with representatives of Company B in order to gain an understanding of Company B's corporate structure and background, drug candidate pipelines, clinical and regulatory status, market opportunities and competitive landscape, strength of intellectual property portfolio, timelines, and capital requirements.

On February 18, 2020, the Transaction Committee held a meeting with members of resTORbio management and representatives of JMP and Goodwin present. Mr. Schor and representatives of JMP provided an update on the strategic process and the discussions to date with interested parties and their perceived level of interest. Representative of JMP reported that many of the parties they contacted to gauge interest in a strategic merger or reverse merger with resTORbio declined interest because they had other strategic prioritizes at that time. Mr. Schor also provided an update regarding recent discussions with Company A, Company B and Adicet, and management's preliminary diligence findings regarding the companies. The Transaction Committee discussed the advantages and disadvantages of making a public announcement regarding resTORbio's strategic process, with the primary advantage being that the announcement could result in potentially interested parties that were not previously contacted on behalf of resTORbio to become aware of resTORbio's interest in a strategic transaction. Following discussion, the Transaction Committee directed management to publicly announce that resTORbio would be exploring strategic alternatives in conjunction with the public announcement of interim results for Phase 1b/2a trial of RTB101 in Parkinson's disease. The Transaction Committee authorized management and its advisors to continue discussions with Company A, Company B and Adicet and to have discussions with other potentially interested parties.

On February 19, 2020, resTORbio issued a press release announcing interim results from the ongoing Phase 1b/2a trial of RTB101, alone or in combination with sirolimus, in Parkinson's disease. The press release also

announced that resTORbio had initiated a process to evaluate external opportunities, such as partnerships, acquisitions, mergers and other financial and strategic alternatives to maximize stockholder value and that it had engaged JMP to act as a strategic advisor for this process.

Following the public announcement on February 19, 2020, management and representatives of JMP were in contact with an additional 28 companies, resulting in a total of 80 companies contacted (including Company A, Company B and Adicet), and JMP invited these companies to express an interest in a strategic transaction with resTORbio. Twenty-three of these companies executed a mutual confidentiality agreement with resTORbio. Five of the mutual confidentiality agreements, including those executed by Company A, Company B, a private biopharmaceutical company (referred to as "Company C") and Adicet, did not include any standstill provisions. Eighteen of the mutual confidentiality agreements, including one executed by a private biopharmaceutical company (referred to as "Company D") included customary standstill obligations that automatically terminated upon resTORbio's announcement of the execution of a definitive agreement with a third party to effect a change of control of resTORbio.

Beginning on February 12, 2020, representatives of JMP sent 22 of the 23 companies that executed a mutual confidentiality agreement a process letter, including Company A and Company B, setting forth a deadline of March 4, 2020 for the submission of non-binding written proposals. The process letters outlined criteria for resTORbio's evaluation of merger opportunities as well as other topics to be addressed in any proposals submitted. The process letters indicated that resTORbio's expected available net cash balance would be approximately $68 million. The process letters also indicated that following evaluation of initial proposals, resTORbio expected to select a limited number of companies to engage in further diligence and be invited to present in-person to the resTORbio Board between March 16 and 24, 2020. JMP did not send Adicet a process letter. An Adicet director informed Mr. Schor that Adicet preferred not to participate in resTORbio's strategic process, but would present a proposal for a reverse merger transaction if the Transaction Committee was interested in receiving such a proposal from Adicet.

On February 25, 2020, the Transaction Committee held a meeting with members of resTORbio management and representatives of JMP and Goodwin present. Mr. Schor and representatives of JMP provided an update on the strategic process and the discussions to date with interested parties and their perceived level of interest. Mr. Schor also provided an update regarding recent discussions with Company A, Company B and Adicet, and management's preliminary diligence findings regarding these companies. The Transaction Committee authorized Mr. Schor to continue discussions with Company A, Company B and Adicet and to have discussions with any other potentially interested parties.

On February 25 and 26, 2020, Mr. Schor had several calls and corresponded with an Adicet director to discuss their respective interest in a potential reverse merger transaction between resTORbio and Adicet. In such calls and correspondence, the parties discussed certain high-level terms on a preliminary basis that could form the basis of a term sheet for such a potential transaction, including preliminary summaries of certain such proposed terms discussed by the parties.

On February 26, 2020, the resTORbio Board held a regularly scheduled meeting and discussed, among other things, the strategic process. Members of resTORbio management and representatives of JMP and Goodwin were present. Mr. Schor and representatives of JMP provided an update on the strategic process. Mr. Schor also provided an overview of the discussions with Company A, Company B and Adicet. Representatives of JMP discussed the proposed timetable for the strategic process and soliciting proposals from the selected companies, including the upcoming bid deadline of March 4, 2020. The resTORbio Board and management also discussed resTORbio's cash burn and cash position. At the conclusion of the meeting, the independent directors participating in the meeting met in executive session to further discuss the strategic process.

On March 1, 2020, Mr. Schor had a call with an Adicet director to further discuss their respective interest in a potential reverse merger transaction. The Adicet director and Mr. Schor discussed whether the current level of

mutual interest justified further discussion or a written proposal from Adicet. The parties continued their discussions regarding certain high-level terms on a preliminary basis, including an updated summary of such terms with the intent that the terms would be shared with the Transaction Committee to gauge its interest in further discussions with Adicet (referred to as the "preliminary summary of terms"). The preliminary summary of terms provided for, among other things, a 72.1% and 27.9% ownership split for Adicet and resTORbio equityholders in the post-closing company. The preliminary summary of terms indicated an assumed $85 million valuation of resTORbio assuming a resTORbio net cash balance of approximately $68 million on a projected closing date of June 30, 2020, and $17 million for the other assets of resTORbio. The preliminary summary of terms also indicated an assumed $220 million valuation of Adicet. The preliminary summary of terms also indicated that Mr. Schor and potentially resTORbio's Chief Scientific Officer would join the post-closing company in executive roles.

From March 2 through 13, 2020, representatives of Goodwin discussed with each of the resTORbio directors information concerning their fiduciary duties in connection with resTORbio potentially effecting a change of control via a merger with another company, including whether any director had any relationship with any of the merger candidates. Mr. Silverstein, a partner in OrbiMed, disclosed that OrbiMed had an equity position in Adicet. Beginning on March 13, 2020, Mr. Silverstein recused himself from discussions regarding the strategic process and was not present at any resTORbio Board meetings until the April 28, 2020 resTORbio Board meeting. Mr. Grissinger disclosed that he had a material relationship with Company B. Beginning on March 3, 2020, Mr. Grissinger recused himself from discussions regarding the strategic process and was not present at any Transaction Committee meetings or resTORbio Board meetings until the April 28, 2020 resTORbio Board meeting.

On March 3, 2020, the Transaction Committee held a meeting with members of resTORbio management and representatives of JMP and Goodwin present. Mr. Schor and representatives of JMP provided an update on the strategic process and the discussions to date with interested parties and their perceived level of interest. Mr. Schor also provided an update regarding recent discussions with Company A, Company B and Adicet, and management's preliminary diligence findings regarding these companies. Mr. Schor discussed with the Transaction Committee the terms provided in the preliminary summary of terms. Management also discussed that given the recent coronavirus outbreak and based on a new understanding of how RTB101 works, management was evaluating potential clinical studies for RTB101 as possible prophylaxis for COVID-19 in elderly patients.

By March 4, 2020, of the 23 companies that had entered into a mutual confidentiality agreement with resTORbio, 15 companies (including Company A, Company B and Adicet) submitted or discussed non-binding proposals or term sheets for a strategic merger or reverse merger with resTORbio. By March 13, 2020, resTORbio management conducted preliminary scientific, clinical and business diligence on, and had management meetings with, 12 of the 15 companies (including Company A, Company B and Adicet).

On March 10 and 11, 2020, the Transaction Committee held meetings with members of resTORbio management and representatives of JMP and Goodwin present. Mr. Schor and representatives of JMP provided updates on the strategic process and the efforts to narrow the field of potential merger candidates through evaluation of scientific, clinical and business diligence. The Transaction Committee discussed the 15 proposals and considerations and recommendations to discuss with the resTORbio Board at the meeting scheduled for March 13, 2020 to select a limited number of potential merger candidates for further in-depth diligence review and discussions. The Transaction Committee discussed the proposed terms provided in the preliminary summary of terms and authorized Mr. Schor to request a written proposal letter from Adicet to be considered by the resTORbio Board.

On March 12, 2020, Mr. Schor informed an Adicet director that the Transaction Committee expressed further interest in Adicet and requested a written proposal letter from Adicet.

On March 13, 2020, the resTORbio Board met to discuss, among other things, the selection of parties to participate in more in-depth diligence review and discussions regarding a possible strategic merger or reverse merger with resTORbio. Members of resTORbio management and representatives of JMP and Goodwin were present. Representatives of Goodwin reviewed with the resTORbio Board the affirmative steps taken regarding Mr. Silverstein's and Mr. Grissinger's disclosure to the resTORbio Board of their material relationships with Adicet and Company B, respectively, and their recusal from Transaction Committee and resTORbio Board meetings and other discussions regarding the strategic process.

The resTORbio Board discussed, with the assistance of representatives of JMP and management, the proposals of the 15 companies and management discussed its diligence findings to date related to the 15 companies. Mr. Schor provided an overview of the negotiation process to date with each of Company A, Company B and Adicet. Representatives of JMP discussed the impact of the coronavirus pandemic on the financial markets and the potential effects on the strategic process. Representatives of Goodwin provided an overview of the fiduciary duties of resTORbio's directors and the legal standards applicable to their decisions and actions in evaluating and responding to the proposals and the resTORbio Board's consideration of strategic alternatives. Based on the discussions at this meeting and the criteria discussed at the previous resTORbio Board and Transaction Committee meetings, the resTORbio Board narrowed the selection of possible merger partners to five companies—Company A, Company B, Company C, Company D and Adicet.

The independent directors participating in the meeting met in executive session with representatives of Goodwin present. The independent directors further discussed the strategic process. The independent directors discussed that the proposals from Company A and Company B both provided that Mr. Schor would be the chief executive officer of the post-closing company and that there may be roles for other resTORbio executives in the post-closing company. The independent directors discussed that the preliminary summary of terms provided that Mr. Schor and potentially resTORbio's Chief Science Officer would join the post-closing company in executive roles. The independent directors determined that representatives of JMP should lead the discussions with the five selected companies and that Mr. Schor should not have any discussions with any of the companies regarding the terms of his or any other resTORbio executive's potential employment with the post-closing company until negotiation of all material terms of a transaction were complete.

Management then rejoined the meeting, and the resTORbio Board directed management to complete its diligence assessment of the five selected companies, and that pending such diligence assessment and in consultation with the Transaction Committee and JMP, select one or more of these companies to make a presentation to the resTORbio Board and submit a mark-up of resTORbio's proposed draft merger agreement after resTORbio provided the proposed draft. The resTORbio Board also directed representatives of JMP to take the lead in the discussions with each of these five companies and that Mr. Schor not have any discussions regarding the terms of his or any other resTORbio executive's potential employment with the post-closing company until negotiation of all material terms of a transaction were complete. The resTORbio Board also discussed resTORbio's cash burn and cash position and that to maximize its cash position relative to the proposals, resTORbio should target executing a merger agreement by the end of April 2020 to best position itself to close a transaction by the end of July 2020. Management discussed that it was planning to conduct one or more clinical studies for the use of RTB101 as a prophylaxis for COVID-19 in elderly patients. The resTORbio Board discussed its preference that any potential merger candidate agree to allow these studies to continue following the execution of a merger agreement, and discussed the expected impact of such a request on the five selected companies and their proposals. Following discussion, the resTORbio Board directed representatives of JMP to contact the five selected companies regarding the next steps of the strategic process.

The resTORbio Board also discussed that the severe economic impact of the coronavirus pandemic could cause certain of the companies that management viewed as potentially attractive merger candidates but had earlier declined interest in a merger transaction with resTORbio to reconsider their interest. Following discussion, the resTORbio Board directed JMP and management to select a limited number of such parties for JMP to contact to determine whether they had renewed interest in a possible merger with resTORbio.

Following the meeting, as directed by the resTORbio Board, representatives of JMP contacted each of the five selected companies invited to continue in the strategic process, and outlined the expectations for the presentations to the resTORbio Board and the next steps in the strategic process.

From March 14 through March 31, 2020, resTORbio management continued its due diligence review of the five selected companies. Beginning on March 11, 2020, resTORbio provided access to an online data room containing nonpublic information regarding resTORbio as requested by each of the five selected companies (Adicet was provided access beginning on March 20, 2020).

On March 16, 2020, Adicet submitted a preliminary non-binding written proposal that contained substantially the same terms as the preliminary summary of terms. The Adicet proposal provided for, among other things, a 72.1% and 27.9% ownership split for Adicet and resTORbio equityholders in the post-closing company. Adicet's proposal indicated an assumed $85 million valuation of resTORbio and an assumed $220 million valuation of Adicet. Under Adicet's proposal, the number of shares of resTORbio common stock to be issued to Adicet stockholders at the closing of the merger would be determined based on an exchange ratio calculated based on the total number of outstanding shares of resTORbio common stock and Adicet common stock, each on a fully-diluted basis, and the assumed valuations of Adicet and resTORbio. The proposal also indicated that the resTORbio personnel that would be selected to remain with the post-closing company would be determined by resTORbio and Adicet prior to execution of the merger agreement. The proposal indicated that Adicet expected resTORbio to negotiate exclusively with Adicet.

On March 17, 2020, the Transaction Committee held a meeting with members of resTORbio management and representatives of JMP and Goodwin present. Mr. Schor and representatives of JMP provided an update on the strategic process and the discussions with the five companies remaining in the strategic process. The Transaction Committee discussed the March 16, 2020 Adicet proposal and that the terms were substantially similar to the preliminary summary of terms that was considered at the March 13, 2020 resTORbio Board meeting. The Transaction Committee also discussed that the Adicet proposal provided that potential roles of certain resTORbio executives and employees with the post-closing company would be determined by resTORbio and Adicet prior to execution of the merger agreement. The Transaction Committee concluded that Mr. Schor should have an initial high-level discussion with Adicet on this topic and transition the discussion to a member of the Transaction Committee. Mr. Schor and representatives of JMP discussed seven companies that were targeted for outreach to determine whether they had renewed interest in a strategic transaction with resTORbio given the severe economic impact of the COVID-19 pandemic. The Transaction Committee approved the outreach to these companies. Mr. Schor provided an update on the potential clinical studies for RTB101 as a possible prophylaxis for COVID-19 in elderly patients.

From March 17 through 23, 2020, as authorized by the Transaction Committee, representatives of JMP had discussions with the seven companies identified at the March 17, 2020 Transaction Committee meeting and encouraged them to express an interest in a strategic transaction with resTORbio. Each of these companies again declined interest in a strategic transaction with resTORbio because they had sufficient access to cash through 2021 or were focused on other strategic priorities.

On March 19, 2020, on behalf of resTORbio, representatives of JMP sent a draft merger agreement to each of the five companies remaining in the process, and instructed the companies to submit their best and final proposals and a mark-up of the merger agreement by March 25, 2020.

From March 19 through 25, 2020, representatives of JMP and Goodwin had discussions with representatives of Company B regarding possible transaction structure alternatives for a merger transaction between the companies.

On March 20, 2020, as authorized by the Transaction Committee, Mr. Schor had a high-level discussion with an Adicet director regarding the potential roles of certain resTORbio executives and employees, including Mr. Schor, on the executive management team of the post-closing company.

On March 24, 2020, Company D provided a revised draft of the merger agreement. Company D did not provide a revised proposal for a merger transaction with resTORbio.

On March 24, 2020, the Transaction Committee held a meeting with members of resTORbio management and representatives of JMP and Goodwin present. Mr. Schor and representatives of JMP provided an update on the strategic process and the discussions with the five companies remaining in the strategic process. Management reported on its assessment of the results of scientific due diligence on the five companies. Management recommended that resTORbio not continue discussions with Company C and Company D because of issues identified in scientific due diligence. The Transaction Committee confirmed its agreement with management's recommendation and directed management and its advisors to prioritize due diligence and discussions with Company A, Company B and Adicet. The Transaction Committee also authorized JMP to inform Company C that it would no longer be involved in the strategic process, and to defer on providing such notification to Company D. Mr. Schor provided an update regarding his discussion with an Adicet director regarding the potential roles of certain resTORbio executives, including Mr. Schor, on the executive management team of the post-closing company. The Transaction Committee discussed the potential role of Mr. Schor as chief executive officer of the post-closing company following a transaction with Adicet or any other interested party. The Transaction Committee, following the determination of the resTORbio Board, determined that Dr. Chodakewitz should take the lead and represent resTORbio in any discussions with merger candidates regarding Mr. Schor's potential role following the closing of a transaction and that Mr. Schor should not have any discussion regarding is post-closing employment terms with any merger candidates until negotiation of all material terms of a transaction were complete.

On March 25, 2020, Company B submitted a non-binding written proposal for a merger transaction with resTORbio. Company B's proposal provided for a 58% and 42% ownership split for resTORbio and Company B stockholders in the post-closing company, assuming a resTORbio net cash balance of $68 million. The Company B proposal provided that the resTORbio stockholders ownership split would be subject to a downward adjustment if resTORbio's net cash balance was below an agreed upon level at the time of closing. The Company B proposal provided that prior to execution of the merger agreement, the parties would discuss the terms of retention of key roles in senior management, including Mr. Schor as chief executive officer of the post-closing company. Company B did not submit a revised draft of the merger agreement with its proposal. Following receipt of Company B's proposal, representatives of JMP and Goodwin had discussions with representatives of Company B regarding the proposed terms and structure.

On March 25, 2020, Adicet provided a revised draft of the merger agreement and reconfirmed its March 16, 2020 proposal to representatives of JMP.

On March 25 and 26, 2020, Dr. Chodakewitz corresponded with an Adicet director regarding Mr. Schor's potential role with the post-closing company as well as the potential roles of other resTORbio executives on the executive management team of the post-closing company.

Also on March 25, 2020, as authorized by the Transaction Committee, representatives of JMP informed Company C that resTORbio had determined not to pursue a strategic transaction with Company C and that it would no longer be involved in resTORbio's strategic process.

On March 26, 2020, Company A submitted a revised non-binding term sheet for a merger transaction with resTORbio. Company A's term sheet provided for a 52.5% and 47.5% ownership split for resTORbio and Company A in the post-closing company, assuming a resTORbio net cash balance of $65 million. Company A's term sheet indicated that Company A's net cash balance at closing would be less than $1 million. Company A's term sheet also provided that Mr. Schor would be the chief executive of the post-closing company. On March 27, 2020, Company A provided a revised draft of the merger agreement.

On March 27, 2020, the Transaction Committee held a meeting with members of resTORbio management and representatives of JMP and Goodwin present. Mr. Schor and representatives of JMP provided an update

regarding the recent discussions with Company A, Company B and Adicet. Management provided assessments of the scientific diligence and expected post-closing financing needs of each of these companies. Representatives of JMP reviewed preliminary financial information regarding the most recent proposals from each of Company A, Company B and Adicet. Representatives of Goodwin reviewed the status of merger agreement and term sheet discussions with each of Company A, Company B and Adicet. Management provided an update regarding the potential clinical studies for RTB101 as a possible prophylaxis for COVID-19 in elderly patients and reported that a governmental agency had expressed an interest in funding such a study. Dr. Chodakewitz provided an update on his discussions with an Adicet director regarding Mr. Schor's potential role with the post-closing company as well as the potential roles of other resTORbio executives on the executive management team of the post-closing company.

On March 31, 2020, each of Company A, Company B and Adicet presented detailed information to the resTORbio Board and management on their drug development candidates, including clinical, regulatory, preclinical, intellectual property, market opportunity information, commercial assessment work, financial models, management synergies, valuation, potential ownership splits and rationale for a merger with resTORbio, as well as key milestones and cash projections to achieve these milestones.

Also on March 31, 2020, the resTORbio Board met to discuss, among other things, the merger proposals. Members of resTORbio management and representatives of JMP and Goodwin were present. Representatives of Goodwin discussed with the resTORbio Board the disclosure that JMP provided regarding its relationships with Company A, Company B and Adicet. The JMP disclosure indicated that JMP did not have any relationships with any of the companies.

The resTORbio Board discussed, with the assistance of representatives of JMP and management, the presentations by each of Company A, Company B and Adicet. Management provided assessments of the scientific diligence and expected post-closing financing needs of each of these companies. Management discussed that it and the Transaction Committee had deprioritized Company C and Company D due to scientific due diligence concerns. Representatives of JMP reviewed preliminary financial information regarding the most recent proposals from each of Company B, Company A and Adicet. Representatives of JMP also discussed that the expected net cash balances of Company A and Company B at closing were expected to be less than $1 million and less than zero, respectively. Representatives of JMP discussed that each of the seven additional companies they contacted to test renewed interest in a strategic transaction with resTORbio had declined interest. Representatives of Goodwin reviewed the respective terms of the revised draft merger agreements related to each of the proposals. Representatives of Goodwin provided an overview of the fiduciary duties of resTORbio's directors and the legal standards applicable to their decisions and actions in evaluating and responding to the proposals and the resTORbio Board's consideration of any alternatives, including remaining as a standalone company. The resTORbio Board and management reviewed the merits of a possible business combination with each of Company A, Company B and Adicet, including strategic fit, long-term growth platform, short- and long-term financial benefits, cultural fit and views of the strengths of the various companies, and other factors affecting whether to enter into a reverse merger transaction with each of the companies. The resTORbio Board discussed that each of the three proposals contemplated roles for Mr. Schor and other resTORbio executives following the closing, and that Dr. Chodakewitz had taken the lead in these discussions with Adicet.

Management provided an update regarding the potential clinical studies for RTB101 as a prophylaxis for COVID-19 in elderly patients and the perceived level of interest that each of Company A, Company B and Adicet had in continuing the COVID-19 studies after execution of a merger agreement. The resTORbio Board also considered the possibility of resTORbio remaining as an independent company to conduct the potential RTB101 COVID-19 trials, and determined that such alternative would not be in the best interest of stockholders due to the belief that the prospects for the success of the studies was speculative in comparison to the value resTORbio stockholder would receive in a merger transaction on the terms proposed by any of Company A, Company B or Adicet.

The independent directors participating in the meeting met in executive session with representatives of Goodwin present. The independent directors believed that the level of ownership for resTORbio stockholders being proposed by each of Company A, Company B and Adicet could be in a range that would provide substantial value to resTORbio stockholders, and that it had received the best and final proposals from each of Company A, Company B, and Adicet. The independent directors concluded that based on the criteria and the discussions at the board meetings, Adicet's proposal represented the best alternative to further enhance stockholder value. The independent directors also discussed that they did not have any preconceived notions as to the composition of the executive management team of the post-closing company and that the goal was to reach agreement on the executive management team that would best serve the post-closing publicly traded company.

Mr. Schor then rejoined the meeting. The resTORbio Board determined that JMP should inform Adicet that it was selected to enter into a reverse merger transaction with resTORbio provided that the parties could reach agreement on certain key provisions in Adicet's revised draft of the merger agreement, including that current investors in Adicet would commit to providing additional funding to the post-closing company and that resTORbio would be able to commence and continue the RTB101 COVID-19 studies following the execution of the merger agreement. The resTORbio Board also determined that JMP, following indication from Adicet that it would agree to the conditions discussed above, inform Company A, Company B and Company D that the resTORbio Board had selected another party for a strategic transaction. The resTORbio Board also instructed resTORbio management, representatives of JMP and Goodwin to work with Adicet and its representatives to finalize the merger agreement and related documents as expeditiously as possible. The resTORbio Board authorized management to enter into a mutual exclusivity agreement with Adicet, subject to further approval by the Transaction Committee.

On April 1, 2020, as directed by the resTORbio Board, a representative of JMP and Mr. Schor had a discussion with an Adicet director and informed him that the resTORbio Board had determined to move forward with Adicet provided that the parties could reach agreement on certain key provisions in Adicet's revised draft of the merger agreement, including that current investors in Adicet would commit to providing additional funding to the post-closing company and that resTORbio would be able to commence and continue a RTB101 COVID-19 study following the execution of the merger agreement. The representative of Adicet indicated that he would convey these requests to the Adicet Board. Following this discussion, representatives of JMP, Goodwin, and resTORbio management and the Transaction Committee discussed Adicet's responses, and determined the responses were acceptable to continue discussions with Adicet, enter into exclusivity with Adicet, and inform Company A and Company B that the resTORbio Board had selected another party for a strategic transaction.

Also on April 1, 2020, as directed by the resTORbio Board, JMP had discussions with each of Company A, Company B and Company D, and informed them that resTORbio had selected another company with which to pursue a strategic transaction and that they would no longer be involved in resTORbio's strategic process.

On April 3, 2020, resTORbio announced that it would postpone enrollment in the fifth cohort of its ongoing Phase 1b/2a trial of RTB101 in patients with Parkinson's disease due to the COVID-19 level 4 alert in New Zealand, where all non-essential services have been closed and people were instructed to stay home.

On April 3, 2020, the Transaction Committee held a meeting with members of resTORbio management and representatives of JMP and Goodwin present. Representatives of JMP provided an update regarding the recent discussions with Adicet. Representatives of JMP reported that investors of Adicet would agree to place $15 million in escrow at closing that would become part of a larger future financing of the post-closing company and that Adicet had requested more information regarding resTORbio's planned RTB101 COVID-19 trials. The Transaction Committee discussed that if the RTB101 COVID-19 trials were successful then it could be an opportunity for the post-closing company to realize additional value, and that a disproportionately large portion of any such value should go to the resTORbio stockholders rather than all stockholders of the post-closing company on a pro rata basis. Accordingly, the Transaction Committee discussed seeking a contingent value right (referred to as a "CVR") for resTORbio stockholders with respect to the potential commercialization of RTB101

as a prophylaxis for COVID-19. Following discussion, the Transaction Committee directed management and JMP to propose to Adicet that such a CVR be added as a component of the merger transaction.

On April 3, 2020, as authorized by the Transaction Committee, resTORbio executed a mutual exclusivity agreement with Adicet pursuant to which the parties agreed to negotiate exclusively until April 20, 2020.

On April 3, 2020, Goodwin provided a revised draft of the merger agreement to Adicet's outside counsel, Morrison & Foerster LLP (referred to as "Morrison & Foerster"). Also that day, as directed by the Transaction Committee, a representative of JMP had a discussion with an Adicet director and proposed adding a CVR for RTB101 as a prophylaxis for COVID-19 to the merger transaction. The Adicet representative indicated that Adicet would be reluctant to alter the terms of the proposed transaction.

From April 3 through 28, 2020, representatives of resTORbio, JMP, Goodwin, Adicet and Morrison & Foerster, had various telephonic meetings to finalize the confirmatory due diligence of the parties and discuss open points in the merger agreement and related documents.

From April 5 through 28, 2020, representatives of Goodwin, at the direction of the resTORbio Board and with input from resTORbio management and with the benefit of the views of the directors provided at the resTORbio Board and Transaction Committee meetings, and Adicet's representatives and Morrison & Foerster exchanged drafts and participated in discussions regarding the terms of the merger agreement and related documents. The items negotiated with respect to the merger agreement and related documents included, among other things: the representations and warranties to be made by the parties; the restrictions on the conduct of the parties' businesses until completion of the transaction; the definitions of material adverse effect; the conditions to completion of the merger; the obligation of certain Adicet investors to provide additional funding to the post-closing company; the terms of the CVR agreement by which the resTORbio stockholders would be issued a CVR with respect to potential commercialization of RTB101 as a prophylaxis for COVID-19; the provisions regarding resTORbio's employee benefit plans, severance and other compensation matters; the composition of the board of directors and executive management team of the post-closing company; the remedies available to each party under the merger agreement, including the triggers of the termination fee and expense reimbursement payable to each of the parties; the amounts of the termination fees and expense reimbursements; and which equityholders of each of the parties would be required to execute voting agreements concurrent with the execution of the merger agreement.

On April 7, 8 and 9, 2020, the Transaction Committee held meetings with members of resTORbio management and representatives of JMP and Goodwin present. Management and representatives of JMP and Goodwin provided updates on the merger agreement discussions with Adicet and their representatives. The Transaction Committee provided feedback to resTORbio management, JMP and Goodwin regarding the key open points in the merger agreement and related documents, including a draft term sheet for the proposed CVR. The Transaction Committee authorized providing the CVR term sheet to Adicet and discussed Adicet's reaction to the CVR term sheet.

From April 7 through 23, 2020, as authorized by the Transaction Committee, Dr. Chodakewitz had discussions with representatives of Adicet regarding Mr. Schor's potential role as chief executive officer of the post-closing company, as well as the composition of the executive management team of the post-closing company. Mr. Schor participated in certain of these discussions. During these discussions representatives of Adicet indicated that Adicet would consider Mr. Schor serving as chief executive officer of the post-closing company. During these discussions Dr. Chodakewitz indicated that the resTORbio Board did not have any preconceived notions as to the composition of the executive management team of the post-closing company and that the resTORbio Board wanted to reach agreement with Adicet on an executive management team that would best serve the post-closing publicly traded company. These discussions did not result in any definitive agreements with Adicet regarding new employment terms for Mr. Schor or any other resTORbio employees following the closing of the merger; however, Adicet and Mr. Schor agreed that they would attempt to reach agreement on the terms of his employment as the chief executive officer of the post-closing company between the signing and closing of the merger agreement.

On April 8, 2020, as authorized by the Transaction Committee, representatives of JMP sent a CVR term sheet to Adicet. The CVR term sheet provided that 70% of the net proceeds from the commercialization of RTB101 as a prophylaxis for COVID-19 would be distributed to the resTORbio stockholders of record as of the closing to the extent that a commercialization agreement was entered into within 24 months following the closing.

On April 8, 2020, an Adicet director informed Mr. Schor that Adicet was not interested in including the proposed CVR in the merger transaction because it believed it could create a distraction for the board and management of the post-closing company.

On April 9, 2020, the resTORbio Board met to discuss, among other things, the CVR proposal. Members of resTORbio management and representatives of JMP and Goodwin were present. Mr. Schor and representatives of JMP provided an update on the recent discussions with Adicet regarding the merger agreement and that Adicet had a negative response to resTORbio's CVR proposal. Management discussed their efforts regarding the RTB101 COVID-19 studies and the expected timetable for commencing and conducting the studies.

The independent directors participating in the meeting met in executive session with representatives of JMP and Goodwin present. The independent directors continued discussion of the CVR proposal and the discussions with Adicet. Following discussion, the independent directors determined to insist on the CVR or another mechanism whereby the resTORbio stockholders would realize a large portion of any value resulting from the commercialization of RTB101 as a prophylaxis for COVID-19 within a reasonable period following the closing. Management then rejoined the meeting. The resTORbio Board directed management and JMP to inform Adicet of its decision. Following the meeting, representatives of JMP informed an Adicet director of the resTORbio Board's position regarding the CVR.

On April 9 and 11, 2020, the Transaction Committee held meetings with members of resTORbio management and representatives of JMP and Goodwin present. Management and representatives of JMP provided updates regarding the discussions with Adicet on the merger agreement and the CVR proposal. The Transaction Committee, with the assistance of management and representatives of JMP and Goodwin, discussed potential alternatives to a CVR that would achieve similar results for the benefit of resTORbio stockholders. Following these discussions, the Transaction Committee concluded that the CVR was the most efficient mechanism but they would be open to considering alternatives if proposed by Adicet.

On April 12, 2020, Mr. Schor and representatives of JMP had discussions with an Adicet director regarding the CVR and potential alternatives to the CVR.

On April 15, 2020, Mr. Schor and a representative of JMP had a discussion with an Adicet director who provided a verbal counterproposal regarding the CVR. The counterproposal provided that 100% of the net proceeds from the commercialization of RTB101 as a prophylaxis for COVID-19 would be distributed to the resTORbio stockholders as of the closing to the extent that positive trial results were obtained by the end of September 2020 and a commercialization agreement was entered into within the following nine months. The counterproposal also provided that the parties would agree on a budget for the costs of the COVID-19 clinical trials and the post-closing company's expenses and overhead would be reimbursed before any payments were made to resTORbio stockholders. The counterproposal provided for a revised ownership split in the reverse merger to a 75% and 25% ownership split for Adicet and resTORbio equityholders in the post-closing company. Later that day, the Adicet representative provided the terms of this counterproposal in writing.

On April 15, 2020, the resTORbio Board met to discuss, among other things, the CVR. Members of resTORbio management and representatives of JMP and Goodwin were present. Mr. Schor and representatives of JMP provided an update on the recent discussions with Adicet regarding the CVR. The resTORbio Board discussed Adicet's CVR counterproposal. Management provided an update on its efforts regarding the RTB101 COVID-19 studies. Representatives of JMP reviewed certain preliminary financial information, subject to various assumptions, regarding the potential value of RTB101 as a successful prophylaxis for COVID-19 for resTORbio stockholders in a standalone company and in a combined company with Adicet.

The independent directors participating in the meeting met in executive session with representatives of JMP and Goodwin present. The independent directors continued the discussion regarding Adicet's CVR counterproposal. The independent directors believed that Adicet would not improve upon its latest CVR offer and that asking for an improvement would put at risk the ongoing negotiations with Adicet to finalize the terms of the merger agreement. In light of these discussions, the independent directors determined that accepting the CVR on the terms counter proposed by Adicet was in the best interest of the resTORbio stockholders. The independent directors directed management and its advisors to work as expeditiously as possible to execute the transaction with Adicet on these terms.

On April 16, 2020, as directed by the resTORbio Board, Mr. Schor and representatives of JMP had a discussion with an Adicet director regarding the terms of the CVR, including the related budget. During this discussion, Mr. Schor indicated there were two possible RTB101 COVID-19 studies that resTORbio wanted to conduct. The Adicet representative indicated that Adicet did not intend the CVR to cover more than one RTB101 COVID-19 study and did not want to increase the budget for an additional study. Mr. Schor indicated that he would discuss this matter with the resTORbio directors.

On April 17 and 18, 2020, the resTORbio Board met to discuss, among other things, the CVR. Members of resTORbio management and representatives of JMP and Goodwin were present. Mr. Schor and representatives of JMP provided an update on the recent discussions with Adicet regarding the CVR. Management provided an update on the efforts regarding the two potential RTB101 COVID-19 studies. The resTORbio Board discussed Adicet's contention that the CVR cover only one RTB101 COVID-19 study.

The independent directors participating in the meetings met in executive sessions with representatives of Goodwin present. Following discussion, the independent directors instructed management to seek to have the two studies included in the CVR, but to execute the two studies under the agreed upon the budget, because they believed that asking for additional improvement on the CVR terms would put at risk Adicet requiring a decrease in the 25% ownership split in the post-closing company for the resTORbio stockholders. Mr. Schor rejoined the meeting and independent directors informed him of their determination.

On April 19, 2020, a representative of JMP had a discussion with an Adicet director regarding the CVR and the Adicet representative indicated that Adicet would agree to have the CVR cover two RTB101 COVID-19 studies, provided that the budget for such studies was not increased.

On April 20, 2020, as authorized by the Transaction Committee, resTORbio extended the mutual exclusivity agreement with Adicet pursuant to which the parties agreed to negotiate exclusively until April 27, 2020.

On April 21, 2020, the Transaction Committee held a meeting with members of resTORbio management and representatives of JMP and Goodwin present. Management and representatives of JMP provided an update on the recent discussions with Adicet on the merger agreement and the CVR.

On April 24, 2020, the resTORbio Board met to discuss, among other things, the CVR. Members of resTORbio management and representatives of JMP and Goodwin were present. Mr. Schor and representatives of JMP provided an update on the recent discussions with Adicet regarding the CVR. The resTORbio Board directed management and its advisors to continue working with Adicet and its advisors to complete the merger agreement and related documents as expeditiously as possible.

On April 25, 2020, Mr. Schor had a discussion with an Adicet director and they agreed that Mr. Schor and Adicet would attempt to reach agreement on the terms of Mr. Schor's employment as the chief executive officer of the post-closing company between the signing and closing of the merger agreement.

On April 26, 2020, as authorized by the Transaction Committee, resTORbio further extended the mutual exclusivity agreement with Adicet pursuant to which the parties agreed to negotiate exclusively until April 29, 2020.

On April 28, 2020, the Transaction Committee held a meeting with members of resTORbio management and representatives of JMP and Goodwin present. Mr. Schor and representatives of JMP provided an update on the recent discussions with Adicet on the merger agreement and the CVR. Representatives of Goodwin reported that the merger agreement and related documents were near final and ready for consideration by the resTORbio Board. Mr. Schor provided an update regarding the expected timetable for the commencement of the RTB101 COVID-19 studies.

Later on April 28, 2020, the resTORbio Board held a meeting to discuss the terms of the proposed transaction with Adicet. Members of management and representatives of JMP and Goodwin were present. Management discussed the findings of its confirmatory due diligence of Adicet. Representatives of Goodwin reviewed the fiduciary duties of the resTORbio Board with respect to the proposed merger with Adicet. Representatives of Goodwin provided an overview of the negotiation process to date with Adicet's representatives, as well as a presentation regarding the material terms of the draft merger agreement, the draft CVR agreement, the draft voting agreement and draft lock-up agreement. Representatives of JMP and Goodwin discussed with the resTORbio Board that the exchange ratio in the merger agreement which provided for a 75% and 25% ownership split for the Adicet and resTORbio equityholders in the post-closing company, was based on an assumed $73.3 million valuation of resTORbio and an assumed $220 million valuation for Adicet. Representatives of JMP and Goodwin also discussed with the resTORbio Board that at closing the resTORbio stockholders of record would be issued a CVR regarding the net proceeds from the commercialization of RTB101 as a prophylaxis for COVID-19 pursuant to the CVR agreement to be executed at closing.

Management discussed resTORbio's cash burn and cash position. Management also discussed an analysis of a potential liquidation of resTORbio prepared by resTORbio, including the potential timeline for liquidation and an estimate, subject to various assumptions, of the aggregate and per share amount that would be distributable to resTORbio stockholders in this scenario (which is summarized below under the section titled "—Opinion of JMP Securities—resTORbio Valuation Analysis," and referred to as the "liquidation plan"). In the context of reviewing the liquidation plan, the resTORbio Board discussed the risks, challenges, and strategic opportunities facing resTORbio. Following discussion and questions of management regarding various matters relating to the liquidation plan, including the assumptions on which the liquidation plan was based, the resTORbio Board approved the liquidation plan for use by JMP in conducting its financial analyses of resTORbio.

The resTORbio Board discussed that resTORbio and Adicet had agreed that Mr. Schor would serve as the chief executive officer and a director of the post-closing company and that he and Adicet expected to agree upon his post-closing employment terms between signing and closing of the merger agreement. The resTORbio Board also discussed that Dr. Chodakewitz would serve as a director of the post-closing company and that certain other resTORbio executives would have roles with the post-closing company, which are described in the section entitled "*Interests of resTORbio's Directors and Executive Officers in the Merger*" beginning on page 183 of this proxy statement/prospectus/information statement.

Representatives of JMP reviewed certain financial matters concerning Adicet and the proposed merger and rendered the oral opinion of JMP, which was subsequently confirmed by the delivery of a written opinion dated April 28, 2020, to the resTORbio Board to the effect that as of the date of such opinion, and based upon and subject to the various assumptions made, procedures followed, matters considered, and qualifications and limitations set forth in its written opinion, the Exchange Ratio (as defined in the merger agreement) was fair, from a financial point of view, to the holders of resTORbio Common Stock (as more fully described in the section entitled "*The Merger—Opinion of resTORbio's Financial Advisor*" beginning on page 176 of this proxy statement/prospectus/information statement).

The independent directors participating in the meeting then met in executive session with represents of Goodwin present to further discuss the terms of the proposed transaction with Adicet.

Management and representatives of JMP then rejoined the meeting. After further discussing the advantages and risks of the proposed transaction that are described in the section entitled "*The Merger—resTORbio Reasons for the Merger*" beginning on page 172, and based on the discussions and deliberations at the resTORbio Board
meetings and Transaction Committee meetings and after receiving the Transaction Committee's favorable recommendation of the merger, the resTORbio Board determined unanimously by those directors voting that the merger agreement and the transactions contemplated by the merger agreement were fair to, and in the best interests of, resTORbio and its stockholders, approved and declared advisable the merger agreement and the transactions contemplated by the merger agreement, authorized management to execute the merger agreement on behalf of resTORbio, and resolved to recommend that the resTORbio stockholders vote to approve the issuance of the shares of resTORbio common stock in connection with the merger. Mr. Silverstein abstained from this vote because of OrbiMed's aforementioned equity investment in Adicet.

Later on April 28, 2020, the parties finalized and executed the merger agreement, the voting agreements and the lock-up agreements, including affiliates of OrbiMed executing a voting agreement and lock-up agreement.

On the morning of April 29, 2020, prior to the opening of trading on the NASDAQ market, resTORbio and Adicet issued a joint press release announcing their entry into the merger agreement and made available an investor presentation regarding the proposed transaction.

Historical Background for Adicet

The following chronology summarizes certain additional key meetings and events of Adicet that led to the signing of the merger agreement. The following chronology does not purport to catalogue every conversation among the Adicet Board, the Adicet Special Committee (as defined below), members of Adicet management or Adicet's directors, representatives and other parties.

The Adicet Board and executive management team regularly review and discuss Adicet's operating and strategic plans, both near-term and long-term. These reviews and discussions focus on, among other things, the opportunities and risks associated with Adicet's business and financial condition, including potential strategic and financing transactions to enhance stockholder value.

On January 16, 2020, the Adicet Board held a meeting at which representatives of Adicet management and Morrison & Foerster were present at which, among other things, Dr. Singhal and Adicet directors discussed the meetings between Mr. Schor and Adicet management and directors in January 2020 and the public announcement that the top line data for resTORbio's lead product candidate had failed to meet the primary endpoint of a Phase 3 clinical trial. Following such discussions, the Adicet Board confirmed its desire to have Adicet's management and directors continue preliminary discussions regarding exploring strategic options between the companies. At such meeting, Dr. Gordon and Mr. Chimovits, each partners at OrbiMed, disclosed to the Adicet Board that OrbiMed had an equity position in resTORbio and Ms. Silverberg, a partner at Novartis Venture Fund, disclosed that an affiliate of Novartis had an equity position in and a commercial relationship with resTORbio.

Following such meeting, at the direction of the Adicet Board, Adicet's management and directors continued preliminary discussions and diligence with resTORbio regarding the possibility of a potential reverse merger transaction with resTORbio and the potential terms and structure of such transaction.

On March 15, 2020, the Adicet Board held a telephonic meeting at which a representative of Morrison & Foerster was present to discuss, among other matters, a possible merger with resTORbio, the status of the ongoing preliminary discussions between the parties, the proposed terms of an indication of interest from Adicet regarding the transaction, the potential operations and management of the combined companies and other strategic alternatives, including remaining as a standalone company. At such meeting, a representative of Morrison & Foerster provided an overview of the fiduciary duties of directors and the legal standards applicable to their decisions and actions in connection with the foregoing and consideration of other strategic alternatives,

and discussed the previously disclosed overlapping ownership and commercial interests of certain directors and their affiliates in Adicet and resTORbio. The Adicet Board (with Dr. Gordon, Mr. Chimovits and Ms. Silverberg recusing themselves) then unanimously by those directors voting approved (i) the formation of a special committee of the Adicet Board regarding the transaction composed of Aya Jakobovits, Donald Santel, Yair Schindel and Asish Xavier, each a disinterested director (referred to as the "Adicet Special Committee"), (ii) the submission of an indication of interest by Adicet to resTORbio and (iii) authorization of Adicet's management and directors proceeding to negotiate definitive terms for a transaction designed to enhance stockholder value.

From such date until the execution of the definitive merger agreement on April 28, 2020, Adicet, its executive officers, directors and advisors performed extensive due diligence on resTORbio and on the potential merger and negotiated the terms and conditions of the merger, including exchanging numerous calls, messages and drafts of the merger agreement and related documents both internally and with resTORbio and its advisors.

On March 22, 2020, the Adicet Special Committee and the Adicet Board held a joint telephonic meeting with a representative of Morrison & Foerster and Ms. Nursella present to further discuss the merger, the draft merger agreement provided by resTORbio, the potential operations and management of the combined companies and related matters.

On April 1, 2020, the Adicet Special Committee and the Adicet Board held a joint telephonic meeting with a representative of Morrison & Foerster present to further discuss the merger, exclusivity, changes to certain terms proposed by resTORbio and related matters, including resTORbio's proposals regarding Adicet investors providing additional funding and resTORbio being able to commence and continue its RTB101 COVID-19 studies following the execution of the merger agreement.

On April 6, 2020, the Adicet Special Committee and the Adicet Board held a joint telephonic meeting with a representative of Morrison & Foerster and Ms. Nursella present to further discuss the merger, the revised merger agreement provided by resTORbio, resTORbio's request for Adicet investors providing additional funding and related matters.

On April 13, 2020, the Adicet Special Committee and the Adicet Board held a joint telephonic meeting with a representative of Morrison & Foerster and Ms. Nursella present to further discuss the merger, the revised merger agreement provided by resTORbio, the proposal for inclusion of a CVR from resTORbio, potential alternatives to inclusion of the CVR and related matters.

On April 14, 2020, the Adicet Special Committee and the Adicet Board held a joint telephonic meeting with a representative of Morrison & Foerster and Ms. Nursella present to further discuss the merger, the terms of the proposed CVR, potential alternatives to the proposed CVR and related matters.

On April 16, 2020, the Adicet Board held a telephonic meeting with a representative of Morrison & Foerster and Ms. Nursella present. At the meeting, among other matters, the Adicet Board and members of the Adicet Special Committee discussed the merger, the proposed CVR, the potential operations and management of the combined companies and related matters.

On April 19, 2020, the Adicet Special Committee and the Adicet Board held a joint telephonic meeting with a representative of Morrison & Foerster, representatives of Perkin Coie LLP, Adicet's external licensing counsel, and Ms. Nursella present to further discuss the merger, the proposed CVR and CVR Agreement from resTORbio, an extension of exclusivity, strategic alternatives and risks related to the proposed transaction, the combined company board of directors and related matters.

On April 28, 2020, the Adicet Special Committee held a telephonic meeting with representatives of Morrison & Foerster and Ms. Nursella present to further discuss the merger and certain related matters. At such meeting, the Adicet Special Committee unanimously approved resolutions: (i) determining that the merger and the transactions contemplated thereby were fair to, advisable and in the best interests of Adicet and its stockholders

and (ii) recommending that the Adicet Board approve the merger, authorize the entry by Adicet into the merger agreement and approve certain other related agreements, actions and matters. Following such meeting, on April 28, 2020, the Adicet Board held a telephonic meeting with representatives of Morrison & Foerster and Ms. Nursella present to further discuss the merger and certain related matters. At such meeting, on the basis of the advantages and risks of the proposed transaction that are described in the section entitled "*The Merger—Adicet Reasons for the Merger*" beginning on page 174 of this proxy statement/prospectus/information statement and based on the discussions and deliberations at the Adicet Board meetings and Adicet Special Committee meetings and the Adicet Special Committee's favorable recommendation of the merger, the Adicet Board (with Dr. Gordon, Mr. Chimovits and Ms. Silverberg recusing themselves) approved resolutions unanimously by those directors voting: (a) determining that the merger and the transactions contemplated thereby were fair to, advisable and in the best interests of Adicet and its stockholders, (b) approving the merger and the transactions contemplated thereby and authorizing the entry by Adicet into the merger agreement, (c) approving certain other related agreements, actions and matters and (d) recommending that, upon the terms and subject to the conditions set forth in the merger agreement, the stockholders of Adicet vote to adopt the merger agreement and thereby approve the merger agreement and the transactions contemplated thereby. At the commencement of each such meeting, a representative of Morrison & Foerster reviewed with the Adicet Special Committee and the Adicet Board their fiduciary duties as directors in connection with the foregoing and consideration of strategic alternatives and reminded the Adicet Board of certain interests of certain directors and their affiliates in both parties and the steps taken in light of the foregoing, including the formation of the Adicet Special Committee and such directors' recusal from applicable votes of the Adicet Board.

resTORbio Reasons for the Merger

In the course of its evaluation of the merger, the merger agreement and related agreements, the resTORbio Board held numerous meetings, consulted with its management, legal counsel and its financial advisor and reviewed a significant amount of information and, in reaching its decision to approve the merger and the merger agreement, the resTORbio Board considered a number of factors, including, among others, the following factors:

- resTORbio's business, financial performance (both past and prospective) and its financial condition, results of operation (both past and prospective), business and strategic objectives, as well as the risks of accomplishing those objectives;
- resTORbio's business and financial prospects if it were to remain an independent company and the resTORbio Board's determination that resTORbio could not continue to operate as an independent company and needed to enter into an agreement with a strategic partner;
- the possible alternatives to the merger, the range of possible benefits and risks to the resTORbio stockholders of those alternatives and the timing and the likelihood of accomplishing the goal of any of such alternatives and the resTORbio Board' assessment that the merger presented a superior opportunity to such alternatives for resTORbio stockholders;
- the resTORbio Board's view of the valuation of the potential merger candidates. In particular, the resTORbio Board's view that Adicet was the most attractive candidate because of its off-the-shelf gamma delta CAR-T cell therapy platform resulting in a potential pipeline of clinical candidates, and the resTORbio Board's belief that the merger would create a publicly traded company focused on the development of Adicet's off-the-shelf allogeneic gamma delta T cell therapies for oncology and other indications, and its belief that the merger with Adicet will create more value for resTORbio stockholders than any of the other proposals that the resTORbio Board had received or that resTORbio could create as a standalone company;
- the ability of resTORbio stockholders to participate in the future growth potential of the combined company following the merger, while potentially receiving all net proceeds derived from the commercialization of RTB101 for prophylaxis for COVID-19 on account of the CVR Agreement to be executed at the closing of the merger;

- that the combined company will be led by an experienced senior management team, with Mr. Schor serving as the chief executive officer;
- the results of discussions with third parties relating to a variety of strategic transactions, including a licensing transaction and possible business combination or similar transaction with resTORbio;
- the process undertaken by the resTORbio Board in connection with pursuing a strategic transaction and the terms and conditions of the proposed merger, in each case considering the current market dynamics;
- current financial market conditions, including the impact of the coronavirus pandemic on global financial markets, and historical market prices, volatility and trading information with respect to resTORbio common stock;
- the potential for obtaining a superior offer from an alternative purchaser considering the other potential strategic buyers previously identified and contacted by or on behalf of resTORbio and the risk of losing the proposed transaction with Adicet;
- the terms of the merger agreement, including the parties' representations, warranties and covenants, the conditions to their respective obligations and the termination rights of the parties;
- the financial analysis presented by JMP to the resTORbio Board on April 28, 2020 and JMP's opinion, dated April 28, 2020, to the resTORbio Board that, as of such date, based upon and subject to the various assumptions made, procedures followed, matters considered, and qualifications and limitations set forth in such opinion, the Exchange Ratio (as defined in the merger agreement) was fair from a financial point of view, to the holders of resTORbio Common Stock (as more fully described in the section titled "*The Merger—Opinion of resTORbio's Financial Advisor*");
- the likelihood that the merger would be consummated;
- the merger agreement, subject to the limitations and requirements contained in the merger agreement, provides the resTORbio Board with flexibility to furnish information to and conduct negotiations with third parties in certain circumstances and, upon payment to Adicet of a termination fee of $6,100,000 (which the resTORbio Board believes is reasonable under the circumstances) to terminate the merger agreement, to accept a superior proposal; and
- the reasonableness of the potential reimbursement of certain transaction expenses of up to $1,000,000, which could become payable by either resTORbio or Adicet if the merger agreement is terminated in certain circumstances.

In the course of its deliberations, the resTORbio Board also considered, among other things, the following negative factors:

- the possibility that the merger will not be consummated and the potential negative effect of the public announcement of the merger on resTORbio's business and stock price;
- the possibility that RTB101 may not be successfully commercialized as a prophylaxis for COVID-19 and the potential that resTORbio stockholders would receive no consideration pursuant to the CVR Agreement;
- the challenges inherent in the combination of the two divergent businesses of the size and scope of resTORbio and Adicet;
- certain provisions of the merger agreement that could have the effect of discouraging proposals for competing proposals involving resTORbio, including the restrictions on resTORbio' ability to solicit proposals for competing transactions involving resTORbio and that under certain circumstances resTORbio may be required to pay to Adicet a termination fee of $6,100,000;
- that under certain circumstances Adicet may be required to reimburse certain transaction expenses of resTORbio of up to $1,000,000 and/or pay to resTORbio a termination fee of $6,100,000, and the

likelihood the receipt of the expense reimbursement and/or termination fee from Adicet will only offset a portion of expenses incurred by resTORbio in connection with the merger;

- the strategic direction of the combined company following the completion of the merger, which will be determined by a board of directors initially comprised of a majority of designees of Adicet;
- the substantial fees and expenses associated with completing the merger, including the costs associated with any related litigation; and
- the risk that the merger may not be completed despite the parties' efforts or that the closing may be unduly delayed and the effects on resTORbio as a standalone company because of such failure or delay, and that a more limited range of alternative strategic transactions may be available to resTORbio in such an event and its likely inability to raise additional capital through the public or private sale of equity securities.

Although this discussion of the information and factors considered by the resTORbio Board is believed to include the material factors considered by the resTORbio Board, it is not intended to be exhaustive. In light of the variety of factors considered in connection with their evaluation of the merger and the complexity of these matters, the resTORbio Board did not find it practicable to and did not quantify or attempt to assign any relative or specific weights to the various factors that it considered in reaching its determination that the merger and the merger agreement are advisable and in best interests of resTORbio and its stockholders. In addition, the resTORbio Board did not undertake to make any specific determination as to whether any particular factor, or any aspect of any particular factor, was favorable or unfavorable to the ultimate determination of the resTORbio Board, but rather the resTORbio Board conducted an overall analysis of the factors described above, including discussions with and questioning of resTORbio management, Goodwin and JMP.

Adicet Reasons for the Merger

In the course of reaching its decision to approve the merger, the Adicet Board held numerous meetings, consulted with its senior management, advisors and legal counsel, reviewed a significant amount of information and considered numerous reasons, including, among others:

- Adicet's need for capital to support the pre-clinical and clinical development of its product candidates and the potential to access public market capital, including sources of capital from a broader range of investors than it could otherwise obtain if it continued to operate as a privately-held company;
- the expectation that the merger would be a more time- and cost-effective means to access capital than other options considered;
- the potential to provide its current stockholders with greater liquidity by owning stock in a public company listed on Nasdaq;
- the Adicet Board's belief that no alternatives to the merger were reasonably likely to create greater value for Adicet's stockholders, after reviewing the various financing and other strategic options to enhance stockholder value that were considered by the Adicet Board, including remaining as an independent company;
- the historical operations, resources, assets, technology and reputation of resTORbio (including, without limitation, the failure of its main drug candidate to meet its primary endpoints in a previous clinical trial);
- the projected financial position, operations, management structure, geographic locations, operating plans, cash burn rate and financial projections of the combined company, including the impact of the CVR agreement and the expected cash resources of the combined organization (including the ability to support the combined company's current and planned clinical trials and operations);

- the availability of appraisal rights under the DGCL to holders of Adicet's capital stock who comply with the required procedures under the DGCL, which allow such holders to seek appraisal of the fair value of their shares of Adicet capital stock as determined by the Delaware Court of Chancery;
- the fact that shares of resTORbio common stock issued to Adicet stockholders will be registered pursuant to a registration statement on Form S-4 by resTORbio and will become freely tradable by Adicet's stockholders who are not affiliates of Adicet and who are not parties to lock-up agreements;
- the likelihood that the merger will be consummated on a timely basis and the viable strategic alternatives for Adicet if the merger does not occur (including, among other things, Adicet's financial prospects and access to the capital needed to continue successful operations);
- the terms and conditions of the merger and the merger agreement, including, without limitation, the following:
  - the determination that the expected relative percentage ownership of Adicet' stockholders and resTORbio stockholders in the combined organization was appropriate based, in the judgment of the Adicet's Board, on Adicet's Board's assessment of the approximate valuations of resTORbio and Adicet;
  - the limited number and nature of the conditions of the obligation of resTORbio to consummate the merger;
  - the rights of Adicet under the merger agreement to consider certain unsolicited acquisition proposals under certain circumstances should Adicet receive a superior proposal;
  - the belief that the terms of the merger agreement, including the parties' representations, warranties and covenants, and the conditions to their respective obligations, were reasonable in light of the entire transaction;
  - the conclusion of the Adicet Board that the potential termination fee of $6.1 million, and/or expense reimbursements of up to $1 million, payable by resTORbio to Adicet and the circumstances when such fee may be payable, were reasonable;
  - the expectation that the merger will qualify as a transaction described under Section 368(a) of the Code for U.S. federal income tax purposes, with the result that Adicet's stockholders will generally not recognize taxable gain or loss for U.S. federal income tax purposes upon the exchange of Adicet capital stock for resTORbio common stock pursuant to the merger;
- the ability to obtain a Nasdaq listing and the change of the combined organization's name to Adicet Bio, Inc. upon the closing of the merger;
- the support agreements, pursuant to which certain directors, officers and stockholders of Adicet and resTORbio, respectively, have agreed, solely in their capacity as stockholders of Adicet and resTORbio, respectively, to vote all of their shares of Adicet capital stock or resTORbio common stock in favor of the adoption or approval, respectively, of the merger agreement; and
- the determination of the Adicet Special Committee that the merger agreement, the related documents and agreements, and the transactions contemplated by the foregoing, including the merger, were advisable and are fair to and in the best interests of Adicet and its stockholders, and the recommendation of the Adicet special committee that the Adicet Board approve the foregoing.

The Adicet Board also considered a number of uncertainties and risks in its deliberations concerning the merger, including the following:

- the risk that the merger might not be completed in a timely manner, or at all, and the potential adverse effect of the public announcement of the merger or delay or failure to complete the merger on the reputation of Adicet and the ability of Adicet to obtain financing in the future;

- the termination fee of $6.1 million, and/or expense reimbursements of up to $1 million, payable by Adicet to resTORbio upon the occurrence of certain events, and the potential effect of such termination fee in deterring other potential acquirers from proposing a competing transaction that may be more advantageous to Adicet's stockholders;
- the exchange ratio used to establish the number of shares of resTORbio's common stock to be issued to Adicet's stockholders in the merger is fixed, and thus the relative percentage ownership of resTORbio stockholders and Adicet's stockholders in the combined organization immediately following the completion of the merger is similarly fixed;
- the potential reduction of resTORbio's net cash prior to Closing;
- the expenses to be incurred in connection with the merger and related administrative challenges associated with combining the companies;
- the fact that the representations and warranties in the merger agreement do not survive the closing of the merger and the potential risk of liabilities that may arise post-closing;
- the additional public company expenses and obligations that Adicet's business will be subject to following the merger to which it has not previously been subject; and
- various other risks associated with the company and the merger, including the risks described in the section entitled "*Risk Factors*" beginning on page 25 of this proxy statement/prospectus/information statement.

The foregoing information and factors considered by the Adicet Board are not intended to be exhaustive but are believed to include all of the material factors considered by the Adicet Board. In view of the wide variety of reasons considered in connection with its evaluation of the merger and the complexity of these matters, the Adicet Board did not find it useful, and did not attempt, to quantify, rank or otherwise assign relative weights to these reasons. In considering the reasons described above, individual members of the Adicet Board may have given different weight to different reasons. The Adicet Board conducted an overall analysis of the reasons described above, including thorough discussions with, and questioning of, Adicet's management and Adicet's legal advisors, and considered the reasons overall to be favorable to, and to support, its determination.

Opinion of the resTORbio Financial Advisor

JMP rendered its opinion to the resTORbio Board that, as of April 28, 2020 and based upon and subject to the factors and assumptions set forth therein, the exchange ratio was fair, from a financial point of view, to resTORbio.

The full text of the written opinion of JMP, dated April 28, 2020, which sets forth assumptions made, procedures followed, matters considered and limitations on the review undertaken in connection with the opinion, is attached as *Annex B*. JMP provided advisory services and its opinion for the information and assistance of the resTORbio Board in connection with its consideration of the merger. The JMP opinion is not a recommendation as to how any holder of resTORbio common stock should vote with respect to the merger or any other matter.

In connection with rendering the opinion described above and performing its related financial analyses, JMP:

- reviewed the financial terms and conditions of a draft dated April 24, 2020 of the merger agreement to be entered into by resTORbio, the merger subsidiary and Adicet;
- reviewed certain business and financial information relating to resTORbio, including resTORbio's audited financial statements for the years ended December 31, 2019 and 2018;
- reviewed certain business and financial information relating to Adicet, including Adicet's financial statements for the years ended December 31, 2019 and 2018;

- reviewed certain financial projections provided to JMP by resTORbio relating to resTORbio and Adicet, and certain other historical and current financial and business information provided to JMP by resTORbio and Adicet;
- held discussions regarding the operations, financial condition and prospects of resTORbio and Adicet with the respective managements of resTORbio and Adicet;
- compared certain financial terms of the merger to financial terms, to the extent publicly available, of other transactions JMP deemed relevant;
- reviewed for informational purposes the financial and stock market performances of certain publicly traded companies that JMP deemed to be relevant; and
- performed such other studies, analyses and inquiries and considered such other factors as JMP deemed appropriate.

For purposes of rendering the opinion, JMP, with resTORbio's consent, (i) relied upon and assumed the accuracy and completeness of the foregoing information without independent verification, (ii) did not assume any responsibility for independently verifying such information, and (iii) relied on the assurances of the management of resTORbio and Adicet that they are not aware of any facts or circumstances that would make such information inaccurate or misleading. In addition, with resTORbio's consent, JMP did not make any independent evaluation or appraisal of any of the assets or liabilities (contingent or otherwise) of resTORbio or Adicet, nor was JMP furnished with any such evaluations or appraisals. With respect to the financial projections referred to above and any other forecasts or forward looking information, JMP assumed, at the direction of the management of resTORbio, that such projections, forecasts and information were reasonably prepared and reflected the best then available estimates and good faith judgments of such management as to the expected future results of operations and financial condition of resTORbio and Adicet and the other matters covered thereby, and JMP relied on such information in arriving at its opinion and did not assess the reasonableness or achievability of such projections, forecasts and information. Further, with respect to such financial projections, as part of JMP's analysis in connection with the opinion, JMP assumed, at the direction of resTORbio, that the financial results reflected therein could be realized in the amounts and at the times indicated thereby.

In addition, in arriving at its opinion, JMP assumed, with resTORbio's consent, that (i) there had been no material change in any of the assets, liabilities, financial condition, business or prospects of resTORbio or Adicet since the date of the most recent financial statements and other information made available to JMP, and there would be no material adjustments to the exchange ratio, (ii) all material information JMP requested from resTORbio and Adicet during the scope of JMP's engagement had been provided to it fully and in good faith, (iii) the merger would be consummated in accordance with the terms and conditions set forth in the merger agreement (the final terms and conditions of which JMP assumed would not differ in any respect material to its analysis from the aforementioned draft JMP reviewed), without any waiver, modification or amendment of any materials terms or conditions, (iv) the representations and warranties made by the parties to the merger agreement were and would be true and correct in all respects material to JMP's analysis, (v) all governmental and third party consents, approvals and agreements necessary for the consummation of the merger would be obtained without any adverse effect on Adicet or the merger, and (vi) the merger would not violate any applicable federal or state statutes, rules or regulations.

The opinion does not constitute legal, regulatory, accounting, insurance, tax or other similar professional advice and does not address (i) the underlying decision of the resTORbio Board to proceed with or effect the merger, (ii) the terms of the merger (other than the exchange ratio to the extent expressly addressed therein) or any arrangements, understandings, agreements or documents related to the merger, (iii) the fairness of the merger (other than with respect to the exchange ratio to the extent expressly addressed therein) or any other transaction to resTORbio or resTORbio's equityholders or creditors or any other person or entity, (iv) the relative merits of the merger as compared to any alternative strategy or transaction that might exist for resTORbio, or the effect of any other transaction which it may consider in the future, (v) the tax, accounting or legal consequences of the

merger, or (vi) the solvency, creditworthiness, fair market value or fair value of any of resTORbio, Adicet or their respective assets under any applicable laws relating to bankruptcy, insolvency, fraudulent conveyance or similar matters. The opinion expresses no opinion as to the fairness or the amount or nature of any compensation to any officers, directors, or employees of any party to the merger, or any class of such persons, relative to the exchange ratio.

JMP's opinion was necessarily based on business, economic, monetary, market and other considerations as they existed and could reasonably be evaluated on, and the information made available to JMP as of, the date thereof. In particular, JMP noted that there was significant uncertainty in resTORbio's industry and significant volatility in the equity and credit markets. Subsequent developments may have affected the opinion, and JMP assumed no responsibility for updating or revising the opinion based on circumstances or events occurring after the date thereof (regardless of the closing date of the merger). JMP was not engaged to amend, supplement or update the opinion at any time. JMP expressed no view or opinion as to the prices at which the shares of resTORbio common stock may be sold or exchanged, or otherwise be transferable, at any time.

JMP expressed no view or opinion as to any product that may result from resTORbio's COVID-19 study or the terms of, or any value related to, the contingent value right (referred to as the "CVR"). JMP did not assign any value to the right of the holders of resTORbio common stock to receive contingent cash payments pursuant to the CVR agreement, given JMP's determination that any projections underlying the analysis would be too speculative to use in JMP's analysis of the value of such rights as it related to the fairness of the exchange ratio.

The following is a summary of the material financial analyses delivered by JMP to the resTORbio Board in connection with rendering the opinion described above. The following summary, however, does not purport to be a complete description of the financial analyses performed by JMP, nor does the order of analyses described represent relative importance or weight given to those analyses by JMP. The summaries of the financial analyses include information presented in tabular format. The tables must be read together with the full text of each summary and are alone not a complete description of JMP's financial analyses. Except as otherwise noted, the following quantitative information, to the extent that it is based on market data, is based on market data as it existed on or before April 28, 2020, the last trading day before the public announcement of the merger, and is not necessarily indicative of current market conditions.

resTORbio Liquidation Analysis

JMP reviewed the projected total value to stockholders in the case of complete company liquidation based on projected cash balance less expected wind-down and liquidation costs. The liquidation proceeds were estimated by resTORbio's management assuming an estimated liquidation date of September 30, 2020, all wind-down costs paid in full, the retention of certain employees to facilitate wind-down until the liquidation date, all employee-related severance costs paid in full and the landlord being willing to take back the lease (for the security deposit). Based on information provided by resTORbio's management, JMP compared the total equity value of resTORbio, upon liquidation, of $54.784 million, to the total equity value of resTORbio, per the merger agreement, of $73 million. JMP expressed no view or opinion as to any product that may result from resTORbio's COVID-19 studies or the terms of, or any value related to, the CVR. The results of this analysis are as follows:

Liquidation Analysis

Net Cash at Liquidation (*Values in US$ thousands, except for per share amounts***)**	
Cash at September 30, 2020	$ 62,526
Wind-Down Costs	
Employee Costs:	
CIC Severance, COBRA, outplacement	3,411
Total Employee Costs	3,411
Non-Employee Costs:	
Legal	1,200
Settlement of Accounts Payable	661
Total Non-Employee Costs	1,861
Total Wind-Down Costs	5,272
Liquidation Costs	
D&O Runoff Coverage	2,125
Lease Termination Costs (including move-out expenses)	345
Total Liquidation Costs	2,470
Net Cash at September 30, 2020	$ 54,784
# of Common Shares Outstanding at September 30, 2020	37,156
Net Cash per Share at September 30, 2020	$ 1.47

Adicet Selected Company Analysis

JMP reviewed selected financial data of eight early-stage oncology-focused publicly traded biopharmaceutical companies with pre-clinical lead oncology assets. None of the companies is directly comparable to Adicet. Accordingly, an analysis of the results of such a comparison is not purely mathematical but instead involves complex considerations and judgments concerning differences in historical and projected financial and operating characteristics of the selected companies below. The current equity market values are based on closing stock prices as of April 23, 2020. JMP reviewed and compared current equity market values for the following pre-clinical oncology focused companies:

- Editas Medicine, Inc.
- Beam Therapeutics Inc.
- Intellia Therapeutics, Inc.
- IGM Biosciences, Inc.
- Neoleukin Therapeutics, Inc.
- Cue Biopharma, Inc.

- Atreca, Inc.
- Rubius Therapeutics, Inc.

These eight companies were chosen because their operations, for the purposes of analysis, may be considered similar to certain operations of Adicet. The eight selected publicly traded companies had equity market values between approximately $444 million and $1,728 million. JMP derived a median equity market value of $685 million for the selected publicly traded companies. Using the 25th percentile and the 75th percentile of the equity market values, JMP then calculated a range of implied equity values for Adicet, which was $479 million to $1,195 million. This compares to Adicet's equity value as per the merger agreement of $220 million. The results of these analyses are summarized as follows:

Selected Companies

Company Name		Current Equity Market Value *(Values in US$ millions)*
Editas Medicine, Inc.		$1,306
Beam Therapeutics Inc.		$ 864
Intellia Therapeutics, Inc.		$ 717
IGM Biosciences, Inc.		$1,728
Neoleukin Therapeutics, Inc.		$ 479
Cue Biopharma, Inc.		$ 652
Atreca, Inc.		$ 480
Rubius Therapeutics, Inc.		$ 444
All	**Average**	**$ 834**
	Median	**$ 685**
	25th Percentile	**$ 479**
	75th Percentile	**$ 1,195**

Adicet Selected Initial Public Offerings Analysis

JMP reviewed the initial public offerings (referred to as "IPOs") of nine pre-clinical oncology biopharmaceutical companies which completed an IPO since June 2018. JMP analyzed the pre-money equity less cash values of IPOs for pre-clinical oncology companies, specifically those focused on gene and cell therapy. JMP reviewed the following IPOs:

- Beam Therapeutics Inc.
- Black Diamond Therapeutics, Inc.
- IGM Biosciences, Inc.
- Atreca, Inc.
- TCR2 Therapeutics Inc.
- Synthorx, Inc.
- Gritstone Oncology, Inc.
- Arvinas, Inc.
- Magenta Therapeutics, Inc.

The selected IPOs had pre-money equity less cash values between approximately $144 million and $553 million. JMP derived a median pre-money equity less cash value of approximately $256 million for the selected IPOs. Using the 25th percentile and the 75th percentile of the pre-money equity less cash values, JMP then calculated a

range of implied equity values for Adicet, which was $185 million to $356 million. This compares to Adicet's equity value as per the merger agreement of approximately $220 million. The following table presents the results of this analysis:

IPOs

Date	Issuer	Pre-Money Equity Less Cash Value *(Values in US$ millions)*
2/5/20	Beam Therapeutics Inc.	$553
1/29/20	Black Diamond Therapeutics, Inc.	$287
9/17/19	IGM Biosciences, Inc.	$205
6/19/19	Atreca, Inc.	$230
2/13/19	TCR2 Therapeutics Inc.	$165
12/6/18	Synthorx, Inc.	$144
9/27/18	Gritstone Oncology, Inc.	$256
9/26/18	Arvinas, Inc.	$390
6/20/18	Magenta Therapeutics, Inc.	$322
Average		**$283**
Median		**$256**
25th Percentile		**$185**
75th Percentile		**$356**

Adicet Precedent Transaction Analysis

JMP reviewed the financial terms of seven recent qualifying merger transactions since February 2014 of oncology-focused pre-clinical biopharmaceutical companies. Although the precedent transactions referred to below were used for comparison purposes, none of the target companies is directly comparable to Adicet. Accordingly, an analysis of the results of such a comparison is not purely mathematical, but instead involves complex considerations and judgments concerning differences in historical and projected financial and operating characteristics of the companies involved and other factors that could affect the merger value of such companies and Adicet to which they are being compared. JMP analyzed certain information relating to multiples from precedent M&A transactions for pre-clinical oncology-focused biopharmaceutical companies with a specific focus on deals identified as most comparable given target and acquirer focus and strategy. JMP reviewed the following precedent public transactions:

- Xyphos Biosciences, Inc. / Astellas Pharma, Inc.
- Tilos Therapeutics Inc. / Merck & Co., Inc.
- Tusk Therapeutics Ltd / Roche Holding AG Genussscheine
- IFM Therapeutics LLC / Bristol-Myers Squibb Company
- Flexus Biosciences, Inc. / Bristol-Myers Squibb Company
- CoStim Pharmaceuticals, Inc. / Novartis AG

For each of the selected transactions, JMP calculated and compared the total transaction value, the upfront transaction value and the contingent value. The companies that participated in the selected transactions are companies with operations that, for the purposes of analysis, may be considered similar to certain of Adicet's results, market size and product profile. The seven selected precedent transactions (six public transactions and one private transaction) had total transaction values between approximately $248 million and $1,310 million. JMP derived a median total transaction value of $762 million for the selected precedent transactions. Using the 25th percentile and the 75th percentile of the implied total transaction values, JMP then calculated a range of

implied total equity values for Adicet, which was approximately $430 million to $1,250 million. This compares to Adicet's total equity value as per the merger agreement of $220 million. The following table presents the results of this analysis for the six public transactions:

Precedent Transactions

Transaction Announced	Target / Acquiror	Transaction Value *(Values in US$ millions)* Total	Upfront	Contingent Value
12/26/19	Xyphos Biosciences, Inc. / Astellas Pharma, Inc.	$ 665	$ 120	$ 545
6/10/19	Tilos Therapeutics Inc. / Merck & Co., Inc.	$ 773	$ 773	N/A
9/28/18	Tusk Therapeutics Ltd / Roche Holding AG Genussscheine	$ 762	$ 81	$ 681
8/3/17	IFM Therapeutics LLC / Bristol-Myers Squibb Company	$1,310	$ 300	$ 1,010
2/23/15	Flexus Biosciences, Inc. / Bristol-Myers Squibb Company	$1,250	$ 800	$ 450
2/17/14	CoStim Pharmaceuticals, Inc. / Novartis AG	$ 248	$ 96	$ 152
Average		**$ 777**	**$ 316**	**$ 461**
Median		**$ 762**	**$ 120**	**$ 450**
25th Percentile		**$ 430**	**$ 81**	**$ 152**
75th Percentile		**$1,250**	**$ 773**	**$ 681**

The preparation of a fairness opinion is a complex process and is not necessarily susceptible to partial analysis or summary description. Selecting portions of the analyses or of the summary set forth above, without considering the analyses as a whole, could create an incomplete view of the processes underlying JMP's opinion. In arriving at its fairness determination, JMP considered the results of all of its analyses and did not attribute any particular weight to any factor or analysis considered by it. Rather, JMP made its determination as to fairness on the basis of its experience and professional judgment after considering the result of all of its analyses.

JMP prepared these analyses for purposes of JMP providing its opinion to the resTORbio Board as to the fairness from a financial point of view of the exchange ratio. These analyses do not purport to be appraisals nor do they necessarily reflect the prices at which businesses or securities actually may be sold. Analyses based upon forecasts of future results are not necessarily indicative of actual future results, which may be significantly more or less favorable than suggested by these analyses. Because these analyses are inherently subject to uncertainty, being based upon numerous factors or events beyond the control of the parties or their respective advisors, none of resTORbio, Adicet, JMP or any other person assumes responsibility if future results are materially different from those forecast.

The exchange ratio was determined through arm's-length negotiations between resTORbio and Adicet and was approved by the resTORbio Board. JMP provided advice to resTORbio during these negotiations. JMP did not, however, recommend any specific exchange ratio to resTORbio or the resTORbio Board or that any specific exchange ratio constituted the only appropriate exchange ratio for the merger.

As described in the section entitled "*The Merger—resTORbio Reasons for the Merger*" beginning on page 172 of this proxy statement/prospectus/information statement, JMP's opinion to the resTORbio Board was one of

many factors taken into consideration by the resTORbio Board in making its determination to approve the merger agreement. The foregoing summary does not purport to be a complete description of the analyses performed by JMP in connection with the fairness opinion and is qualified in its entirety by reference to the written opinion of JMP attached as *Annex B*.

JMP and its affiliates are engaged in advisory, underwriting and financing, principal investing, sales and trading, research, investment management and other financial and non-financial activities and services for various persons and entities. JMP and its affiliates and employees, and funds or other entities they manage or in which they invest or have other economic interests or with which they co-invest, may at any time purchase, sell, hold or vote long or short positions and investments in securities, derivatives, loans, commodities, currencies, credit default swaps and other financial instruments of resTORbio, Adicet, any of their respective affiliates and third parties or any currency or commodity that may be involved in the transaction contemplated by the merger agreement. JMP acted as financial advisor to resTORbio in connection with, and participated in certain of the negotiations leading to, the merger. JMP may also in the future provide financial advisory and/or underwriting services to resTORbio, Adicet and their respective affiliates for which it would expect to receive compensation.

The resTORbio Board selected JMP as its financial advisor because it is an internationally recognized investment banking firm that has substantial experience in transactions similar to the merger. Pursuant to a letter agreement dated February 7, 2020, resTORbio engaged JMP to act as its financial advisor in connection with the contemplated transaction. The engagement letter between resTORbio and JMP provides for a transaction fee that is estimated, based on the information available as of the date of the announcement, at approximately $1,250,000, $250,000 of which became payable upon the rendering of the opinion, and the remainder of which is contingent upon the completion of the merger. In addition, resTORbio has agreed to reimburse JMP for certain of its expenses, including attorneys' fees and disbursements, and to indemnify JMP against certain claims and liabilities arising out of JMP's engagement.

Interests of the resTORbio Directors and Executive Officers in the Merger

In considering the recommendation of the resTORbio Board with respect to issuing shares of resTORbio common stock as contemplated by the merger agreement and the other matters to be acted upon by resTORbio stockholders at the special meeting, resTORbio stockholders should be aware that certain members of the resTORbio Board and certain of resTORbio's executive officers have interests in the merger that may be different from, or in addition to, the interests of resTORbio stockholders. These interests relate to or arise from, among other things:

- Chen Schor, current chief executive officer of resTORbio, will serve as the chief executive officer and a director of the combined company. Mr. Schor and Adicet expect to agree upon Mr. Schor's post-closing employment terms prior to completion of the merger and resTORbio will make appropriate disclosure of any such definitive terms;
- Lloyd Klickstein, current chief scientific officer of resTORbio, will serve as the chief innovation officer of the combined company;
- severance benefits to which certain of resTORbio's executive officers would become entitled in the event of a change of control of resTORbio and his or her qualifying termination of employment within specified periods of time relative to the consummation of the merger;
- the agreement that one of resTORbio's directors will continue to serve on the board of directors of the combined company following the consummation of the merger;
- affiliates of Jonathan Silverstein, a resTORbio director, have overlapping ownership interests in both Adicet and resTORbio and Mr. Silverstein was formerly a director of Adicet; and
- entitlements to continued indemnification and insurance coverage under indemnification agreements and the merger agreement.

Each of the resTORbio Board and the Adicet Board were aware of these potential conflicts of interest and considered them, among other matters, in reaching their respective decisions to approve the merger agreement and the merger, and to recommend, as applicable, that resTORbio stockholders approve the proposals to be presented to resTORbio stockholders for consideration at the special meeting as contemplated by this proxy statement/prospectus/information statement, and that Adicet's stockholders sign and return the written consent as contemplated by this proxy statement/prospectus/information statement.

Ownership Interests

As of June 16, 2020, resTORbio's directors and executive officers beneficially owned, in the aggregate, approximately 11.9% of the outstanding shares of resTORbio common stock. The affirmative vote of the holders of a majority of the votes properly cast on such matter at the special meeting is required for approval of Proposal No. 1 and Proposal No. 3. The affirmative vote of holders of a majority of the outstanding shares of resTORbio common stock as of the record date for the special meeting is required for approval of Proposal No. 2. Each of Proposal No. 1 and Proposal No. 2 are conditioned upon each other. Therefore, the merger cannot be consummated without the approval of Proposal No. 1 and Proposal No. 2.

Treatment of resTORbio Options and resTORbio RSUs

Under the merger agreement, as of immediately prior to the effective time of the merger, the vesting of all outstanding resTORbio options will accelerate in full immediately prior to the time of closing, including those held by resTORbio's executive officers and directors. Each outstanding resTORbio option with an exercise price that is less than the in-the-money price (as defined in the section entitled "*The Merger Agreement—Equity Awards*" beginning on page 200) shall remain outstanding after the close of the merger in accordance with its terms. All outstanding resTORbio options with an exercise price that equals or exceeds the in-the-money price will be cancelled in full immediately prior to completion of the merger, including those held by resTORbio's executive officers and directors. Additionally, the vesting of all outstanding resTORbio RSUs will accelerate in full and be net settled for shares of resTORbio common stock immediately prior to the completion of the merger, including those held by resTORbio's executive officers and directors, with resTORbio remitting cash to the appropriate taxing authorities to satisfy withholding obligations. The number of shares of resTORbio common stock underlying such options and the exercise price of such options will be adjusted appropriately to reflect the reverse stock split.

The table below sets forth the information with respect to the resTORbio options and resTORbio RSUs held by each of resTORbio's executive officers assuming the consummation of the merger occurred on April 28, 2020 and that the per share price of resTORbio common stock is $1.56 (the average closing market price of resTORbio common stock over the first five business days following the public announcement on April 29, 2020 of the entry into the merger agreement). While each of resTORbio non-employee directors holds outstanding resTORbio options that will become fully vested and exercisable in connection with the merger, the option exercise price per share of each such resTORbio option exceeds the estimated implied value per share for each such stock option and accordingly is expected to be cancelled in full upon consummation of the merger.

	Aggregate Number of RSUs (#)	Aggregate Intrinsic Value of RSUs ($)	Aggregate Intrinsic Number of Options (#)	Aggregate Intrinsic Value of Options ($)	Total Intrinsic Value of RSUs and Options ($)
Executive Officers					
Chen Schor	344,000	536,640	258,000	402,480	939,120
Joan Mannick, M.D.	118,222	184,426	88,677	138,336	322,762
Lloyd Klickstein, M.D., Ph.D.	118,222	184,426	88,677	138,336	322,762
John McCabe	21,867	34,113	16,400	25,584	59,697

Offer Letters with resTORbio's Executive Officers

Offer Letters with resTORbio's Current Executive Officers

Prior to the execution of the merger agreement, resTORbio had entered into an offer letter or employment agreement with each of resTORbio's executive officers (each referred to as an "Executive Agreement"). Each

Executive Agreement provides for a base salary and standard benefits, including, severance benefits in the event such executive officer experiences a qualifying termination of employment. resTORbio and Adicet have agreed to honor the commitments under each Executive Agreement. resTORbio's obligation to provide its executive officers with severance benefits is conditioned on the executive officer signing and not revoking a "general release of claims" against resTORbio and its affiliates. The executive officers are also subject to standard post-termination non-solicitation, confidentiality and non-competition restrictive covenants.

Offer Letter with Chen Schor

Pursuant to Mr. Schor's Executive Agreement, if his employment is terminated by resTORbio without cause or by Mr. Schor for good reason within the 12-month period following a change of control (as such terms are defined in his Executive Agreement and subject to the terms and conditions therein), then Mr. Schor will be entitled to (1) lump sum cash payment of 1.5 times the sum of his then current base salary and target annual incentive compensation, (2) payment of the COBRA premiums for Mr. Schor and any covered dependents for up to 18 months, and (3) full acceleration of all time-based stock options and other time-based stock awards held by Mr. Schor.

Offer Letter with Joan Mannick, M.D.

Pursuant to Dr. Mannick's Executive Agreement, if Dr. Mannick's employment is terminated by resTORbio without cause or by Dr. Mannick for good reason within the 12-month period following a change of control (as such terms are defined in her Executive Agreement and subject to the terms and conditions therein), then Dr. Mannick will be entitled to (1) lump sum cash payment of the sum of her then current base salary and target annual incentive compensation, (2) payment of the COBRA premiums for Dr. Mannick and any covered dependents for up to 12 months, and (3) full acceleration of all time-based stock options and other time-based stock awards held by Dr. Mannick.

Employment Agreement with Lloyd Klickstein, M.D., Ph.D.

Pursuant to Dr. Klickstein's Executive Agreement, if Dr. Klickstein's employment is terminated by resTORbio without cause or by Dr. Klickstein for good reason within the 12-month period following a change of control (as such terms are defined in his Executive Agreement and subject to the terms and conditions therein), then Dr. Klickstein will be entitled to a (1) lump sum cash payment equal to the sum of 12 months of his then current base salary and his target annual incentive compensation for the immediately preceding 3 fiscal years, (2) payment of the COBRA premiums for Dr. Klickstein and any covered dependents for up to 18 months, and (3) full acceleration of all time-based stock options and other time-based stock awards held by Dr. Klickstein.

Offer Letter with John McCabe

Pursuant to Mr. McCabe's Executive Agreement, if Mr. McCabe's employment is terminated by resTORbio without cause or by Mr. McCabe for good reason within the 12-month period following a change of control (as such terms are defined in his Executive Agreement and subject to the terms and conditions therein), then Mr. McCabe will be entitled to (1) continued payment of his then current base salary for 6 months, (2) payment of up to 50% of the prorated portion of his target annual incentive compensation for the year of termination, (3) payment of the COBRA premiums for Mr. McCabe and any covered dependents for up to 6 months, and (4) full acceleration of all outstanding equity or equity-based awards held by Mr. McCabe.

Quantification of Severance Benefits

The estimated value of potential cash severance payments and health continuation payable pursuant to the Executive Agreements is set forth in the table below, assuming each resTORbio executive officer experiences a

qualifying termination within 12 months following the consummation of the merger and is participating in the resTORbio health plan immediately prior to the termination and elects COBRA health continuation:

Name	Cash Severance ($)	Health Continuation ($)
Chen Schor	1,129,444	37,670
Joan Mannick, M.D.	605,475	25,113
Lloyd Klickstein, M.D., Ph.D.	481,325	25,113
John McCabe	186,448	12,557

Overlapping Ownership Interests

Entities affiliated with OrbiMed Advisors, of which Jonathan Silverstein, a director of resTORbio, is a managing partner of, own a significant number of shares of both resTORbio common stock and Adicet capital stock. Additional information on the such ownership is included in this proxy statement/prospectus/information statement under the heading "*Principal Stockholders of Combined Company*" beginning on page 414 of this proxy statement/prospectus/information statement. Jonathan Silverstein was also formerly a director of Adicet from its incorporation until October 2019. Mr. Silverstein resigned as a director of Adicet prior to the commencement of discussions between Adicet and resTORbio.

Interests of the Adicet Directors and Executive Officers in the Merger

In considering the recommendation of Adicet's Board with respect to adopting the merger agreement, Adicet's stockholders should be aware that certain members of Adicet's Board and certain executive officers of Adicet may have interests in the merger that may be different from, or in addition to, the interests of Adicet's stockholders. Each of resTORbio's Board and Adicet's Board was aware of these potential conflicts of interest and considered them, among other matters, in reaching their respective decisions to approve the merger agreement and the merger, and to recommend, as applicable, that resTORbio stockholders approve the proposals to be presented to resTORbio stockholders for consideration at the resTORbio special meeting as contemplated by this proxy statement/prospectus/information statement, and that Adicet's stockholders sign and return the written consent as contemplated by this proxy statement/prospectus/information statement.

Ownership Interests

Certain of Adicet's directors or entities affiliated with them currently hold shares of Adicet's capital stock, which shares of capital stock will be converted into shares of resTORbio's common stock at the effective time of the merger. As of June 16, 2020, all of Adicet's directors and executive officers, together with their affiliates, beneficially owned in the aggregate approximately 69.4% of the outstanding shares of Adicet capital stock, on an as-converted to common stock basis.

Treatment of Adicet Options and Warrants

Pursuant to the merger agreement, at the effective time of the merger, each Adicet option that is outstanding and unexercised immediately prior to the effective time of the merger, whether or not vested, issued pursuant to the Adicet 2015 plan and a subset of options issued pursuant to the Adicet 2014 plan, without any action on the part of the holder thereof, will be converted into and become a resTORbio option, and resTORbio shall assume the Adicet plans and each such Adicet option in accordance with the terms of the Adicet plans (as in effect as of the date of the merger agreement) and the terms of the applicable stock option agreement, as described in more detail in the section titled "*The Merger Agreement—Equity Awards*" beginning on page 200 of this proxy statement/prospectus/information statement.

Certain of Adicet's directors and executive officers currently hold options, subject to vesting, to purchase shares of Adicet's common stock that were issued pursuant to the Adicet 2015 plan. The table below sets forth certain

information with respect to such options as of June 16, 2020. The number of shares of common stock underlying such options and exercise price will be adjusted as described above.

Option holder Name	Grant Date	Expiration Date	Exercise Price	Number of Shares of Common Stock Underlying Option as of June 16, 2020	Number of Vested Shares of Common Stock Underlying Option as of June 16, 2020
Stewart Abbot	10/15/2019	10/15/2029	$ 0.740	460,900	76,816
	8/04/2018	8/4/2028	$ 0.280	683,800	327,654
Francesco Galimi	10/15/2019	10/15/2029	$ 0.740	1,035,685	—
Carrie Krehlik	10/15/2019	10/15/2029	$ 0.740	124,600	20,766
	12/13/2017	12/13/2027	$ 0.280	150,000	93,750
Anat Nursella	12/13/2017	12/13/2027	$ 0.280	50,000	42,708
	11/01/2016	11/01/2026	$ 0.230	221,662	221,662
Donald Santel	4/03/2019	4/03/2029	$ 0.590	750,000	395,833
	12/13/2017	12/13/2027	$ 0.280	52,118	52,118
	12/13/2017	12/13/2027	$ 0.280	1,608,226	1,608,226
	12/13/2017	12/13/2027	$ 0.280	457,898	223,364
Anil Singhal	10/15/2019	10/15/2029	$ 0.740	2,814,768	762,333
	5/22/2019	5/22/2029	$ 0.590	3,128,049	847,179

Singhal Transition Agreements

Pursuant to a transition agreement between Anil Singhal and Adicet, dated April 28, 2020, as amended, Dr. Singhal will transition from his role as Chief Executive Officer and President of Adicet prior to the closing of the merger to an advisory role. In accordance with such agreement, Dr. Singhal is entitled to the following, subject to his continued service through the completion of the merger and contingent on completion of the merger and his execution of a release of claims: (1) cash payments of (i) $470,000 within 60 days following the closing of the merger, (ii) an amount equal to his pro-rated bonus for the 2020 calendar year payable within 60 days following the closing of the merger, (iii) $250,000 payable in one lump sum on January 1, 2021 and (iv) $24,000 payable within 60 days following the closing of the merger, (2) 12 months' of accelerated vesting of his unvested options to purchase Adicet common stock upon completion of the merger, and (3) a 12-month post-termination exercise period following termination of his independent contractor services agreement, dated April 28, 2020 (referred to as the "ICSA"), subject to any earlier expiration of the options to purchase Adicet common stock by their terms. In addition, Dr. Singhal is entitled to reimbursement of up to $15,000 of his reasonable and documented legal expenses incurred in connection with such transition agreement. Pursuant to such agreement, subject to Dr. Singhal's continued service through the completion of the merger and contingent on completion of the merger, Dr. Singhal's continued service for purposes of vesting of his options to purchase the Company's common stock will continue until the earlier of (i) May 7, 2021 or (ii) termination of the ICSA, provided, however, if the ICSA is terminated early without cause, Dr. Singhal is entitled to accelerated vesting of unvested options that would have vested from the date of such termination through May 7, 2021. In addition, Dr. Singhal's existing options acceleration provisions will terminate. Pursuant to the ICSA, Dr. Singhal will provide certain advisory services to Adicet for a term of 12 months following the closing of the merger and is entitled to payments of $12,500 per month for such services.

Management Following the Merger

As described elsewhere in this proxy statement/prospectus/information statement, certain of Adicet's directors and executive officers are expected to become directors and executive officers of resTORbio upon the closing of the merger. See "*Management Following the Merger*" beginning on page 350 of this proxy statement/prospectus/information statement.

Funding Agreement

Certain of Adicet's directors or entities affiliated with them may be entitled to acquire additional shares of resTORbio's common stock following the closing of the merger by purchasing shares of resTORbio common stock pursuant to the terms of the funding agreement. Additional information on the funding agreement is included in this proxy statement/prospectus/information statement under the heading "*Agreements Related to the Merger—Funding Agreement*" beginning on page 220 of this proxy statement/prospectus/information statement

Overlapping Ownership and Commercial Interests

Entities affiliated with OrbiMed Advisors, of which Carl Gordon, a director of Adicet, is a managing partner of, own a significant number of shares of both resTORbio common stock and Adicet capital stock. In addition, Erez Chimovits, a director of Adicet, is a partner at OrbiMed Israel, which also, through affiliated funds, holds a significant number of shares of Adicet capital stock. Additional information on the such ownership is included in this proxy statement/prospectus/information statement under the heading "*Principal Stockholders of Combined Company*" beginning on page 414 of this proxy statement/prospectus/information statement. Jonathan Silverstein, a managing partner of OrbiMed Advisors, was also formerly a director of Adicet from its incorporation until October 2019. Mr. Silverstein resigned as a director of Adicet prior to the commencement of discussions between Adicet and resTORbio.

Entities affiliated with Novartis own a significant number of shares of both resTORbio common stock and Adicet capital stock. Michal Silverberg, a director of Adicet, is a managing partner at Novartis Venture Fund. Additional information on the such ownership is included under the section entitled "*Principal Stockholders of Combined Company*" beginning on page 414 of this proxy statement/prospectus/information statement. In addition, resTORbio has an exclusive license agreement with an affiliate of Novartis. Additional information on the such agreement is included in this proxy statement/prospectus/information statement under the heading "*resTORbio Business—License Agreement with Novartis*" beginning on page 245 of this proxy statement/prospectus/information statement.

Limitations of Liability and Indemnification

Under the merger agreement, from the effective time of the merger through the sixth anniversary of the date on which the effective time of the merger occurs, resTORbio and Adicet, as the surviving corporation in the merger, shall indemnify and hold harmless each person who is or has served as a director or officer of Adicet or resTORbio against all claims, losses, liabilities, damages, judgments, fines and reasonable fees, costs and expenses, including attorneys' fees and disbursements, incurred in connection with any claim, action, suit, proceeding or investigation, whether civil, criminal, administrative or investigative, arising out of or pertaining to the fact that such person is or was a director or officer of Adicet or resTORbio, to the fullest extent permitted under the DGCL for directors or officers of Delaware corporations. In addition, each such director and officer, or former director and officer, is entitled to advancement of expenses incurred in the defense of any such claim, action, suit, proceeding or investigation.

Under the merger agreement, the provisions of the resTORbio certificate of incorporation and the resTORbio bylaws with respect to indemnification, advancement of expenses and exculpation of present and former directors and officers of resTORbio shall not be amended, modified or repealed for a period of six years from the effective time of the merger in a manner that would adversely affect the rights thereunder of individuals who, at or prior to the effective time of the merger, were officers or directors of resTORbio. The certificate of incorporation and bylaws of Adicet, as the surviving corporation in the merger, shall contain provisions no less favorable with respect to indemnification, advancement of expenses and exculpation of former and present directors and officers that are presently set forth in the resTORbio certificate of incorporation and the resTORbio bylaws.

The merger agreement also provides that resTORbio shall maintain directors' and officers' liability insurance policies commencing at the closing time of the merger, on commercially available terms and conditions with

terms, conditions, retentions and limits of liability that are no less favorable than the coverage provided under resTORbio's coverage limits customary for U.S. public companies similar situated to resTORbio.

In addition to the indemnification obligations required by the resTORbio certificate of incorporation and the resTORbio bylaws, resTORbio has entered into indemnification agreements with each of its directors and officers. These agreements provide for the indemnification of resTORbio directors and executive officers for all reasonable expenses and liabilities incurred in connection with any action or proceeding brought against them by reason of the fact that they are or were agents of resTORbio. resTORbio believes that the indemnification obligation provisions in the resTORbio certificate of incorporation, the resTORbio bylaws and indemnification agreements are necessary to attract and retain qualified persons as directors and officers.

In addition to the indemnification provided for in Adicet's amended and restated certificate of incorporation and bylaws, Adicet has entered into separate indemnification agreements with each of its directors and executive officers. The indemnification agreements and the combined company's amended restated certificate of incorporation and bylaws that will be in effect upon the closing of this offering require the combined company to indemnify its directors, executive officers and certain controlling persons to the fullest extent permitted by Delaware law.

Adicet Stock Options and Warrants

As of June 16, 2020, an aggregate of 13,497,092 shares of Adicet common stock were issuable upon the exercise of outstanding stock options under the Adicet 2015 plan at a weighted average exercise price of $0.54 per share and an aggregate of 1,376,596 shares of Adicet common stock were issuable upon the exercise of outstanding stock options under the Adicet 2014 plan at a weighted average exercise price of $0.17 per share. At the effective time of the merger, each Adicet option that is outstanding and unexercised immediately prior to the effective time of the merger under the Adicet 2015 plan, whether or not vested, will be converted into and become an option to purchase shares of resTORbio common stock, and resTORbio will assume the Adicet 2015 plan and each such Adicet option in accordance with the terms of the Adicet 2015 plan and the terms of the stock option agreement by which such Adicet option is evidenced. In accordance with the merger agreement, certain outstanding stock options under the Adicet 2014 plan will be converted into and become an option to purchase shares of resTORbio common stock, and resTORbio will assume the Adicet 2014 plan and each such Adicet option in accordance with the terms of the Adicet 2014 plan and the terms of the stock option agreement by which such Adicet option is evidenced.

As of June 16, 2020, an aggregate of 1,824,140 shares of Adicet's preferred stock were issuable upon the exercise of outstanding warrants at an exercise price of $1.4034 per share. At the effective time of the merger, each Adicet warrant that is outstanding and unexercised will become a warrant to purchase shares of resTORbio common stock and resTORbio will assume each Adicet warrant in accordance with its terms.

Form of the Merger

The merger agreement provides that at the effective time of the merger, the merger subsidiary will be merged with and into Adicet. Upon the consummation of the merger, Adicet will continue as the surviving corporation and will be a wholly owned subsidiary of resTORbio.

In connection with the completion of the merger, resTORbio will be renamed "Adicet Bio, Inc." and expects to trade on Nasdaq under the symbol " ".

Merger Consideration

At the effective time of the merger:

- any shares of Adicet capital stock held as treasury stock immediately prior to the effective time of the merger shall be canceled and retired and shall cease to exist with no consideration delivered in exchange therefor;

- each share of Adicet capital stock outstanding immediately prior to the effective time (excluding shares of Adicet capital stock held as treasury stock and any dissenting shares held by stockholders who have exercised and perfected appraisal rights as more fully described in the section entitled "*The Merger—Appraisal Rights*" below) shall be converted solely into the right to receive a number of shares of resTORbio common stock equal to the exchange ratio of approximately 0.8559; and
- no fractional shares of resTORbio common stock will be issuable to Adicet's stockholders pursuant to the merger; however, any fractional shares of resTORbio common stock a holder of Adicet capital stock would otherwise be entitled to receive is to be aggregated before eliminating any remaining fractional share.

This exchange ratio is an estimate only and is based upon resTORbio's and Adicet's capitalization as of June 16, 2020. The final exchange ratio will be determined pursuant to a formula described in more detail in the merger agreement and in the section titled "*The Merger Agreement—Merger Consideration and Exchange Ratio*" beginning on page 198 of this proxy statement/prospectus/information statement, and is generally calculated by dividing (a) (i) the Adicet valuation per the merger agreement of $220,000,000 divided by (ii) Adicet's outstanding shares immediately prior to the effective time on a fully diluted basis (excluding equity incentives available for grant) by (b) (i) the resTORbio valuation per the merger agreement of $73,333,333 divided by (ii) resTORbio's outstanding shares immediately prior to the effective time on a fully diluted basis (excluding equity incentives available for grant).

Immediately following the effective time of the merger, the former Adicet equityholders are expected to hold approximately 75% of the outstanding shares of resTORbio common stock on a fully-diluted basis and the current equityholders of resTORbio are expected to hold approximately 25% of the outstanding shares of resTORbio common stock on a fully-diluted basis (in each case excluding equity incentives available for grant).

The merger agreement does not include a price-based termination right, and there will be no adjustment to the total number of shares of resTORbio common stock that Adicet's stockholders will be entitled to receive for changes in the market price of resTORbio common stock. Accordingly, the market value of the shares of resTORbio common stock issued pursuant to the merger will depend on the market value of the shares of resTORbio common stock at the time the merger closes, and could vary significantly from the market value on the date of this proxy statement/prospectus/information statement.

The merger agreement provides that, at the effective time of the merger, resTORbio will deposit with an exchange agent acceptable to resTORbio and Adicet evidence of book-entry shares representing the shares of resTORbio common stock issuable to Adicet's stockholders.

The merger agreement provides that, promptly after the effective time of the merger, the parties will cause the exchange agent to mail to each record holder of Adicet capital stock immediately prior to the effective time of the merger a letter of transmittal and instructions for surrendering and exchanging Adicet stock certificates held by such record holder in exchange for book-entry shares of resTORbio common stock. Upon surrender of an Adicet stock certificate for exchange to the exchange agent, together with a duly signed letter of transmittal and such other documents as the exchange agent or resTORbio may reasonably require, the Adicet stock certificate surrendered will be cancelled and the holder of such Adicet stock certificate will be entitled to receive the book-entry shares representing the number of whole shares of resTORbio common stock that such holder has the right to receive pursuant to the provisions of the merger agreement.

From and after the effective time of the merger, until it is surrendered, each certificate that previously evidenced shares of Adicet common stock or shares of Adicet preferred stock will be deemed to represent only the right to receive book-entry shares of resTORbio common stock.

If any Adicet stock certificate has been lost, stolen or destroyed, resTORbio may, in its discretion, and as a condition precedent to the delivery of any book-entry shares of resTORbio common stock, require the owner of such lost, stolen or destroyed certificate to provide an affidavit claiming such certificate has been lost, stolen or destroyed and post a bond indemnifying resTORbio against any claim suffered by resTORbio related to the lost, stolen or destroyed certificate or any shares of resTORbio common stock issued in exchange for such certificate as resTORbio may reasonably request.

resTORbio will not pay dividends or other distributions on any shares of resTORbio common stock to be issued in exchange for shares of Adicet capital stock represented by any unsurrendered Adicet stock certificate until such Adicet stock certificate is surrendered as provided in the merger agreement.

Effective Time of the Merger

The merger agreement requires the parties to consummate the merger as promptly as practicable (and in any event within two business days) after all of the conditions to the consummation of the merger contained in the merger agreement are satisfied or waived, including the adoption of the merger agreement by Adicet's stockholders and the approval by resTORbio stockholders of the issuance of resTORbio common stock and the amendment to the resTORbio certificate of incorporation effecting the reverse stock split. The merger will become effective upon the filing of a certificate of merger with the Secretary of State of the State of Delaware or at such later time as is agreed by resTORbio and Adicet and specified in the certificate of merger. Neither resTORbio nor Adicet can predict the exact timing of the consummation of the merger.

Regulatory Approvals

resTORbio must comply with applicable federal and state securities laws and the rules and regulations of Nasdaq in connection with the issuance of shares of resTORbio common stock and the filing of the registration on Form S-4, of which this proxy statement/prospectus/information statement forms a part, with the SEC.

Material U.S. Federal Income Tax Consequences of the Merger

The following discussion is a summary of the material U.S. federal income tax consequences of the merger to U.S. Holders (as defined below) who exchange their Adicet capital stock for resTORbio common stock in the merger. This discussion does not purport to be a complete analysis of all potential tax consequences of the merger. The effects of U.S. federal tax laws other than federal income tax laws, such as estate and gift tax laws, and any applicable state, local or non-U.S. tax laws are not discussed. This discussion is based on the Code, Treasury Regulations promulgated thereunder, judicial decisions, and published rulings and administrative pronouncements of the IRS, in each case in effect as of the date hereof. These authorities may change or be subject to differing interpretations. Any such change or differing interpretation may be applied retroactively in a manner that could adversely affect a U.S. Holder. Neither resTORbio nor Adicet has sought or intends to seek any rulings from the IRS regarding the matters discussed below. There can be no assurance the IRS or a court will not take a position regarding the tax consequences of the merger contrary to that discussed below. This discussion assumes that the merger will be consummated in accordance with the Merger Agreement and as described in this proxy statement/prospectus/information statement.

For purposes of this discussion, a " U.S. Holder" is a beneficial owner of resTORbio common stock that is for U.S. federal income tax purposes (i) an individual who is a citizen or resident of the United States; (ii) a corporation or any other entity treated as a corporation for U.S. federal income tax purposes created or organized in or under the laws of the United States or any political subdivision thereof; (iii) any estate the income of which is subject to U.S. federal income taxation regardless of its source; or (iv) any trust if a court within the United States is able to exercise primary supervision over the administration of the trust and one or more U.S. persons have the authority to control all substantial decisions of the trust, or if a valid election is in place to treat the trust as a U.S. person. For purposes of this discussion, a "non U.S. holder" is a beneficial owner of resTORbio

common stock that is for U.S. federal income tax purposes (i) a foreign corporation, (ii) a nonresident alien individual, or (iii) a foreign estate or trust that in either case is not subject to U.S. federal income tax on a net income basis on income or gain from resTORbio common stock.

This discussion is limited to U.S. Holders that hold Adicet capital 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 U.S. federal income tax consequences relevant to a U.S. Holder's particular circumstances, including the impact of the alternative minimum tax, the rules related to "qualified small business stock" within the meaning of Section 1202 of the Code, the Medicare contribution tax on net investment income, any considerations relating to any requirement for certain holders to accelerate the recognition of any item of gross income as a result of such income being recognized on an "applicable financial statement," or any withholding considerations arising under the Foreign Account Tax Compliance Act of 2010 (including the U.S. Treasury regulations promulgated thereunder and intergovernmental agreements entered into pursuant thereto or in connection therewith). In addition, it does not address consequences relevant to U.S. Holders subject to special rules, including, without limitation:

- U.S. expatriates and former citizens or long-term residents of the United States;
- U.S. Holders whose functional currency is not the U.S. dollar;
- persons holding Adicet capital stock as part of a hedge, straddle or other risk reduction strategy or as part of a conversion transaction or other integrated investment;
- banks, insurance companies, and other financial institutions;
- real estate investment trusts or regulated investment companies;
- brokers, dealers or traders in securities;
- "controlled foreign corporations," "passive foreign investment companies," and corporations that accumulate earnings to avoid U.S. federal income tax;
- S corporations, partnerships or other entities or arrangements treated as partnerships for U.S. federal income tax purposes (and investors therein);
- tax-exempt organizations or governmental organizations;
- persons deemed to sell Adicet capital stock under the constructive sale provisions of the Code;
- persons who hold or received Adicet capital stock pursuant to the exercise of any employee stock option or otherwise as compensation; and
- tax-qualified retirement plans.

If an entity or arrangement treated as a partnership for U.S. federal income tax purposes holds Adicet capital stock, the tax treatment of a partner in the partnership will depend on the status of the partner, the activities of the partnership and certain determinations made at the partner level. Accordingly, partnerships holding Adicet capital stock and the partners in such partnerships should consult their tax advisors regarding the U.S. federal income tax consequences to them.

THIS DISCUSSION IS FOR INFORMATION PURPOSES ONLY AND IS NOT TAX ADVICE. HOLDERS SHOULD CONSULT THEIR TAX ADVISORS WITH RESPECT TO THE APPLICATION OF THE U.S. FEDERAL INCOME TAX LAWS TO THEIR PARTICULAR SITUATIONS AS WELL AS ANY TAX CONSEQUENCES OF THE MERGER ARISING UNDER THE U.S. FEDERAL ESTATE OR GIFT TAX LAWS OR UNDER THE LAWS OF ANY STATE, LOCAL OR NON-U.S. TAXING JURISDICTION OR UNDER ANY APPLICABLE INCOME TAX TREATY.

For purposes of this discussion, a U.S. Holder is a beneficial owner of Adicet capital stock that, for U.S. federal income tax purposes, is or is treated as:

- an individual who is a citizen or resident of the United States;
- a corporation 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 that (i) is subject to the primary supervision of a U.S. court and the control of one or more "United States persons" (within the meaning of Section 7701(a)(30) of the Code) over all of its substantial decisions or (ii) has a valid election in effect to be treated as a United States person for U.S. federal income tax purposes.

U.S. Federal Income Tax Consequences of the Merger

It is intended that the merger qualify as a "reorganization" within the meaning of Section 368(a) of the Code. Adicet's obligation to effect the merger is subject to the satisfaction or waiver, at or prior to the closing date of the merger, of the condition that Adicet receive an opinion of counsel, dated as of the closing date of the merger, to the effect that the merger will qualify as a "reorganization" within the meaning of Section 368(a) of the Code. Assuming the merger so qualifies, the U.S. federal income tax consequences of the merger to U.S. Holders generally will be as follows:

- a U.S. Holder who exchanges shares of Adicet capital stock for shares of resTORbio common stock pursuant to the merger generally will not recognize gain or loss,
- a U.S. Holder will have an aggregate tax basis in the resTORbio common stock received in the merger equal to the aggregate adjusted tax basis in the shares of Adicet capital stock surrendered in the merger, and
- a U.S. Holder will have a holding period for the shares of resTORbio common stock received in the merger that includes the holding period of the shares of Adicet capital stock surrendered in the merger.

If a U.S. Holder acquired different blocks of Adicet capital stock at different times or at different prices, the resTORbio common stock such holder receives will be allocated *pro rata* to each block of Adicet capital stock exchanged for such resTORbio common stock, and the basis and holding period of each block of resTORbio common stock received will be determined on a block-for-block basis depending on the basis and holding period of the blocks of Adicet capital stock exchanged for such resTORbio common stock.

Nasdaq Stock Market Listing

resTORbio common stock is currently listed on Nasdaq under the symbol "TORC". Pursuant to the merger agreement, resTORbio has agreed to use its commercially reasonable best efforts to: (a) maintain its existing listing on Nasdaq until the effective time of the merger and to obtain approval of the listing of the combined company on Nasdaq; (b) to the extent required by the rules and regulations of Nasdaq, prepare and submit to Nasdaq a notification form for the listing of the shares of resTORbio common stock to be issued in connection with merger, and to cause such shares to be approved for listing (subject to official notice of issuance); (c) prepare and timely submit to Nasdaq a notification form for the reverse stock split and to submit a copy of the amendment to the resTORbio certificate of incorporation effecting the reverse stock split, certified by the Secretary of State of the State of Delaware, to Nasdaq on the closing date of the merger and (d) to the extent required by Nasdaq Marketplace Rule 5110, assist Adicet in preparing and filing an initial listing application for the combined company's common stock on Nasdaq (the "Nasdaq Listing Application") and to cause such Nasdaq Listing Application to be conditionally approved prior to effective time of the merger. If such application is accepted, resTORbio anticipates that combined company's common stock will continue to be listed on Nasdaq following the closing of the merger under the trading symbol " ."

Anticipated Accounting Treatment

The merger will be treated by resTORbio as a reverse merger under the acquisition method of accounting in accordance with U.S. generally accepted accounting principles (referred to as "U.S. GAAP"). For accounting purposes, Adicet is considered to be acquiring resTORbio in this transaction. The transaction will be accounted for as a business combination under the acquisition method of accounting under existing U.S. GAAP, which is subject to change and interpretation. Under the acquisition method of accounting, management of resTORbio and Adicet have made a preliminary estimated purchase price calculated as described in Note 3 to the Notes to the Unaudited Pro Forma Condensed Combined Financial Information beginning on page 382 of this proxy statement/ prospectus/information statement. The net tangible and intangible assets acquired and liabilities assumed in connection with the transaction are at their estimated acquisition date fair values. The acquisition method of accounting is dependent upon certain valuations and other studies that have yet to commence or progress to a stage where there is sufficient information for a definitive measurement. A final determination of these estimated fair values, which cannot be made prior to the completion of the transaction, will be based on the actual net tangible and intangible assets of resTORbio that exist as of the date of completion of the transaction. The financial statements of Adicet issued after the completion of the merger will reflect these values, but will not be restated retroactively to reflect the historical financial position or results of operations of resTORbio.

Appraisal Rights

Delaware Law

If the merger is completed, Adicet's stockholders who do not deliver a written consent approving the merger will be entitled to appraisal rights under Section 262 of the DGCL (referred to as "Section 262"), *provided* that they comply with the conditions established by Section 262. Holders of resTORbio common stock are not entitled to appraisal rights under Delaware law in connection with the merger.

The discussion below is not a complete summary regarding the appraisal rights of Adicet's stockholders under Delaware law and is qualified in its entirety by reference to the text of the relevant provisions of Delaware law, which are attached to this proxy statement/prospectus/information statement as *Annex C* and incorporated herein by reference. Stockholders intending to exercise appraisal rights should carefully review *Annex C*. Failure to follow precisely any of the statutory procedures set forth in *Annex C* may result in a termination or waiver of these rights. This summary does not constitute legal or other advice, nor does it constitute a recommendation that Adicet's stockholders exercise or not exercise their appraisal rights under Delaware law.

Under Section 262, when a merger is adopted by stockholders by written consent in lieu of a meeting of stockholders pursuant to Section 228 of the DGCL, either the constituent corporation, before the effective date of the merger, or the surviving corporation, within 10 days after the effective date of the merger, must notify each stockholder of the constituent corporation entitled to appraisal rights of the approval of the merger, the effective date of the merger and that appraisal rights are available.

If the merger is completed, within 10 days after the effective date of the merger Adicet will notify its stockholders that the merger has been approved, the effective date of the merger and that appraisal rights are available to any stockholder who has not approved the merger. Holders of shares of Adicet capital stock who desire to exercise their appraisal rights must deliver a written demand for appraisal to Adicet within 20 days after the date of mailing of that notice, and the stockholder must not have delivered a written consent approving the merger. A demand for appraisal must reasonably inform Adicet of the identity of the stockholder and that such stockholder intends thereby to demand appraisal of the shares of Adicet capital stock held by such stockholder. Failure to deliver a written consent approving the merger will not in and of itself constitute a written demand for appraisal satisfying the requirements of Section 262. All demands for appraisal should be addressed to Adicet Bio, Inc., 200 Constitution Drive, Menlo Park, CA 94025, Attention: Anil Singhal, and should be executed by, or on behalf of, the record holder of shares of Adicet capital stock. ALL DEMANDS MUST BE RECEIVED BY ADICET WITHIN TWENTY (20) DAYS AFTER THE DATE ADICET MAILS A NOTICE TO ITS STOCKHOLDERS NOTIFYING THEM THAT THE MERGER HAS BEEN APPROVED, THE EFFECTIVE DATE OF THE MERGER AND THAT APPRAISAL RIGHTS ARE AVAILABLE TO ANY STOCKHOLDER WHO HAS NOT APPROVED THE MERGER.

If a holder of shares of Adicet capital stock fails to deliver a written demand for appraisal within the time period specified above, such holder will be entitled to receive the merger consideration for such holder's shares of Adicet capital stock as provided for in the merger agreement, but will have no appraisal rights with respect to shares of Adicet capital stock held by such holder of Adicet capital stock.

To be effective, a demand for appraisal by a holder of shares of Adicet capital stock must be made by, or in the name of, the registered stockholder, fully and correctly, as the stockholder's name appears on the stockholder's stock certificate(s). Beneficial owners who do not also hold the shares of record may not directly make appraisal demands to Adicet. The beneficial owner must, in these cases, have the registered owner, such as a broker, bank or other custodian, submit the required demand in respect of those shares. If shares are owned of record in a fiduciary capacity, such as by a trustee, guardian or custodian, execution of a demand for appraisal should be made by or for the fiduciary; and if the shares are owned of record by more than one person, as in a joint tenancy or tenancy in common, the demand should be executed by or for all joint owners. An authorized agent, including an authorized agent for two or more joint owners, may execute the demand for appraisal for a stockholder of record; however, the agent must identify the record owner or owners and expressly disclose the fact that, in executing the demand, he or she is acting as agent for the record owner. A record owner, such as a broker, who holds shares as a custodian for others, may exercise the record owner's right of appraisal with respect to the shares held for one or more beneficial owners, while not exercising this right for other beneficial owners. In that case, the written demand should state the number of shares as to which appraisal is sought. Where no number of shares is expressly mentioned, the demand will be presumed to cover all shares held in the name of the record owner. In addition, the stockholder must continuously hold the shares of record from the date of making the demand through the effective time of the merger.

If a holder of shares of Adicet capital stock holds shares of Adicet capital stock in a brokerage account or in other custodian form and such holder wishes to exercise appraisal rights, such holder should consult with such holder's bank, broker or other custodian to determine the appropriate procedures for the making of a demand for appraisal by the custodian.

At any time within 60 days after the effective time of the merger, any stockholder who has demanded an appraisal, but has neither commenced an appraisal proceeding or joined an appraisal proceeding as a named party, has the right to withdraw such stockholder's demand and accept the terms of the merger by delivering a written withdrawal to Adicet. If, following a demand for appraisal, a holder of shares of Adicet capital stock who has demanded an appraisal has withdrawn such holder's demand for appraisal in accordance with Section 262, such holders will have the right to receive the merger consideration for such holder's shares of Adicet capital stock as provided in the merger agreement.

Within 120 days after the effective time of the merger, any stockholder who has delivered a demand for appraisal in accordance with Section 262 will, upon written request to the surviving corporation, be entitled to receive a written statement setting forth the aggregate number of shares not voted in favor of the merger agreement and with respect to which demands for appraisal rights have been received and the aggregate number of holders of such shares. This written statement will be mailed to the requesting stockholder within ten days after the stockholder's written request is received by the surviving corporation or within ten days after expiration of the period for delivery of demands for appraisal, whichever is later. Within 120 days after the effective time of the merger, either the surviving corporation or any stockholder who has delivered a demand for appraisal in accordance with Section 262 may file a petition in the Delaware Court of Chancery demanding a determination of the fair value of the shares held by all such stockholders. Upon the filing of the petition by a stockholder, service of a copy of the petition must be made upon the surviving corporation. The surviving corporation has no obligation to file a petition in the Delaware Court of Chancery in the event there are dissenting stockholders, and Adicet, which is expected to be the surviving corporation, has no present intent to file a petition in the Delaware Court of Chancery. Accordingly, the failure of a stockholder to file a petition within the period specified could nullify the stockholder's previously written demand for appraisal.

If a petition for appraisal is duly filed by a stockholder and a copy of the petition is delivered to the surviving corporation, the surviving corporation will then be obligated, within 20 days after receiving service of a copy of the petition, to provide the Delaware Court of Chancery with a duly verified list containing the names and addresses of all stockholders who have demanded an appraisal of their shares and with whom agreements as to the value of their shares have not been reached by the surviving corporation. After notice to dissenting stockholders who demanded appraisal of their shares, the Delaware Court of Chancery is empowered to conduct a hearing upon the petition, and to determine those stockholders who have complied with Section 262 and who have become entitled to the appraisal rights provided thereby. The Delaware Court of Chancery may require the stockholders who have demanded appraisal for their shares to submit their stock certificates to the Register in Chancery for notation thereon of the pendency of the appraisal proceedings; and if any stockholder fails to comply with that direction, the Delaware Court of Chancery may dismiss the proceedings as to that stockholder. If immediately before the merger the shares of the class or series of stock as to which appraisal rights are available were listed on a national securities exchange, the Delaware Court of Chancery will dismiss the proceedings as to all holders of such shares who are otherwise entitled to appraisal rights unless (1) the total number of shares entitled to appraisal exceeds 1% of the outstanding shares of the class or series eligible for appraisal, (2) the value of the consideration provided in the merger for such total number of shares exceeds $1.0 million or (3) the merger was approved pursuant to Sections 253 or 267 of the DGCL.

After determination of the stockholders entitled to appraisal of their shares, the Delaware Court of Chancery will appraise the "fair value" of the shares owned by those stockholders. This value will be exclusive of any element of value arising from the accomplishment or expectation of the merger, but may include a fair rate of interest, if any, upon the amount determined to be the fair value. At any time before the entry of judgment in the proceedings, the surviving corporation may pay to each shareowner entitled to appraisal an amount in cash, in which case interest shall accrue thereafter only upon the sum of (1) the difference, if any, between the amount paid and the fair value of the shares as determined by the Delaware Court of Chancery, and (2) interest theretofore accrued, unless paid at that time. When the value is determined, the Delaware Court of Chancery will direct the payment of the value, with interest thereon accrued during the pendency of the proceeding, if the Delaware Court of Chancery so determines, to the stockholders entitled to receive the same, upon surrender by the holders of the certificates representing those shares.

In determining fair value, and, if applicable, a fair rate of interest, the Delaware Court of Chancery is required to take into account all relevant factors. In *Weinberger v. UOP, Inc.*, the Delaware Supreme Court discussed the factors that could be considered in determining fair value in an appraisal proceeding, stating that "proof of value by any techniques or methods which are generally considered acceptable in the financial community and otherwise admissible in court" should be considered, and that "fair price obviously requires consideration of all relevant factors involving the value of a company."

Section 262 provides that fair value is to be "exclusive of any element of value arising from the accomplishment or expectation of the merger." In *Cede & Co. v. Technicolor, Inc.*, the Delaware Supreme Court stated that this exclusion is a "narrow exclusion that does not encompass known elements of value," but which rather applies only to the speculative elements of value arising from such accomplishment or expectation. In *Weinberger*, the Delaware Supreme Court construed Section 262 to mean that "elements of future value, including the nature of the enterprise, which are known or susceptible of proof as of the date of the merger and not the product of speculation, may be considered."

Holders of shares of Adicet capital stock should be aware that the fair value of such holder's shares as determined under Section 262 could be more than, the same as, or less than the value that such holder is entitled to receive under the terms of the merger agreement.

Costs of the appraisal proceeding may be imposed upon the surviving corporation and the stockholders participating in the appraisal proceeding by the Delaware Court of Chancery as the Court deems equitable in the circumstances. Upon the application of a stockholder, the Delaware Court of Chancery may order all or a portion

of the expenses incurred by any stockholder in connection with the appraisal proceeding, including, without limitation, reasonable attorneys' fees and the fees and expenses of experts, to be charged pro rata against the value of all shares entitled to appraisal. In the absence of such a determination of assessment, each party bears its own expenses. Any stockholder who had demanded appraisal rights will not, after the effective time of the merger, be entitled to vote shares subject to that demand for any purpose or to receive payments of dividends or any other distribution with respect to those shares, other than with respect to payment as of a record date prior to the effective time of the merger; however, if no petition for appraisal is filed within 120 days after the effective time of the merger, or if the stockholder delivers a written withdrawal of such stockholder's demand for appraisal and an acceptance of the terms of the merger within 60 days after the effective time of the merger, then the right of that stockholder to appraisal will cease and that stockholder will be entitled to receive the merger consideration for shares of such stockholder's Adicet capital stock pursuant to the merger agreement. Any withdrawal of a demand for appraisal made more than 60 days after the effective time of the merger may only be made with the written approval of the surviving corporation. No appraisal proceeding in the Delaware Court of Chancery will be dismissed as to any stockholder without the approval of the court.

Failure to follow the steps required by Section 262 for perfecting appraisal rights may result in the loss of appraisal rights. In view of the complexity of Section 262, stockholders who may wish to dissent from the merger and pursue appraisal rights should consult their legal advisors.

THE MERGER AGREEMENT

The following is a summary of the material terms of the merger agreement. A copy of the merger agreement is attached as Annex A to this proxy statement/prospectus/information statement and is incorporated herein by reference. The merger agreement has been attached to this proxy statement/prospectus/information statement to provide you with information regarding its terms. The summary of the material terms of the merger agreement below and elsewhere in this proxy statement/prospectus/information statement is qualified in its entirety by reference to the merger agreement. This summary may not contain all of the information about the merger agreement that is important to you. resTORbio and Adicet urge you to read carefully the merger agreement in its entirety as it is the legal document governing the merger.

Form of the Merger

The merger agreement provides that at the effective time of the merger, the merger subsidiary will be merged with and into Adicet. Upon the consummation of the merger, Adicet will continue as the surviving corporation and will be a wholly owned subsidiary of resTORbio.

After completion of the merger, resTORbio will be renamed "Adicet Bio, Inc." and expects to trade on Nasdaq under the symbol " ".

Effective Time of the Merger

The merger agreement requires the parties to consummate the merger as promptly as practicable (and in any event within two business days) after all of the conditions to the consummation of the merger contained in the merger agreement are satisfied or waived, including the adoption of the merger agreement by Adicet's stockholders and the approval by resTORbio stockholders of the issuance of resTORbio common stock and the amendment to the resTORbio certificate of incorporation effecting the reverse stock split. The merger will become effective upon the filing of a certificate of merger with the Secretary of State of the State of Delaware or at such later time as is agreed by resTORbio and Adicet and specified in the certificate of merger. resTORbio and Adicet anticipate that the merger will occur sometime in the second half of 2020 but neither resTORbio nor Adicet can predict the exact timing of the consummation of the merger.

Merger Consideration and Exchange Ratio

At the effective time of the merger:

- any shares of Adicet capital stock held as treasury stock immediately prior to the effective time of the merger shall be canceled and retired and shall cease to exist with no consideration delivered in exchange therefor;
- each share of Adicet capital stock outstanding immediately prior to the effective time (excluding shares of Adicet capital stock held as treasury stock and any dissenting shares held by stockholders who have exercised and perfected appraisal rights as more fully described in the section entitled "*The Merger—Appraisal Rights*" below) shall be converted solely into the right to receive a number of shares of resTORbio common stock equal to the exchange ratio of approximately 0.8559 and
- no fractional shares of resTORbio common stock will be issuable to Adicet's stockholders pursuant to the merger; however, any fractional shares of resTORbio common stock a holder of Adicet capital stock would otherwise be entitled to receive is to be aggregated before eliminating any remaining fractional share.

The "**exchange ratio**" means the following ratio (rounded to four decimal places): the quotient obtained by dividing (a) (i) the Adicet Valuation divided by (ii) the Adicet Outstanding Shares by (b) (i) the resTORbio Valuation divided by (ii) the resTORbio Outstanding Shares. For the purposes of calculating the exchange ratio:

- "**Adicet Outstanding Shares**" means, subject to the terms of the merger agreement, the total number of shares of Adicet capital stock outstanding immediately prior to the effective time of the merger expressed on a fully-diluted and as-converted to Adicet common stock basis assuming, without limitation or duplication, (i) the exercise in full of all Adicet options and Adicet warrants outstanding as of immediately prior to the effective time of the merger that are not cancelled at the effective time of the merger pursuant to the merger agreement (and excluding any unvested Adicet options that are forfeited at the effective time of the merger), (ii) the conversion of all shares of Adicet preferred stock into Adicet common stock, and (iii) the issuance of shares of Adicet capital stock in respect of all other outstanding options, warrants, restricted stock units, restricted stock awards or rights to receive such shares, whether conditional or unconditional and including any outstanding options or rights triggered by or associated with the consummation of the merger (but excluding any shares of Adicet capital stock (1) reserved for issuance other than with respect to outstanding Adicet options under Adicet plans as of immediately prior to the effective time of the merger or (2) which may be issued under the funding agreement).
- "**Adicet Valuation**" means $220,000,000.
- "**resTORbio Outstanding Shares**" means, subject to the terms of the merger agreement (including, without limitation, the effects of the reverse stock split), the total number of shares of resTORbio common stock outstanding immediately prior to the effective time of the merger expressed on a fully-diluted basis, but assuming, without limitation or duplication, (i) the exercise in full of all resTORbio options outstanding as of immediately prior to the effective time of the merger that are not cancelled at the effective time of the merger pursuant to the merger agreement, (ii) with respect to resTORbio restricted stock units, the settlement of such resTORbio restricted stock units for shares of resTORbio common stock on a net settlement basis as provided in the merger agreement, and (iii) the issuance of shares of resTORbio common stock in respect of all other outstanding options, warrants, restricted stock units, restricted stock awards or rights to receive such shares, whether conditional or unconditional and including any outstanding options or rights triggered by or associated with the consummation of the merger (but excluding any shares of resTORbio common stock (1) reserved for issuance other than with respect to outstanding resTORbio options under the resTORbio Stock Plans as of immediately prior to the effective time of the merger or (2) which may be issued under the funding agreement).
- "**resTORbio Valuation**" means $73,333,333.33.

The exchange ratio is calculated using a formula intended to allocate to Adicet's stockholders (on a fully-diluted basis), a percentage of the combined company. Based on Adicet's and resTORbio's capitalization as of June 16, 2020, the exchange ratio is currently estimated to be approximately 0.8559 shares of resTORbio common stock for each share of Adicet capital stock, subject to adjustment to account for the effect of the reverse stock split. This exchange ratio is an estimate only and the final exchange ratio will be based on the number of resTORbio Outstanding Shares and Adicet Outstanding Shares immediately prior to the effective time of the merger.

Immediately following the effective time of the merger, the former equityholders of Adicet are expected to hold approximately 75% of the outstanding shares of resTORbio common stock on a fully-diluted basis and the current equityholders of resTORbio's are expected to hold approximately 25% of the outstanding shares of resTORbio common stock on a fully-diluted basis (in each case excluding equity incentives available for grant).

The merger agreement does not include a price-based termination right, and there will be no adjustment to the total number of shares of resTORbio common stock that Adicet's stockholders will be entitled to receive for

changes in the market price of resTORbio common stock after the date the merger agreement was signed. Accordingly, the market value of the shares of resTORbio common stock issued pursuant to the merger will depend on the market value of the shares of resTORbio common stock at the time the merger closes, and could vary significantly from the market value on the date of this proxy statement.

The merger agreement provides that, at the effective time of the merger, resTORbio will deposit with an exchange agent acceptable to resTORbio and Adicet evidence of book-entry shares representing the shares of resTORbio common stock issuable to Adicet's stockholders.

The merger agreement provides that, promptly after the effective time of the merger, the exchange agent will mail to each record holder of Adicet capital stock immediately prior to the effective time of the merger a letter of transmittal and instructions for surrendering and exchanging Adicet stock certificates held by such record holder in exchange for book-entry shares of resTORbio common stock. Upon surrender of a Adicet stock certificate for exchange to the exchange agent, together with a duly executed letter of transmittal and such other documents as the exchange agent or resTORbio may reasonably require, the Adicet stock certificate surrendered will be cancelled and the holder of such Adicet stock certificate will be entitled to receive book-entry shares representing the number of whole shares of resTORbio common stock that such holder has the right to receive pursuant to the provisions of the merger agreement.

From and after the effective time of the merger, until it is surrendered, each certificate that previously evidenced shares of Adicet capital stock will be deemed to represent only the right to receive book-entry shares of resTORbio common stock.

If any Adicet stock certificate has been lost, stolen or destroyed, resTORbio may, in its discretion, and as a condition precedent to the delivery of any book-entry shares of resTORbio common stock, require the owner of such lost, stolen or destroyed certificate to provide an affidavit claiming such certificate has been lost, stolen or destroyed and post a bond indemnifying resTORbio against any claim suffered by resTORbio related to the lost, stolen or destroyed certificate or any shares of resTORbio common stock issued in exchange for such certificate as resTORbio may reasonably request.

resTORbio will not pay dividends or other distributions on any shares of resTORbio common stock to be issued in exchange for shares of Adicet capital stock represented by any unsurrendered Adicet stock certificate until such Adicet stock certificate is surrendered as provided in the merger agreement.

Equity Awards

Prior to the closing of the merger, the resTORbio Board will adopt appropriate resolutions and take all other actions necessary and appropriate, including using commercially reasonable efforts to obtain any necessary consent from the holder of a resTORbio option, to provide the following:

- the vesting of each unexpired, unexercised and unvested resTORbio option shall be accelerated in full effective as of immediately prior to the effective time of the merger (the number of shares of common stock underlying such options and the exercise price for such options will be adjusted to account for the reverse stock split);
- each unexpired and unexercised resTORbio option with an exercise price that equals or exceeds the volume weighted average Nasdaq Stock Market share price of resTORbio common stock for a five trading day period, starting with the opening of trading on the first trading day of such period to the closing of the second to last trading day prior to the effective time of the merger, as reported by Nasdaq (or, in the event Nasdaq does not report such information, such third-party service as is mutually agreed upon by the parties) (referred to as the "in-the-money price") shall be cancelled for no consideration; and

- each unexpired and unexercised resTORbio option with an exercise price that is less than the in-the-money price shall remain outstanding after the close of the merger in accordance with its terms.

Prior to the completion of the merger, the resTORbio Board will adopt appropriate resolutions and take all other actions necessary and appropriate to provide that (i) the vesting of each outstanding unvested resTORbio RSU shall be accelerated in full effective as of immediately prior to the effective time of the merger and (ii) for each outstanding and unsettled resTORbio RSU (including any resTORbio RSUs that are accelerated as stated in (i) above), each holder thereof shall receive, immediately prior to the effective time of the merger, a number of shares of resTORbio common stock equal to the number of vested and unsettled restricted stock units underlying such resTORbio RSU, less the number of resTORbio shares withheld for purposes of tax withholding obligations. The number of shares of common stock underlying such resTORbio RSUs will be adjusted to account for the reverse stock split. The resTORbio Stock Plans shall remain in effect and each unexpired and unexercised resTORbio option shall continue to remain outstanding after the effective time of the merger.

Pursuant to the merger agreement, at the effective time of the merger, (i) each Adicet option that is outstanding and unexercised immediately prior to the effective time of the merger issued under the Adicet 2015 plan and (ii) certain Adicet options that are outstanding and unexercised immediately prior to the effective time of the merger issued under the Adicet 2014 plan, in each case whether or not vested, without any action on the part of the holder thereof, will be converted into and become a resTORbio option, and resTORbio shall assume the Adicet plans and each such Adicet option in accordance with the terms (as in effect as of the date of the merger agreement) of the Adicet plans and the terms of the stock option agreement by which such Adicet option is evidence. All rights with respect to Adicet common stock under Adicet options assumed by resTORbio shall thereupon be converted into rights with respect to resTORbio common stock. Accordingly, from and after the effective time of the merger, (i) each Adicet option assumed by resTORbio may be exercised solely for shares of resTORbio common stock; (ii) the number of shares of resTORbio common stock subject to each Adicet option assumed by resTORbio shall be determined by multiplying (A) the number of shares of Adicet common stock that were subject to such Adicet option, as in effect immediately prior to the effective time of the merger, by (B) the exchange ratio, and rounding the resulting number down to the nearest whole number of shares of resTORbio common stock; and (iii) the per share exercise price for the resTORbio common stock issuable upon exercise of each Adicet option assumed by resTORbio shall be determined by dividing (A) the per share exercise price of Adicet common stock subject to such Adicet option, as in effect immediately prior to the effective time of the merger, by (B) the exchange ratio and rounding the resulting exercise price up to the nearest whole cent. Any restriction on the exercise of any Adicet option assumed by resTORbio shall continue in full force and effect and the term, exercisability, vesting schedule and other provisions of such Adicet option shall otherwise remain unchanged.

At the effective time of the merger, all rights with respect to Adicet common stock under Adicet warrants shall be converted into rights with respect to resTORbio common stock and thereupon assumed by resTORbio. Accordingly, from and after the effective time of the merger: (i) each Adicet warrant assumed by resTORbio may be exercised solely for shares of resTORbio common stock; (ii) the number of shares of resTORbio common stock subject to each Adicet warrant assumed by resTORbio shall be determined by multiplying (x) the number of shares of Adicet common stock that were subject to such Adicet warrant (on an as-converted basis with respect to shares of Adicet preferred stock), as in effect immediately prior to the effective time of the merger, by (y) the exchange ratio, and rounding the resulting number down to the nearest whole number of shares of resTORbio common stock; (iii) the per share exercise price for the resTORbio common stock issuable upon exercise of each Adicet warrant assumed by resTORbio shall be determined by dividing (x) the exercise price per share of Adicet common stock subject to such Adicet warrant (or, in the case of Adicet warrants exercisable for shares of Adicet preferred stock, the exercise price per share of such series of Adicet preferred stock divided by the number of shares of Adicet common stock into which such share of Adicet preferred stock is then convertible), as in effect immediately prior to the effective time of the merger, by (y) the exchange ratio, and rounding the resulting exercise price up to the nearest whole cent; and (iv) any restriction on the exercise of any Adicet warrant assumed by resTORbio shall continue in full force and effect and the term, exercisability, vesting schedule and other provisions of such Adicet warrant shall otherwise remain unchanged.

Employees

From and after effective time of the merger, resTORbio shall assume and honor all Adicet employee plans. For all purposes under resTORbio employee plans providing benefits to any employee who continues to be employed by either of resTORbio or Adicet immediately following the completion of the merger (each referred to as a "Continuing Employee"), and subject to applicable law, each such Continuing Employee shall be credited with his or her years of service with Adicet before effective time of the merger, to the same extent as such Continuing Employee was entitled, before effective time of the merger, to credit for such service under any similar Adicet employee plans, as applicable, except (i) to the extent such credit would result in a duplication of benefits, (ii) with respect to benefit accrual under a defined benefit pension plan or retiree welfare benefit plan or (iii) with respect to any employee plan for which prior service is not taken into account for current employees of resTORbio. In addition, and without limiting the generality of the foregoing, and subject to any applicable law: (i) each Continuing Employee shall be immediately eligible to participate, without any waiting time, in any and all resTORbio employee plans, as applicable, which are welfare benefit plans to the extent coverage under such resTORbio employee plan replaces coverage under a comparable Company employee plan in which such Continuing Employee participated immediately before effective time of the merger; and (ii) for purposes of each resTORbio employee plan providing medical, dental, pharmaceutical and/or vision benefits to any Continuing Employee, resTORbio shall use commercially reasonable efforts to cause all pre-existing condition exclusions and actively-at-work requirements of such employee plan to be waived for such Continuing Employee and his or her covered dependents, and resTORbio shall use its commercially reasonable efforts to cause any eligible expenses incurred by such Continuing Employee and his or her covered dependents during the portion of the plan year of Adicet employee plan ending on the date such Continuing Employee's participation in the corresponding resTORbio employee plan begins to be taken into account for purposes of satisfying all deductible, coinsurance and maximum out-of-pocket requirements applicable to such Continuing Employee and his or her covered dependents for the applicable plan year as if such amounts had been paid in accordance with such resTORbio employee plan.

Regulatory Approvals

Neither resTORbio nor Adicet is required to make any filings or to obtain approvals or clearances from any antitrust regulatory authorities in the United States or other countries to consummate the merger. In the United States, resTORbio and Adicet must comply with applicable federal and state securities laws and the Nasdaq rules in connection with the issuance of shares of resTORbio common stock in the merger, including the filing with the SEC of this proxy statement/prospectus/information statement and the required stockholder approval for the resulting "change of control" of resTORbio under the Nasdaq rules.

Nasdaq Listing

resTORbio common stock is currently listed on Nasdaq under the symbol "TORC". Pursuant to the merger agreement, resTORbio has agreed to use its commercially reasonable efforts to: (a) maintain its existing listing on Nasdaq until the effective time of the merger and to obtain approval of the listing of the combined company on Nasdaq; (b) to the extent required by the rules and regulations of Nasdaq, prepare and submit to Nasdaq a notification form for the listing of the shares of resTORbio common stock to be issued in connection with the merger, and to cause such shares to be approved for listing (subject to official notice of issuance); (c) prepare and timely submit to Nasdaq a notification form for the reverse stock split and to submit a copy of the amendment to the resTORbio certificate of incorporation effecting the reverse stock split, certified by the Secretary of State of the State of Delaware, to Nasdaq on the closing date of the merger and (d) to the extent required by Nasdaq Marketplace Rule 5110, assist Adicet in preparing and filing the Nasdaq Listing Application and to cause such Nasdaq Listing Application to be conditionally approved prior to the effective time of the merger. If such application is accepted, resTORbio anticipates that combined company's common stock will continue to be listed on Nasdaq following the closing of the merger under the trading symbol " ."

Amendment to the resTORbio Certificate of Incorporation; Certificate of Incorporation of the Surviving Corporation

Stockholders of record of resTORbio common stock on the record date for the special meeting will be asked to approve an amendment to the resTORbio certificate of incorporation to effect the reverse stock split upon consummation of the merger, which requires the affirmative vote of holders of shares representing a majority of all shares of resTORbio common stock outstanding on the record date for the special meeting.

Conditions to the Completion of the Merger

Each party's obligation to complete the merger is subject to the satisfaction or waiver by each of the parties, at or prior to the merger, of various conditions, which include the following:

- the registration statement on Form S-4, of which this proxy statement/prospectus/information statement is a part, shall have become effective in accordance with the provisions of the Securities Act and shall not be subject to any stop order or proceeding (or threatened proceeding by the SEC), seeking a stop order that has not been withdrawn;
- any applicable material state securities laws shall have been complied with and no stop order shall have been issued or threatened with respect to the resTORbio common stock to be issued to Adicet's stockholders by any applicable state securities commissioner or court of competent jurisdiction;
- there must not have been issued, and remain in effect, any temporary restraining order, preliminary or permanent injunction or other order preventing the consummation of the merger or any of the other contemplated transactions by any court of competent jurisdiction or other governmental entity of competent jurisdiction, and no law, statute, rule, regulation, ruling or decree shall be in effect which has the effect of making the consummation of the merger or any of the other contemplated transactions illegal;
- the holders of a majority of (a) the outstanding shares of Adicet capital stock (on an as-converted to Adicet common stock basis), (b) the outstanding shares of Adicet preferred stock, voting together as one class (on an as-converted to Adicet common stock basis) and (c) the outstanding shares of Adicet Series B preferred stock, voting together as one class, in each case, outstanding on the record date for the Adicet written consent and entitled to vote thereon must have adopted and approved the merger agreement and the contemplated transactions;
- the holders of a majority of the votes properly cast at the special meeting must have approved the issuance of resTORbio common stock in the merger, and the holders of a majority of the outstanding shares of resTORbio common stock must have approved the reverse stock split; and
- the approval of the additional shares of resTORbio common stock shall have been obtained, and the shares of resTORbio common stock to be issued in the merger shall have been approved for listing on Nasdaq (subject to official notice of issuance).

In addition, each party's obligation to complete the merger is subject to the satisfaction or waiver by that party of the following additional conditions:

- the representations and warranties regarding certain matters, including matters related to organization, capitalization, authority, vote required and financial advisors of the other party in the merger agreement must be true and correct in all material respects on the date of the merger agreement and on the closing date of the merger with the same force and effect as if made on the date on which the merger is to be completed or, if such representations and warranties address matters as of a particular date, then as of that particular date;
- the remaining representations and warranties of the other party in the merger agreement must be true and correct on the date of the merger agreement and on the closing date of the merger with the same

force and effect as if made on the date on which the merger is to be completed or, if such representations and warranties address matters as of a particular date, then as of that particular date, except in each case, or in the aggregate, where the failure to be so true and correct would not reasonably be expected to have an Adicet Material Adverse Effect or a resTORbio Material Adverse Effect (each as defined below), as applicable (without giving effect to any references therein to any Adicet Material Adverse Effect or resTORbio Material Adverse Effect, as applicable, or other materiality qualifications);

- the other party to the merger agreement must have performed or complied with, in all material respects, all of such party's agreements and covenants required to be performed or complied with by it under the merger agreement at or prior to the effective time of the merger;
- the other party must have delivered certain certificates and other documents required under the merger agreement for the closing of the merger; and
- the lock-up agreements of the other party's stockholders must remain in full force and effect as of immediately following the effective time of the merger.

In addition, the obligation of resTORbio and the merger subsidiary to complete the merger is further subject to the satisfaction or waiver of the following conditions:

- the funding transaction shall have been consummated on the terms and conditions set forth in the funding agreement; and
- since the date of the merger agreement, there shall have been no effect, change, event, circumstance or development that (considered together with all other effects, changes, events, circumstances, or developments that have occurred prior to the applicable date of determination) has or would reasonably be expected to have a material adverse effect on the business, financial condition, assets, liabilities or results of operations of Adicet or its subsidiaries, taken as a whole (referred to as an "Adicet Material Adverse Effect"); provided that effects, changes, events, circumstances or developments resulting from the following shall not be taken into account for purposes of determining whether an Adicet Material Adverse Effect shall have occurred:
  - (i) the announcement or pendency of the merger agreement or the contemplated transactions;
  - (ii) the taking of any action, or the failure to take any action, by any party that is required to comply with the terms of the merger agreement;
  - (iii) any natural disaster or epidemics, pandemics or other force majeure events, or any act or threat of terrorism or war, any armed hostilities or terrorist activities (including any escalation or general worsening of any of the foregoing) anywhere in the world, or any governmental or other response or reaction to any of the foregoing;
  - (iv) any change in generally accepted accounting principles or any change in applicable laws, rules or regulations or the interpretation thereof;
  - (v) general economic or political conditions or conditions generally affecting the industries in which either party and its subsidiaries operate; or
  - (vi) any change in the cash position of Adicet or its subsidiaries which results from operations in the ordinary course of business.

  except in each case with respect to clauses (iii), (iv) and (v), to the extent disproportionately affecting Adicet and its subsidiaries, taken as a whole, relative to the industries in which Adicet and its subsidiaries operate.

In addition, the obligation of Adicet to complete the merger is further subject to the satisfaction or waiver of the following conditions:

- since the date of the merger agreement, there shall have been no effect, change, event, circumstance or development that (considered together with all other effects, changes, events, circumstances, or developments that have occurred prior to the applicable date of determination) has or would reasonably be expected to have a material adverse effect on the business, financial condition, assets, liabilities or results of operations of resTORbio or its subsidiaries, taken as a whole (referred to as a "resTORbio Material Adverse Effect"); provided that effects, changes, events, circumstances or developments resulting from the following shall not be taken into account for purposes of determining whether a resTORbio Material Adverse Effect shall have occurred:
  - (i) the announcement or pendency of the merger agreement or the contemplated transactions;
  - (ii) the taking of any action, or the failure to take any action, by any party that is required to comply with the terms of the merger agreement;
  - (iii) any natural disaster or epidemics, pandemics or other force majeure events, or any act or threat of terrorism or war, any armed hostilities or terrorist activities (including any escalation or general worsening of any of the foregoing) anywhere in the world, or any governmental or other response or reaction to any of the foregoing;
  - (iv) any change in generally accepted accounting principles or any change in applicable laws, rules or regulations or the interpretation thereof;
  - (v) general economic or political conditions or conditions generally affecting the industries in which either party or its subsidiaries operate;
  - (vi) any change in the stock price or trading volume of resTORbio common stock (it being understood, however, that any effect causing or contributing to, or resulting from, any change in stock price or trading volume of resTORbio common stock may be taken into account in determining whether a material adverse effect has occurred, unless such effects are otherwise excepted from causing a material adverse effect under the merger agreement); or
  - (vii) the suspension of trading in or delisting of resTORbio common stock on Nasdaq.

  except, in each case with respect to clauses (iii), (iv) and (v), to the extent materially and disproportionately affecting resTORbio and its subsidiaries, taken as a whole, relative to other similarly situated companies in the industries in which resTORbio operates.
- the existing shares of resTORbio common stock on Nasdaq shall have been continually listed on Nasdaq from the date of the merger agreement through the closing and the shares of resTORbio common stock to be issued in the merger pursuant to the merger agreement shall have been approved for listing (subject to official notice of issuance) on Nasdaq;
- neither the principal executive officer nor the principal financial officer of resTORbio shall have failed to provide, with respect to any document required to be field with the SEC on or after the date of the merger agreement, any necessary certification under the Exchange Act or applicable law;
- resTORbio shall have filed the amendment to the resTORbio certificate of incorporation to effect the reverse stock split;
- resTORbio shall have entered into the exchange agent agreement with the exchange agent; and
- Adicet shall have received an opinion from Morrison & Foerster (or if Morrison & Foerster is unable to issue such an opinion, from another nationally recognized law firm proposed by resTORbio that is reasonably acceptable to Adicet), in form and substance reasonably satisfactory to Adicet, dated as of the closing date of the merger, to the effect that, on the basis of the facts, representations and assumptions set forth or referred to in such opinion, the merger will qualify as a "reorganization" within the meaning of Section 368(a) of the Code.

Representations and Warranties

The merger agreement contains customary representations and warranties of resTORbio and Adicet for a transaction of this type relating to, among other things:

- corporate organization and power, and similar corporate matters;
- subsidiaries;
- authority to enter into the merger agreement and the related agreements;
- votes required for completion of the merger and approval of the proposals that will come before the special meeting and that will be the subject of Adicet's stockholders consent;
- except as otherwise specifically disclosed pursuant to in the merger agreement, the fact that the consummation of the merger would not contravene or require the consent of any third party;
- capitalization;
- financial statements and with respect to resTORbio, documents filed with the SEC and the accuracy of information contained in those documents;
- material changes or events;
- liabilities;
- title to assets;
- real property and leaseholds;
- intellectual property;
- the validity of material contracts to which the parties or their subsidiaries are a party and any violation, default or breach to such contracts;
- regulatory compliance, permits and restrictions;
- legal proceedings and orders;
- tax matters;
- employee and labor matters and benefit plans;
- environmental matters;
- insurance;
- transactions with affiliates;
- any brokerage or finder's fee or other fee or commission in connection with the merger;
- privacy and data security;
- anti-bribery;
- matters related to the Committee on Foreign Investment in the United States; and
- with respect to resTORbio, the valid issuance in the merger of resTORbio common stock.

The representations and warranties are, in many respects, qualified by materiality and knowledge, and will not survive the merger, but their accuracy forms the basis of one of the conditions to the obligations of resTORbio and Adicet to complete the merger.

No Solicitation

Each of resTORbio and Adicet agreed that during the period commencing on the date of the merger agreement and ending on the earlier of the consummation of the merger or the termination of the merger agreement in

accordance with its terms, except as described below, resTORbio and Adicet and any of their respective subsidiaries will not, nor will either party or any of its subsidiaries authorize any of the directors, officers, employees, agents, attorneys, accountants, investment bankers, advisors or representatives retained by it or any of its subsidiaries to, directly or indirectly:

- solicit, initiate or knowingly encourage, induce or facilitate the communication, making, submission or announcement of, any "acquisition proposal" (as defined in the section entitled "*The Merger Agreement—No Solicitation*" on page 206 of this proxy statement/prospectus/information statement), or "acquisition inquiry" (as defined in the section entitled "*The Merger Agreement—No Solicitation*" on page 206 of this proxy statement/prospectus/information statement);
- furnish any non-public information with respect to it to any person in connection with or in response to an acquisition proposal or acquisition inquiry;
- engage in discussions or negotiations with any person with respect to any acquisition proposal or acquisition inquiry;
- subject to certain exceptions, approve, endorse or recommend an acquisition proposal;
- execute or enter into any letter of intent or similar document or any contract contemplating or otherwise relating to an acquisition transaction (as defined in the section entitled "*The Merger Agreement—No Solicitation*" on page 206 of this proxy statement/prospectus/information statement);
- take any action that could reasonably be expected to lead to an acquisition proposal or acquisition inquiry; or
- publicly propose to do any of the foregoing.

An "acquisition inquiry" means an inquiry, indication of interest or request for information (other than an inquiry, indication of interest or request for information made or submitted by Adicet, on the one hand, or resTORbio, on the other hand, to the other party) that could reasonably be expected to lead to an acquisition proposal.

An "acquisition proposal" means any offer or proposal, whether written or oral (other than an offer or proposal made or submitted by or on behalf of Adicet or any of its affiliates, on the one hand, or by or on behalf of resTORbio or any of its affiliates, on the other hand, to the other party) contemplating or otherwise relating to any "acquisition transaction."

An "acquisition transaction" means any transaction or series of related transactions involving:

- any merger, consolidation, amalgamation, share exchange, business combination, issuance or acquisition of securities, reorganization, recapitalization, tender offer, exchange offer or similar transaction: (i) in which resTORbio, Adicet or merger subsidiary is a constituent entity, (ii) in which any individual, entity, governmental entity, or "group," as defined under applicable securities laws, directly or indirectly acquires beneficial or record ownership of securities representing more than 20% of the outstanding securities of any class of voting securities of resTORbio, Adicet or merger subsidiary or any of their respective subsidiaries or (iii) in which resTORbio, Adicet or merger subsidiary or any of their respective subsidiaries issues securities representing more than 20% of the outstanding securities of any class of voting securities of such party or any of its subsidiaries (the transactions contemplated by the funding agreement (including, without limitation, the funding transaction) shall not be considered an "acquisition transaction"); or
- any sale, lease, exchange, transfer, license, acquisition or disposition of any business or businesses or assets that constitute or account for 20% or more of the consolidated book value or the fair market value of the assets of resTORbio, Adicet or merger subsidiary and their respective subsidiaries, as applicable, taken as a whole.

Notwithstanding the foregoing, before obtaining the applicable approvals of the stockholders of resTORbio or of Adicet required to consummate the merger, resTORbio or Adicet, as applicable, may furnish non-public information regarding such party and its subsidiaries to, and may enter into discussions or negotiations with, any third party in response to a bona fide written acquisition proposal made or received after the date of the merger agreement, which the resTORbio Board or the Adicet Board, as applicable, determines in good faith, after consultation with its respective financial advisors and outside legal counsel, constitutes or is reasonably likely to result in a "superior offer," as defined below, if:

- neither such party nor any representative of such party has breached the solicitation provisions of the merger agreement described above;
- the resTORbio Board or the Adicet Board, as applicable, concludes in good faith, based on the advice of its respective outside legal counsel, that the failure to take such action would reasonably be expected to be inconsistent with the resTORbio Board's, or the Adicet's Board's, as applicable, fiduciary duties under applicable legal requirements;
- such party gives to the other party at least two business days prior written notice of the identity of the third party and of such party's intention to furnish information to, or enter into discussions or negotiations with, such third party before furnishing any information or entering into discussions or negotiations with such third party;
- such party receives from the third party an executed confidentiality agreement containing terms not materially less restrictive in the aggregate as those contained in the confidentiality agreement between resTORbio and Adicet; and
- at least two business days prior to furnishing of any non-public information to a third party, such party furnishes the same non-public information to the other party to the extent not previously furnished.

A "superior offer" means an unsolicited, bona fide written acquisition proposal (with all references to 20% in the definition of acquisition transaction being treated as references to greater than 50% for these purposes) that (a) was not obtained or made as a direct or indirect result of a breach, or violation, of the merger agreement, (b) is on terms and conditions that the resTORbio Board determines in good faith, based on such matters that it deems relevant, as well as any written offer by Adicet to amend the terms of the merger agreement, and following consultation with outside legal counsel and outside financial advisors, if any, are more favorable, from a financial point of view, to resTORbio stockholders than the terms of the merger, (c) is not subject to any financing condition (and if financing is required, such financing is then fully committed to the third party) and (d) is reasonably capable of being completed on the terms proposed without unreasonable delay. resTORbio or Adicet, as applicable, shall not be permitted enter into any definitive agreement that contemplates or otherwise relates to an acquisition transaction that constitutes a superior offer (referred to as a "Permitted Alternative Agreement") unless: (i) the other party shall have received written notice from such party of such party's intention to enter into such Permitted Alterative Agreement at least five business days in advance, with such notice describing in reasonable detail the reasons for such intention as well as the material terms and conditions of such Permitted Alternative Agreement, (ii) such party shall have complied in all material respects with its obligations under the merger agreement, (iii) the resTORbio Board or the Adicet Board, as applicable, shall have determined in good faith, after consultation with its respective outside legal counsel, that the failure to enter into such Permitted Alternative Agreement would reasonably be expected to be inconsistent with its fiduciary obligations under applicable law and (iv) such party shall concurrently pay to the other party a termination fee of $6,100,000.

The merger agreement also provides that each party will promptly advise the other of the status and terms of, and keep the other party reasonably informed with respect to, any acquisition proposal or any inquiry, indication of interest or request for information that would reasonably be expected to lead to an acquisition proposal or any material change or proposed material change to that acquisition proposal or inquiry, indication of interest or request for information that would reasonably be expected to lead to an acquisition proposal.

Meeting of resTORbio's Stockholders

resTORbio is obligated under the merger agreement to call, give notice of and hold a meeting of its stockholders for the purposes of voting on the issuance of shares of resTORbio common stock, the amendment of the resTORbio certificate of incorporation, the merger and the reverse stock split. The resTORbio stockholders' meeting shall be held as promptly as practicable after the registration statement on Form S-4, of which this proxy statement/prospectus/information statement is a part, is declared effective under the Securities Act and in any event no later than 45 days after such date. resTORbio has agreed to use reasonable best efforts to ensure that all proxies solicited in connection with the stockholders' meeting are solicited in compliance with all applicable laws. resTORbio's obligation to hold such meeting shall not be limited or otherwise affected by any withdrawal or modification of the recommendation of the resTORbio Board with respect to the issuance of shares of resTORbio common stock in the merger.

Written Consent of Adicet Stockholders

Promptly after the registration statement on Form S-4, of which this proxy statement/prospectus/information statement is a part, being declared effective by the SEC, Adicet is obligated under the merger agreement to solicit for approval by written consent from Adicet stockholders sufficient for the Required Adicet Stockholder Vote, in lieu of a meeting pursuant to Section 228 of the DGCL, for purposes of (i) adopting and approving the merger agreement and the contemplated transactions, (ii) acknowledging that the approval given thereby is irrevocable and that such stockholder is aware of its rights to demand appraisal for its shares pursuant to Section 262 of the DGCL, a copy of which will be attached thereto, and that such stockholder has received and read a copy of Section 262 of the DGCL and (iii) acknowledging that by its approval of the merger it is not entitled to appraisal rights with respect to its shares in connection with the merger and thereby waives any rights to receive payment of the fair value of its capital stock under the DGCL.

Directors and Officers Following the Merger

At and immediately after the effective time of the merger, the combined company will initially have a seven member board of directors. The initial directors to serve on the board of directors of the combined company shall be Chen Schor, Erez Chimovits, Carl Gordon, Ph.D., Aya Jakobovits, Ph.D., Yair Schindel, M.D., Jeffery A. Chodakewitz, M.D. and one additional director to be appointed by Adicet at least 15 day prior to the special meeting. At and immediately after the effective time of the merger, the officers of the combined company shall include Chen Schor, Stewart Abbot, Ph.D., Francesco Galimi, M.D., Ph.D., Lloyd Klickstein, M.D., Ph.D. and Carrie Krehlik.

Indemnification of Officers and Directors

From the effective time of the merger through the sixth anniversary of the date on which the effective time of the merger occurs, each of resTORbio and Adicet shall indemnify and hold harmless each person who is at the effective time of the merger, or was at any time prior, or who became prior to the effective time of the merger, a director or officer of resTORbio or Adicet, respectively (referred to as "D&O Indemnified Parties"), against all claims, losses, liabilities, damages, judgments, fines and reasonable fees, costs and expenses, including attorneys' fees and disbursements (referred to as the "Costs"), incurred in connection with any claim, action, suit, proceeding or investigation, whether civil, criminal, administrative or investigative, arising out of or pertaining to the fact that the D&O Indemnified Party is or was a director or officer of resTORbio or of Adicet, whether asserted or claimed prior to, at or after the effective time of the merger, in each case, to the fullest extent permitted under the DGCL. Each D&O Indemnified Party will be entitled to advancement of expenses incurred in the defense of any such claim, action, suit, proceeding or investigation from each of resTORbio and Adicet, jointly and severally, upon receipt by resTORbio or Adicet from the D&O Indemnified Party of a request therefor; *provided that* any such person to whom expenses are advanced provides an undertaking to resTORbio,
to the extent then required by the DGCL, to repay such advances if it is ultimately determined that such person is not entitled to indemnification. Without otherwise limiting the D&O Indemnified Parties' rights with regards to

counsel, following the effective time of the merger, the D&O Indemnified Parties shall be entitled to continue to retain Goodwin Procter or Morrison & Foerster or such other counsel selected by the D&O Indemnified Parties.

The provisions of the resTORbio certificate of incorporation and the resTORbio bylaws with respect to indemnification, advancement of expenses and exculpation of present and former directors and officers of resTORbio that are presently set forth in the resTORbio certificate of incorporation and the resTORbio bylaws shall not be amended, modified or repealed for a period of six years from the effective time of the merger in a manner that would adversely affect the rights thereunder of individuals who, at or prior to the effective time of the merger, were officers or directors of resTORbio, unless such modification is required by applicable law. The certificate of incorporation and bylaws of Adicet shall contain, and resTORbio shall cause the certificate of incorporation and bylaws of Adicet to so contain, provisions no less favorable with respect to indemnification, advancement of expenses and exculpation of present and former directors and officers as those presently set forth in the resTORbio certificate of incorporation and the resTORbio bylaws.

From and after the effective time of the merger, (i) Adicet shall fulfill and honor in all respects the obligations of Adicet to its D&O Indemnified Parties as of immediately prior to the completion of the merger pursuant to any indemnification provisions under Adicet's organizational documents and pursuant to any indemnification agreements between Adicet and such D&O Indemnified Parties, with respect to claims arising out of matters occurring at or prior to the effective time of the merger and (ii) resTORbio shall fulfill and honor in all respects the obligations of resTORbio to its D&O Indemnified Parties as of immediately prior to the completion of the merger pursuant to any indemnification provisions under resTORbio's organizational documents and pursuant to any indemnification agreements between resTORbio and such D&O Indemnified Parties, with respect to claims arising out of matters occurring at or prior to the effective time of the merger.

From and after the effective time of the merger, resTORbio shall maintain directors' and officers' liability insurance policies, with an effective date as of the completion of the merger, on commercially available terms and conditions and with coverage limits customary for U.S. public companies similarly situated to resTORbio. In addition, resTORbio shall purchase, prior to the effective time of the merger, a six-year prepaid "D&O tail policy" for the non-cancellable extension of the directors' and officers' liability coverage of resTORbio's existing directors' and officers' insurance policies for a claims reporting or discovery period of at least six years from and after the effective time of the merger with respect to any claim related to any period of time at or prior to the effective time of the merger with terms, conditions, retentions and limits of liability that are no less favorable than the coverage provided under resTORbio's existing policies as of the date of the merger agreement with respect to any actual or alleged error, misstatement, misleading statement, act, omission, neglect, breach of duty or any matter claimed against a director or officer of resTORbio by reason of him or her serving in such capacity that existed or occurred at or prior to the effective time of the merger (including in connection with the merger agreement or the contemplated transactions or in connection with resTORbio's initial public offering of shares of resTORbio common stock).

From and after the effective time of the merger, resTORbio shall pay all expenses, including reasonable attorneys' fees, that are incurred by the persons referred to in this section in connection with their enforcement of the rights provided to such persons in this section. These provisions are intended to be in addition to the rights otherwise available to the current and former officers and directors of resTORbio and Adicet by law, charter, statute, bylaw or agreement, and shall operate for the benefit of, and shall be enforceable by, each of the D&O Indemnified Parties, their heirs and their representatives. In the event resTORbio or Adicet or any of their respective successors or assigns (i) consolidates with or merges into any other person and shall not be the continuing or surviving corporation or entity of such consolidation or merger or (ii) transfers all or substantially all of its properties and assets to any person, then, and in each such case, proper provision shall be made so that the successors and assigns of resTORbio or Adicet, as the case may be, shall succeed to the obligations set forth in this section. resTORbio shall cause Adicet to perform all of the obligations of Adicet under this section.

Covenants; Conduct of Business Pending the Merger

resTORbio has agreed that, except as expressly contemplated or permitted by the merger agreement or the funding agreement, as required to comply with any quarantine, "shelter in place", "stay at home", workforce reduction, social distancing, shut down, closure, sequester or any other law, order, directive, guidelines or recommendations by any governmental authority in connection with or in response to COVID-19 (referred to as the "COVID-19 measures"), any action taken or not taken by resTORbio or any of its subsidiaries in good faith to respond to the actual or anticipated effect on resTORbio or any of its subsidiaries of COVID-19 or the COVID-19 Measures, including changes in relationships with officers, employees, agents, independent contractors, suppliers, customers and other business partners, as required by law, or unless Adicet shall have provided written consent (which consent may not be unreasonably withheld, conditioned or delayed), during the period commencing on the date of the merger agreement and continuing until the earlier to occur of the closing of the merger and the termination of the merger agreement, resTORbio will use commercially reasonable efforts to conduct its business and operations in the ordinary course consistent with past practices and in compliance with all applicable laws, regulations (including maintaining compliance in all material respects with the applicable listing and governance rules and regulations of Nasdaq) and certain contracts, and to take other agreed-upon actions. resTORbio has also agreed that, subject to certain limited exceptions, without the consent of Adicet (which consent may not be unreasonably withheld, conditioned or delayed), it will not, during the period commencing on the date of the merger agreement and continuing until the earlier to occur of the closing of the merger and the termination of the merger agreement:

- declare, accrue, set aside or pay any dividend or make any other distribution in respect of any shares of capital stock (other than dividends and distributions by a direct or indirect wholly owned subsidiary of resTORbio to its parent); or repurchase, redeem or otherwise reacquire any shares of capital stock or other securities (except for shares of common stock from terminated employees, directors or consultants of resTORbio in accordance with agreements in effect on the date of the merger agreement providing for the repurchase of shares at no more than the purchase price thereof in connection with any termination of services to resTORbio or any of its subsidiaries);
- sell, issue, grant, pledge or otherwise dispose of or encumber or authorize the issuance of: any capital stock or other security (except for resTORbio common stock issued upon the valid exercise or settlement of outstanding resTORbio options or resTORbio RSUs, as applicable); any option, warrant or right to acquire any capital stock or any other security of resTORbio; or any instrument convertible into or exchangeable for any capital stock or other security of resTORbio;
- except as required to give effect to anything in contemplation of the closing of the merger, amend the resTORbio certificate of incorporation, the resTORbio bylaws or other charter or organizational documents of resTORbio, or effect or become a party to any merger, consolidation, share exchange, business combination, recapitalization, reclassification of shares, stock split, reverse stock split or similar transaction except as related to the proposed transactions under the merger agreement;
- form any subsidiary or acquire any equity interest or other interest in any other entity or enter into any joint venture with any other entity;
- lend money to any person; incur or guarantee any indebtedness for borrowed money (other than in the ordinary course of business); guarantee any debt securities of others; or make any capital expenditure or commitment in excess of $100,000;
- other than in the ordinary course of business, adopt, establish or enter into any employee benefit plan, cause or permit any employee benefit plan to be amended other than as required by law, pay any bonus or make any profit-sharing or similar payment (except with respect to obligations in place on the date of the merger agreement pursuant to any employee benefit plan), or increase the amount of the wages, salary, commissions, fringe benefits or other compensation or remuneration payable to, any of its employees, directors or consultants; or increase the severance or change of control benefits offered to any current or new employees, directors or consultants or hire any officer, employee or consultant;

- enter into any material transaction outside the ordinary course of business;
- acquire any material asset or sell, license, lease or otherwise irrevocably dispose of any of its assets or properties, or grant any encumbrance with respect to such assets or properties, except in the ordinary course of business;
- make (other than consistent with past practice), change or revoke any material tax election; file any material amendment to any tax return, or adopt or change any material accounting method in respect of taxes;
- waive, settle or compromise any pending or threatened legal proceeding against resTORbio or any of its subsidiaries, other than waivers, settlements or agreements (A) for an amount not in excess of $100,000 in the aggregate and (B) that do not impose any material restrictions on the operations or businesses of resTORbio or its subsidiaries, taken as a whole, or any equitable relief on, or the admission of wrongdoing by, resTORbio or any of its subsidiaries;
- delay or fail to repay when due any material obligation, including accounts payable and accrued expenses, other than in the ordinary course of business;
- forgive any loans to any person, including its employees, officers, directors or affiliates;
- sell, assign, transfer, license, sublicense or otherwise dispose of any material resTORbio intellectual property rights (other than in the ordinary course of business);
- other than in the ordinary course of business, (A) materially change pricing or royalties or other payments set or charged by resTORbio or any of its subsidiaries to its customers or licensees or (B) agree to materially change pricing or royalties or other payments set or charged by persons who have licensed intellectual property to resTORbio or any of its subsidiaries;
- either solely or in collaboration with any third party, directly or indirectly, commence, enter, join, revive, solicit, or otherwise get engaged in, any clinical trial other than certain clinical trials existing on or prior to the date of the merger agreement;
- other than as required by law or U.S. GAAP, take any action to change accounting policies or procedure;
- except as otherwise set forth in resTORbio's operating budget delivered to Adicet concurrently with the execution of the merger agreement (referred to as the "resTORbio budget") (and other than incurrence or payment of resTORbio transaction expenses up to an aggregate of $500,000 in excess of the amount budgeted for the aggregate resTORbio transaction expenses in the resTORbio budget), make any expenditures, incur any liabilities or discharge or satisfy any liabilities in amounts that exceed the aggregate amount of the resTORbio budget by, in the aggregate, more than $500,000;
- take any action that results in resTORbio owing certain payments or amounts;
- enter into, amend, terminate or waive any material option or right under any material contract, other than in the ordinary course of business; or
- agree, resolve or commit to do any of the foregoing.

Adicet has agreed that, except as expressly permitted or contemplated by the merger agreement or the funding agreement, as required to comply with any COVID-19 measures, any action taken or not taken by resTORbio or any of its subsidiaries in good faith to respond to the actual or anticipated effect on resTORbio or any of its subsidiaries of COVID-19 or the COVID-19 measures, including changes in relationships with officers, employees, agents, independent contractors, suppliers, customers and other business partners, as required by law, or unless resTORbio shall have provided written consent (which consent may not be unreasonably withheld, conditioned or delayed), during the period commencing on the date of the merger agreement and continuing until the earlier to occur of the closing of the merger and the termination of the merger agreement, Adicet will use

commercially reasonable efforts to conduct its business and operations in the ordinary course consistent with past practices and in compliance with all applicable laws, regulations and certain contracts, and to take other agreed-upon actions. Adicet has also agreed that, subject to certain limited exceptions, without the consent of resTORbio (which consent may not be unreasonably withheld, conditioned or delayed), it will not, during the period commencing on the date of the merger agreement and continuing until the earlier to occur of the closing of the merger and the termination of the merger agreement:

- declare, accrue, set aside or pay any dividend, or make any other distribution in respect of any shares of capital stock (other than dividends and distributions by a direct or indirect wholly owned subsidiary of Adicet to its parent); or repurchase, redeem or otherwise reacquire any shares of capital stock or other securities (except for shares of common stock from terminated employees, directors or consultants of Adicet in accordance with agreements in effect on the date of the merger agreement providing for the repurchase of shares at no more than the purchase price thereof in connection with any termination of services to Adicet or any of its subsidiaries);
- except as required to give effect to anything in contemplation of the closing of the merger, amend the certificate of incorporation, bylaws or other charter or organizational documents of Adicet or its subsidiaries, or effect or become a party to any merger, consolidation, share exchange, business combination, recapitalization, reclassification of shares, stock split, reverse stock split or similar transaction except as related to the proposed transactions under the merger agreement;
- sell, issue, grant, pledge or otherwise dispose of or encumber or authorize the issuance of: any capital stock or other security of Adicet or any of its subsidiaries (except for shares of outstanding Adicet common stock issued upon the valid exercise of Adicet options), any option, warrant or right to acquire any capital stock or any other security other than option grants to employees and service providers in the ordinary course of business; or any instrument convertible into or exchangeable for any capital stock or other security of Adicet;
- form any subsidiary or acquire any equity interest or other interest in any other entity or enter into any joint venture with any other entity;
- lend money to any person; incur or guarantee any indebtedness for borrowed money; guarantee any debt securities of others; or make any capital expenditure or commitment in excess of $250,000;
- other than in the ordinary course of business, adopt, establish or enter into any employee benefit plan, cause or permit any employee benefit plan to be amended other than as required by law, pay any bonus or make any profit-sharing or similar payment (except with respect to obligations in place on the date of the merger agreement pursuant to any employee benefit plan), or increase the amount of the wages, salary, commissions, fringe benefits or other compensation or remuneration payable to, any of its directors, consultants or employees; or increase the severance or change of control benefits offered to any current or new employees, directors or consultants;
- enter into any material transaction outside the ordinary course of business;
- acquire any material asset or sell, lease, license or otherwise irrevocably dispose of any of its assets or properties, or grant any encumbrance with respect to such assets or properties, except in the ordinary course of business;
- sell, assign, transfer, license, sublicense or otherwise dispose of any material Adicet intellectual property rights (other than in the ordinary course of business);
- make (other than consistent with past practice), change or revoke any material tax election; file any material amendment to any tax return or adopt or change any material accounting method in respect of taxes;
- enter into, amend, terminate, or waive any material option or right under, any material contract, other than in the ordinary course of business;

- delay or fail to repay when due any material obligation, including accounts payable and accrued expenses, other than in the ordinary course of business;
- forgive any loans to any person, including its employees, officers, directors or affiliates;
- sell, assign, transfer, license, sublicense or otherwise dispose of any material intellectual property rights (other than in the ordinary course of business);
- other than in the ordinary course of business, (A) materially change pricing or royalties or other payments set or charged by Adicet or any of its subsidiaries to its customers or licensees or (B) agree to materially change pricing or royalties or other payments set or charged by persons who have licensed intellectual property to Adicet or any of its subsidiaries;
- other than as required by law or U.S. GAAP, take any action to change accounting policies or procedure;
- waive, settle or compromise any pending or threatened legal proceeding against Adicet or any of its subsidiaries, other than waivers, settlements or agreements (A) for an amount not in excess of $100,000 in the aggregate and (B) that do not impose any material restrictions on the operations or businesses of Adicet or its subsidiaries, taken as a whole, or any equitable relief on, or the admission of wrongdoing by, Adicet or any of its subsidiaries; or
- agree, resolve or commit to do any of the foregoing.

Other Agreements

Each of resTORbio and Adicet has agreed to use its commercially reasonable efforts to cause to be taken all actions necessary to consummate the merger and the other contemplated transactions. In connection therewith, each party has agreed to:

- file or otherwise submit all applications and notices required to be filed in connection with the merger and the other contemplated transactions;
- use commercially reasonable efforts to obtain each consent reasonably required to be obtained in connection with the merger and the other contemplated transactions;
- use commercially reasonable efforts to provide the other party and the other party's representatives with reasonable access to certain information upon reasonable notice during the period prior to the effective time of the merger;
- use commercially reasonable efforts to lift any injunction prohibiting, or any other legal bar to, the merger or the contemplated transactions;
- use commercially reasonable efforts to cause the merger to qualify as a "reorganization" within the meaning of Section 368(a) of the Code; and
- use commercially reasonable efforts to satisfy the conditions precedent to the consummation of the contemplated transactions.

Termination

The merger agreement may be terminated at any time before the completion of the merger, whether before or after the required stockholder approvals to complete the merger have been obtained (unless specified below), as set forth below:

- by mutual written consent of resTORbio and Adicet;
- by either resTORbio or Adicet if the merger shall not have been consummated by January 28, 2021 (referred to as the "Outside Date"); provided, however, that this right to terminate the merger

agreement will not be available to any party whose action or failure to act has been a principal cause of the failure of the merger to occur on or before the Outside Date and such action or failure to act constitutes a breach of the merger agreement; and provided, further, however, that, in the event that the SEC has not declared effective under the Securities Act the registration statement on Form S-4, of which this proxy statement/prospectus/information statement is a part, by the date which is 60 days prior to the Outside Date, then either party shall be entitled to extend the Outside Date for an additional 60 days;

- by either resTORbio or Adicet if a court of competent jurisdiction or governmental authority has issued a final and nonappealable order, decree or ruling or taken any other action that permanently restrains, enjoins or otherwise prohibits the merger or any of the other contemplated transactions;
- by resTORbio if the Adicet stockholder approval of the merger shall not have been obtained within five business days of the date of the registration statement on Form S-4, of which this proxy statement/prospectus/information statement is a part, becoming effective in accordance with the provisions under the Securities Act;
- by either resTORbio or Adicet if the special meeting shall have been held and completed and resTORbio stockholders shall have taken a final vote and shall not have approved the issuance of resTORbio common stock to Adicet's stockholders in the merger and the reverse stock split; provided, that resTORbio may not terminate the merger agreement pursuant to this provision if the failure to obtain the approval of resTORbio stockholders was caused by the action or failure to act of resTORbio and such action or failure to act constitutes a material breach by resTORbio of the merger agreement;
- by Adicet, at any time prior to the approval by the resTORbio stockholders of the proposals to be considered at the special meeting, if any of the following circumstances shall occur (each of the following, referred to as a "resTORbio triggering event"):
  - resTORbio fails to include in this proxy statement/prospectus/information statement the recommendation of the resTORbio Board that the resTORbio stockholders vote to approve the issuance of resTORbio common stock to Adicet's stockholders in the merger and the reverse stock split;
  - the resTORbio Board changes such recommendation or approves, endorses or recommends any acquisition proposal; or
  - resTORbio enters into any letter of intent or similar document or any contract relating to any acquisition proposal, other than a confidentiality agreement permitted pursuant to the merger agreement;
- by resTORbio or Adicet if the other party has breached any of its representations, warranties, covenants or agreements contained in the merger agreement or if any representation or warranty of the other party has become inaccurate, in either case such that the conditions to the closing of the merger would not be satisfied as of the time of such breach or inaccuracy, but if such breach or inaccuracy is curable, then the merger agreement will not terminate pursuant to this provision as a result of a particular breach or inaccuracy until the earlier of (i) the expiration of a 30-day period after delivery of written notice of such breach or inaccuracy and (ii) the breaching party ceasing to exercise commercially reasonable efforts to cure such breach, if such breach has not been cured;
- by resTORbio, at any time prior to the approval by the resTORbio stockholders of the proposals to be considered at the special meeting, upon the resTORbio Board authorizing resTORbio to enter into a Permitted Alternative Agreement (as defined in the merger agreement); provided, however, that resTORbio shall not enter into any Permitted Alternative Agreement unless: (i) Adicet shall have received written notice from resTORbio of resTORbio's intention to enter into such Permitted Alterative Agreement at least five business days in advance, with such notice describing in reasonable detail the reasons for such intention as well as the material terms and conditions of such Permitted

Alternative Agreement, (ii) resTORbio shall have complied in all material respects with its obligations under the merger agreement, (iii) the resTORbio Board shall have determined in good faith, after consultation with its outside legal counsel, that the failure to enter into such Permitted Alternative Agreement would reasonably be expected to be inconsistent with its respective fiduciary obligations under applicable law and (iv) resTORbio shall concurrently pay to Adicet a termination fee of $6,100,000; or

- by Adicet, at any time prior to the approval by the Adicet stockholders of the merger agreement, upon the Adicet Board authorizing Adicet to enter into a Permitted Alternative Agreement (as defined in the merger agreement); provided, however, that Adicet shall not enter into any Permitted Alternative Agreement unless: (i) resTORbio shall have received written notice from Adicet of Adicet's intention to enter into such Permitted Alterative Agreement at least five business days in advance, with such notice describing in reasonable detail the reasons for such intention as well as the material terms and conditions of such Permitted Alternative Agreement, (ii) Adicet shall have complied in all material respects with its obligations under the merger agreement, (iii) the Adicet Board shall have determined in good faith, after consultation with its outside legal counsel, that the failure to enter into such Permitted Alternative Agreement would reasonably be expected to be inconsistent with its fiduciary obligations under applicable law and (iv) Adicet shall concurrently pay to resTORbio a termination fee of $6,100,000.

Termination Fee

Fee payable by resTORbio

resTORbio must pay Adicet a termination fee of $6,100,000 (referred to as the "Adicet termination fee") if:

- (A) the merger agreement is validly terminated (1) by either resTORbio or Adicet if the merger shall not have been consummated by the Outside Date (subject to possible extension as provided in the merger agreement), (2) by either resTORbio or Adicet if (i) the special meeting was held and completed and resTORbio stockholders took a final vote and (ii) resTORbio stockholders failed to approve the issuance of shares of resTORbio common stock to Adicet's stockholders in the merger and the reverse stock split, or (3) by Adicet because resTORbio or the merger subsidiary has breached any of its representations, warranties, covenants or agreements contained in the merger agreement or if any representation or warranty of resTORbio or the merger subsidiary has become inaccurate, in either case such that the conditions to the completion of the merger would not be satisfied as of the time of such breach or inaccuracy, subject to a 30-day cure period, (B) at any time after the date of the merger agreement and prior to the termination of the merger agreement an acquisition proposal with respect to resTORbio has been publicly announced, disclosed or otherwise communicated to the resTORbio Board, and (C) within 12 months after the date of such termination, resTORbio enters into a definitive agreement with respect to or consummates a subsequent transaction (which, pursuant to the merger agreement, means any acquisition transaction, with all references to 20% in the definition of acquisition transaction being treated as references to 50% for these purposes);
- the merger agreement is terminated by Adicet at any time prior to the approval of the share issuance and the reverse stock split by resTORbio stockholders upon the occurrence of a resTORbio triggering event (or, at the time the merger agreement is terminated, Adicet had such right to terminate the merger agreement); or
- the merger agreement is terminated by resTORbio at any time prior to the approval of the share issuance and the reverse stock split by resTORbio stockholders upon the resTORbio Board authorizing resTORbio to enter into a permitted alternative agreement; provided, however, that resTORbio shall not enter into any permitted alternative agreement unless: (i) Adicet shall have received written notice from resTORbio of resTORbio's intention to enter into such permitted alternative agreement at least five (5) business days in advance, with such notice describing in reasonable detail the reasons for such

intention as well as the material terms and conditions of such permitted alternative agreement, including the identity of the counterparty together with copies of the then current draft of such permitted alternative agreement and any other related principal transaction documents; (ii) resTORbio shall have complied in all material respects with its obligations under the no-solicitation and resTORbio stockholder meeting sections of the merger agreement; and (iii) the resTORbio Board shall have determined in good faith, after consultation with its outside legal counsel, that the failure to enter into such permitted alternative agreement would reasonably be expected to be inconsistent with its fiduciary obligations under applicable law.

resTORbio must reimburse Adicet for reasonable out-of-pocket expenses incurred by Adicet in connection with the termination of the merger agreement and the contemplated transactions, up to a maximum of $1,000,000, if the merger agreement is terminated:

- by Adicet at any time prior to the approval of the share issuance and the reverse stock split by resTORbio stockholders upon the occurrence of a resTORbio triggering event;
- by Adicet because resTORbio or the merger subsidiary has breached any of its representations, warranties, covenants or agreements contained in the merger agreement or if any representation or warranty of resTORbio or the merger subsidiary has become inaccurate, in either case such that the conditions to the completion of the merger would not be satisfied as of the time of such breach or inaccuracy, subject to a 30-day cure period;
- by resTORbio at any time prior to the approval of the share issuance and the reverse stock split by resTORbio stockholders upon the resTORbio Board authorizing resTORbio to enter into a permitted alternative agreement; provided, however, that resTORbio shall not enter into any permitted alternative agreement unless: (i) Adicet shall have received written notice from resTORbio of resTORbio's intention to enter into such permitted alternative agreement at least five (5) business days in advance, with such notice describing in reasonable detail the reasons for such intention as well as the material terms and conditions of such permitted alternative agreement, including the identity of the counterparty together with copies of the then current draft of such permitted alternative agreement and any other related principal transaction documents; (ii) resTORbio shall have complied in all material respects with its obligations under the no-solicitation and resTORbio stockholder meeting sections of the merger agreement; (iii) the resTORbio Board shall have determined in good faith, after consultation with its outside legal counsel, that the failure to enter into such permitted alternative agreement would reasonably be expected to be inconsistent with its fiduciary obligations under applicable law; and (iv) resTORbio shall concurrently pay to Adicet the Adicet termination fee; or
- by either resTORbio or Adicet if (i) the special meeting was held and completed and resTORbio stockholders took a final vote, (ii) resTORbio stockholders failed to approve the issuance of shares of resTORbio common stock to Adicet's stockholders in the merger and the reverse stock split and (iii) the Adicet termination fee is not owed by resTORbio.

Fee payable by Adicet

Adicet must pay resTORbio a termination fee of $6,100,000 (referred to as the "resTORbio termination fee") if:

- (A) the merger agreement is validly terminated (1) by either resTORbio or Adicet if the merger shall not have been consummated by the Outside Date (subject to possible extension as provided in the merger agreement), (2) by resTORbio if the merger agreement is not adopted by Adicet's stockholders within five (5) business days of the date of the registration statement on Form S-4, of which this proxy statement/prospectus/information statement is a part, becoming effective in accordance with the provisions under the Securities Act or (3) by resTORbio because Adicet has breached any of its representations, warranties, covenants or agreements contained in the merger agreement or if any representation or warranty of Adicet has become inaccurate, in either case such that the conditions to

the completion of the merger would not be satisfied as of the time of such breach or inaccuracy, subject to a 30-day cure period, (B) at any time after the date of the merger agreement and prior to the Adicet stockholders approving the merger, an acquisition proposal with respect to Adicet has been publicly announced, disclosed or otherwise communicated to the Adicet Board, and (C) within 12 months after the date of such termination, Adicet enters into a definitive agreement with respect to or consummates a subsequent transaction (which, pursuant to the merger agreement, means any acquisition transaction, with all references to 20% in the definition of acquisition transaction being treated as references to 50% for these purposes);

- the merger agreement is terminated by resTORbio at any time prior to the adoption of the merger agreement, and approval of the merger and the other transactions contemplated by the merger agreement by Adicet's stockholders upon the occurrence of a Adicet triggering event (or, at the time the merger agreement is terminated, resTORbio had such right to terminate the merger agreement); or
- by Adicet at any time prior to the adoption of the merger agreement, and approval of the merger and the other transactions contemplated by the merger agreement by Adicet's stockholders upon the Adicet Board authorizing Adicet to enter into a permitted alternative agreement; provided, however, that Adicet shall not enter into any permitted alternative agreement unless: (i) resTORbio shall have received written notice from Adicet of Adicet's intention to enter into such permitted alternative agreement at least five (5) business days in advance, with such notice describing in reasonable detail the reasons for such intention as well as the material terms and conditions of such permitted alternative agreement, including the identity of the counterparty together with copies of the then current draft of such permitted alternative agreement and any other related principal transaction documents; (ii) Adicet shall have complied in all material respects with its obligations under the no-solicitation and Adicet stockholder meeting sections of the merger agreement; and (iii) the Adicet Board shall have determined in good faith, after consultation with its outside legal counsel, that the failure to enter into such permitted alternative agreement would reasonably be expected to be inconsistent with its fiduciary obligations under applicable law.

Adicet must reimburse resTORbio for reasonable out-of-pocket expenses incurred by resTORbio in connection with the termination of the merger agreement and the contemplated transactions, up to a maximum of $1,000,000 if the merger agreement is terminated:

- by resTORbio if the merger agreement is not adopted by Adicet's stockholders within five (5) business days of the date of the registration statement on Form S-4, of which this proxy statement/prospectus/information statement is a part, becoming effective in accordance with the provisions under the Securities Act (other than in circumstances in which the Adicet termination fee is payable by resTORbio);
- by resTORbio at any time prior to the adoption of the merger agreement, and approval of the merger and the other transactions contemplated by the merger agreement by Adicet's stockholders upon the occurrence of a Adicet triggering event (or, at the time the merger agreement is terminated, resTORbio had such right to terminate the merger agreement);
- by resTORbio because Adicet has breached any of its representations, warranties, covenants or agreements contained in the merger agreement or if any representation or warranty of Adicet has become inaccurate, in either case such that the conditions to the completion of the merger would not be satisfied as of the time of such breach or inaccuracy, subject to a 30-day cure period; or
- by Adicet at any time prior to the adoption of the merger agreement, and approval of the merger and the other transactions contemplated by the merger agreement by Adicet's stockholders upon the Adicet Board authorizing Adicet to enter into a permitted alternative agreement; provided, however, that Adicet shall not enter into any permitted alternative agreement unless: (i) resTORbio shall have received written notice from Adicet of Adicet's intention to enter into such permitted alternative agreement at least five (5) business days in advance, with such notice describing in reasonable detail

the reasons for such intention as well as the material terms and conditions of such permitted alternative agreement, including the identity of the counterparty together with copies of the then current draft of such permitted alternative agreement and any other related principal transaction documents; (ii) Adicet shall have complied in all material respects with its obligations under the no-solicitation and Adicet stockholder meeting sections of the merger agreement; and (iii) the Adicet Board shall have determined in good faith, after consultation with its outside legal counsel, that the failure to enter into such permitted alternative agreement would reasonably be expected to be inconsistent with its fiduciary obligations under applicable law and (iv) Adicet shall concurrently pay to resTORbio the resTORbio termination fee.

Amendment

The merger agreement may be amended with the approval of the respective boards of directors of Adicet, resTORbio and the merger subsidiary at any time, except that after the share issuance proposal and the stock split proposal have been approved by resTORbio stockholders and the merger agreement has been adopted by Adicet's stockholders, no amendment which by law requires further approval of the stockholders of resTORbio or Adicet, as applicable, shall be made without such further stockholder approval.

AGREEMENTS RELATED TO THE MERGER

Funding Agreement

On April 28, 2020, contemporaneously with the execution and delivery of the merger agreement, Adicet and resTORbio entered into a funding agreement (referred to as the "funding agreement") with certain current investors of Adicet (referred to as the "Investors") pursuant to which the Investors committed to fund up to an aggregate of $15,000,000 (referred to as the "funding amount") into an escrow account at or prior the time of completion of the merger, which will be used to subscribe for shares of resTORbio common stock in a concurrent private placement in connection with a private placement or public offering of resTORbio Common Stock for aggregate gross proceeds (including the funding amount) to resTORbio of at least $30,000,000 (referred to as a "qualified financing"), on the same economic conditions (including the price per share paid by other investors in a qualified financing) and similar other terms and conditions as set forth in such qualified financing; provided, however, that the $30,000,000 qualified financing threshold may be waived by Investors that funded in the aggregate two-thirds or more of the funding amount. The merger is conditioned upon the deposit of the funding amount into an escrow account in accordance with the terms of the funding agreement. If resTORbio fails to consummate a qualified financing within twelve (12) months of the consummation of the merger or certain other events occur, the funding amount will be distributed back to the Investors.

The funding agreement contains representations and warranties of all parties to the funding agreement, and certain additional representations and warranties of resTORbio and of the Investors. With respect to shares issued to the Investors in the concurrent private placement, resTORbio will grant the Investors either customary registration rights if the qualified financing is a public offering or the same registration rights with respect to the shares issued as to other investors if the qualified financing is a private placement.

Each Investor's obligation to contribute to the funding amount pursuant to the funding agreement (referred to as the "funding") is subject to the satisfaction or waiver of certain conditions, including:

- All permits, authorizations, approvals and consents, with respect to the funding, of any governmental authority or regulatory body, have been duly obtained and effective as of the consummation of the merger;
- No restraints on the consummation of the transactions contemplated by the funding agreement have been issued by any court, jurisdiction or other governmental authority and no law, rule or regulation makes the consummation of the transactions contemplated by the funding agreement illegal;
- The conditions of to the consummation of the merger contained in the merger agreement are to be satisfied or waived and all parties to the merger agreement have confirmed they are ready and willing to consummate the merger immediately after the funding contemplated by the funding agreement; and
- An escrow agreement is to be duly executed and delivered by resTORbio and each Investor funding the funding amount.

Adicet's and resTORbio's obligations with respect to the funding are subject to the same conditions above as well as the obligation of the Investors deliver the total funding amount.

The representations and warranties contained in the funding agreement terminate at the consummation of the merger.

The funding agreement may be amended and the observance of any term therein waived (either generally or in a particular instance and either retroactively or prospectively), only with the written consent of Adicet, resTORbio and (a) for an amendment, termination or waiver effected prior to the consummation of the merger, Investors obligated to fund in the aggregate two-thirds or more of the total funding amount or (b) for an amendment, termination or waiver effected following the consummation of the merger, Investors that funded in the aggregate two-thirds or more of the total funding amount.

The funding agreement automatically terminates upon the termination of the merger agreement for any reason prior to the completion of the merger or the occurrence of certain release events as defined in the funding agreement, including the twelve (12) month anniversary of the completion of the merger, a change in control of resTORbio, a suspension of trading or delisting of resTORbio common stock on Nasdaq or a bankruptcy, reorganization or insolvency filing by resTORbio. The funding agreement may be terminated at any time (i) prior to the completion of the merger, with the mutual written agreement of Adicet, resTORbio and Investors obligated to fund in the aggregate two-thirds or more of the total funding amount or (ii) after the completion of the merger, with the mutual written agreement of the combined company and Investors that funded in the aggregate two-thirds or more of the total funding amount.

Adicet Support Agreement

In connection with the execution of the merger agreement, certain Adicet stockholders and optionholders entered into the Adicet support agreement with resTORbio and Adicet pursuant to which, among other things, each of these stockholders and or optionholders agreed, solely in its capacity as a stockholder, to vote or cause to be voted or deliver a written consent: (i) in favor of adoption and approval of the merger agreement and the contemplated transactions; (ii) against any action or agreement that, to the knowledge of the stockholder, would reasonably be expected to result in a breach in any material respect of any covenant, representation or warranty or any other obligation or agreement of Adicet or any of its subsidiaries or affiliates under the merger agreement or that would reasonably be expect to result in any of the conditions to Adicet's or any of its subsidiaries' or affiliates' obligations under the merger agreement not being fulfilled; and (iii) against any Adicet acquisition proposal, or any agreement, transaction, or other matter that is intended to, or would reasonably be expected to, impede, interfere with, delay, postpone, discourage or materially and adversely affect the consummation of the merger and all other contemplated transactions. The Adicet support agreement grants a proxy to resTORbio to vote such shares in favor of the merger agreement and the contemplated transactions. In addition, the Adicet support agreement places restrictions on the transfer of the shares of Adicet capital stock, options and warrants held by the respective signatory stockholders. The Adicet stockholders and optionholders that entered into the Adicet support agreement are:

- OrbiMed Israel Partners Limited Partnership
- OrbiMed Israel Partners II, L.P.
- aMoon 2 Fund Limited Partnership
- Novartis Bioventures Ltd.
- Regeneron Pharmaceuticals, Inc.
- Johnson & Johnson Innovation—JJDC, Inc.
- OCI Bio Investments LLC
- Pontifax (Cayman) II L.P.
- Pontifax (Israel) II, L.P.
- Pontifax (Israel) II-Individual Investors, L.P.
- KB Digital Innovation Investment Fund Limited Partnership
- KB Investment Co., Ltd.
- Oriella Limited
- SBI JI Innovation Fund Limited Partnership
- SVIC No. 38 New Technology Business Investment L.L.P.
- SVIC No. 36 New Technology Business Investment L.L.P.

- HANDOK, INC.
- DSC Startup Follow-on Fund II
- Technion Investment Opportunities Fund
- Technion Research and Development Foundation Ltd.
- Edward B. Jakobovits, Trustee of the Aya Jakobovits 2018 Annuity Trust dated October 26, 2018
- Edward B. Jakobovits, Trustee of the Aya Jakobovits Annuity Trust dated December 19, 2019
- Edward B. Jakobovits, Trustee of the Ariel Jakobovits 2015 Irrevocable Trust dated February 11, 2015
- Edward B. Jakobovits, Trustee of the Michal Jakobovits 2015 Irrevocable Trust dated February 11, 2015
- Carrie Krehlik
- Anat Nursella
- Anil Singhal
- Francesco Galimi
- Stewart Abbot
- Donald Santel

As of June 16, 2020, Adicet stockholders owning in the aggregate approximately 98% of the outstanding shares of Adicet capital stock on an as-converted to common stock basis have entered into the Adicet support agreement. These stockholders include Adicet's executive officers and directors, as well as certain other stockholders owning a significant portion of Adicet's outstanding capital stock.

resTORbio Support Agreement

In connection with the execution of the merger agreement, certain resTORbio stockholders entered into the resTORbio support agreement pursuant to which, among other things, each of these stockholders agreed, solely in its capacity as a stockholder, to vote: (i) in favor of adoption and approval of (A) the issuance of the shares of resTORbio common stock by virtue of the merger and (B) the adoption of the merger agreement and approval of the merger; (ii) against any action or agreement that, to the knowledge of the stockholder, would reasonably be expected to result in a breach in any material respect of any covenant, representation or warranty or any other obligation or agreement of resTORbio or any of its subsidiaries or affiliates under the merger agreement or that would reasonably be expect to result in any of the conditions to resTORbio's or any of its subsidiaries' or affiliates' obligations under the merger agreement not being fulfilled; and (iii) against any resTORbio acquisition proposal, or any agreement, transaction, or other matter that is intended to, or would reasonably be expected to, impede, interfere with, delay, postpone, discourage or materially and adversely affect the consummation of the merger and all other contemplated transactions. The resTORbio support agreement grants an irrevocable proxy to Adicet to vote such shares in favor of the merger agreement and contemplated transactions, including the share issuance proposal and the reverse stock split proposal. In addition, the resTORbio support agreement place restrictions on the transfer of the shares of resTORbio shares held by the respective signatory stockholders.

As of June 16, 2020, stockholders owning in the aggregate approximately 24% of the outstanding shares of resTORbio common stock have entered into the resTORbio support agreement. The resTORbio stockholders that entered into the resTORbio support agreement are:

- OrbiMed Private Investments VI, LP;
- Chen Schor;

- Joan Mannick;
- Lloyd Klickstein;
- Jeffrey Chodakewitz;
- Paul Fonteyne;
- Michael Grissinger;
- Jonathan Silverstein;
- David Steinberg; and
- Lynne Sullivan.

Lock-up Agreements

In addition, in connection with the execution of the merger agreement, the resTORbio and the Adicet stockholders identified above, entered into lock-up agreements with resTORbio and Adicet pursuant to which, among other things, each of these stockholders agreed not to, except in limited circumstances (i) offer, pledge, sell, contract to sell, grant 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 for resTORbio common stock (including without limitation, resTORbio common stock or such other securities which may be deemed to be beneficially owned by the stockholder in accordance with the rules and regulations of the SEC and securities of resTORbio which may be issued upon exercise of a stock option or warrant or settlement of a restricted stock unit) or publicly disclose the intention to make any such offer, sale, pledge, grant, transfer or disposition; (ii) enter into any swap, short sale, hedge or other agreement that transfers, in whole or in part, any of the economic consequences of ownership of the stockholder's shares regardless of whether any such transaction described in the aforementioned clause (i) or this clause (ii) is to be settled by delivery of resTORbio common stock or such other securities, in cash or otherwise or (iii) make any demand for or exercise any right with respect to the registration of any shares of resTORbio common stock or any security convertible into or exercisable or exchangeable for resTORbio common stock; from the closing of the merger until 180 days from the closing date of the merger.

As of June 16, 2020, resTORbio stockholders who have executed lock-up agreements collectively own in the aggregate approximately 24% of the outstanding common stock of resTORbio.

As of June 16, 2020, Adicet stockholders who have executed lock-up agreements collectively own in the aggregate approximately 98% of the outstanding shares of Adicet capital stock on an as-converted to common stock basis.

Contingent Value Rights Agreement

The merger agreement contemplates that, at or prior to the effective time of the merger, resTORbio, the Holders' Representative and the Rights Agent will execute and deliver a contingent value rights agreement (referred to as the "CVR agreement"), pursuant to which each holder of resTORbio common stock as of immediately prior to the effective time of the merger shall be entitled to one contractual CVR issued by resTORbio, subject to and in accordance with the terms and conditions of the CVR agreement, for each share of resTORbio common stock held by such holder. Each CVR shall entitle the holder thereof to receive net proceeds of the commercialization, if any, received from a third party commercial partner of RTB101, resTORbio's small molecule product candidate that is a potent inhibitor of target of rapamycin complex 1 (TORC1), for a COVID-19 related indication, with clinical data expected by the first quarter of 2021. The CVRs are not transferable, except in certain limited circumstances as will be provided in the CVR agreement, will not be certificated or evidenced by any instrument and will not be registered with the SEC or listed for trading on any exchange.

The right of any resTORbio stockholder to receive any future payment on or derive any value from the CVRs will be contingent solely upon the achievement of the certain events within the time periods specified in the CVR Agreement and if these events are not achieved for any reason within the time periods specified in the CVR Agreement, no payments will be made under the CVRs, and the CVRs will expire valueless. In addition, Adicet (as successor in interest to resTORbio) has agreed only to use commercially reasonable efforts to through September 30, 2021 to reasonably support Finder (as such term is defined in the CVR Agreement) to identify one or more partners and negotiate a CVR Commercial Agreement (as such term is defined in the CVR Agreement) with such partner for the commercialization of RTB101 for a COVID-19 related indication, subject to certain limitations, which allows for the consideration of a variety of factors in determining the efforts that the combined company is required to use to reasonably support Finder to identify one or more partners and negotiate a CVR Commercial Agreement with such partner for the commercialization of RTB101 for a COVID-19 related indication and it does not require the combined company to take all possible actions to continue efforts to reasonably support Finder to identify one or more partners and negotiate a CVR Commercial Agreement with such partner for the commercialization of RTB101 for a COVID-19 related indication. In addition, there are limitations on the amount the combined company is required to spend with respect to the foregoing. Accordingly, under certain circumstances the combined company may not be required to continue efforts to reasonably support Finder to identify one or more partners and negotiate a CVR Commercial Agreement with such partner for the commercialization of RTB101 for a COVID-19 related indication, or may allocate resources to other projects, which would have an adverse effect on the value, if any, of the CVRs. Furthermore, the CVRs will be unsecured obligations of the combined company and all payments under the CVRs, all other obligations under the CVR Agreement and the CVRs and any rights or claims relating thereto will be subordinated in right of payment to the prior payment in full of all current or future senior obligations of the combined company. Finally, the U.S. federal income tax treatment of the CVRs is unclear. There is no legal authority directly addressing the U.S. federal income tax treatment of the receipt of, and payments on, the CVRs, and there can be no assurance that the IRS, would not assert, or that a court would not sustain, a position that could result in adverse U.S. federal income tax consequences to holders of the CVRs.

Material U.S. Federal Income Tax Consequences of the Receipt of CVRs

The following discussion is a summary of the material U.S. federal income tax consequences applicable to resTORbio U.S. Holders (as defined above in the section entitled "*The Merger—Material U.S. Federal Income Tax Considerations of the Merger*" beginning on page 191 of this proxy statement/prospectus/information statement) who receive CVRs with respect to resTORbio common stock. This discussion does not purport to be a complete analysis of all potential tax consequences that may be relevant to a resTORbio U.S. Holder. The effects of U.S. federal tax laws other than U.S. federal income tax laws, such as estate and gift tax laws, and any applicable state, local or non-U.S. tax laws are not discussed. This discussion is based on the Code, Treasury Regulations promulgated thereunder, judicial decisions, and published rulings and administrative pronouncements of the IRS, in each case in effect as of the date hereof. These authorities may change or be subject to differing interpretations. Any such change or differing interpretation may be applied retroactively in a manner that could adversely affect a resTORbio U.S. Holder. resTORbio has not sought and does not intend to seek any rulings from the IRS regarding the matters discussed below. There can be no assurance the IRS or a court will not take a position contrary to that discussed below regarding the tax consequences of the receipt of CVRs.

This discussion is limited to resTORbio U.S. Holders that hold resTORbio 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 U.S. federal income tax consequences relevant to a resTORbio U.S. Holder's particular circumstances, including the impact of the alternative minimum tax, the rules related to "qualified small business stock" within the meaning of Section 1202 of the Code, the Medicare contribution tax on net investment income, any considerations relating to any requirement for certain holders to accelerate the recognition of any item of gross income as a result of such income being recognized on an "applicable financial statement," or any withholding considerations arising under the Foreign Account Tax Compliance Act of 2010 (including the U.S.

Treasury regulations promulgated thereunder and intergovernmental agreements entered into pursuant thereto or in connection therewith). In addition, it does not address consequences relevant to resTORbio U.S. Holders subject to special rules, including, without limitation:

- U.S. expatriates and former citizens or long-term residents of the United States;
- resTORbio U.S. Holders whose functional currency is not the U.S. dollar;
- persons holding resTORbio common stock as part of a hedge, straddle or other risk reduction strategy or as part of a conversion transaction or other integrated investment;
- banks, insurance companies, and other financial institutions;
- real estate investment trusts or regulated investment companies;
- brokers, dealers or traders in securities;
- "controlled foreign corporations," "passive foreign investment companies," and corporations that accumulate earnings to avoid U.S. federal income tax;
- S corporations, partnerships or other entities or arrangements treated as partnerships for U.S. federal income tax purposes (and investors therein);
- tax-exempt organizations or governmental organizations;
- persons deemed to sell resTORbio common stock under the constructive sale provisions of the Code;
- persons who hold or received resTORbio common stock pursuant to the exercise of any employee stock option or otherwise as compensation; and
- tax-qualified retirement plans.

If an entity or arrangement treated as a partnership for U.S. federal income tax purposes holds resTORbio common stock, the tax treatment of a partner in the partnership will depend on the status of the partner, the activities of the partnership and certain determinations made at the partner level. Accordingly, partnerships holding resTORbio common stock and the partners in such partnerships should consult their tax advisors regarding the U.S. federal income tax consequences to them.

THIS DISCUSSION IS FOR INFORMATION PURPOSES ONLY AND IS NOT TAX ADVICE. HOLDERS SHOULD CONSULT THEIR TAX ADVISORS WITH RESPECT TO THE APPLICATION OF THE U.S. FEDERAL INCOME TAX LAWS TO THEIR PARTICULAR SITUATIONS AS WELL AS ANY TAX CONSEQUENCES OF THE RECEIPT OF CVRs ARISING UNDER THE U.S. FEDERAL ESTATE OR GIFT TAX LAWS OR UNDER THE LAWS OF ANY STATE, LOCAL OR NON-U.S. TAXING JURISDICTION OR UNDER ANY APPLICABLE INCOME TAX TREATY.

For purposes of this discussion, a resTORbio U.S. Holder is a beneficial owner of resTORbio common stock that, for U.S. federal income tax purposes, is or is treated as:

- an individual who is a citizen or resident of the United States;
- a corporation 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 that (i) is subject to the primary supervision of a U.S. court and the control of one or more "United States persons" (within the meaning of Section 7701(a)(30) of the Code) over all of its substantial decisions or (ii) has a valid election in effect to be treated as a United States person for U.S. federal income tax purposes.

Receipt of CVRs by resTORbio U.S. Holders

Although the matter is not free from doubt, resTORbio intends to treat the receipt of CVRs and the reverse stock split as separate transactions for U.S. federal income tax purposes, and the following discussion assumes this treatment will be respected.

There is substantial uncertainty as to the tax treatment of CVRs. Specifically, there is no authority directly addressing whether contingent value rights with characteristics similar to the CVRs should be treated as a distribution of property with respect to the corporation's stock, a distribution of equity, a "debt instrument" or an "open transaction" for U.S. federal income tax purposes. Under applicable U.S. tax principles such questions are inherently factual in nature. Based on the specific characteristics of the CVRs, resTORbio intends to report the issuance of the CVRs as a distribution of property with respect to its stock. No assurance can be given that the IRS would not assert, or that a court would not sustain, a position contrary to any description of the intended tax consequences summarized below. No advance ruling has been or will be sought from the IRS regarding any matter discussed in this proxy statement/prospectus/information statement.

resTORbio intends to report the issuance of the CVRs to resTORbio U.S. Holders as a distribution of property with respect to its stock because the CVRs will be issued to all holders of resTORbio common stock prior to completion of the merger, and not as part of the merger consideration paid to holders of Adicet common stock. Consistent with such treatment, each resTORbio U.S. Holder will be treated as receiving a distribution in an amount equal to the fair market value of the CVRs issued to such resTORbio U.S. Holder on the date of the issuance. This distribution generally should be treated first as a taxable dividend to the extent of the resTORbio U.S. Holder's pro rata share of resTORbio's current or accumulated earnings and profits (as determined for U.S. federal income tax purposes), then as a non-taxable return of capital to the extent of the resTORbio U.S. Holder's basis in its resTORbio common stock, and finally as capital gain from the sale or exchange of resTORbio common stock with respect to any remaining value. resTORbio does not have a material amount of accumulated earnings and profits, and expects no or a small amount of current earnings and profits for the relevant taxable year. Thus, resTORbio expects most or all of this distribution to be treated as other than a dividend for U.S. federal income tax purposes. resTORbio U.S. Holders will receive a Form 1099-DIV notifying them of the portion of the CVR value that is treated as a dividend for U.S. federal income tax purposes. A resTORbio U.S. Holder's initial tax basis in such holder's CVRs should equal the fair market value of such CVRs on the date of their issuance. The holding period of such CVRs should begin on the day after the date of issuance.

As a result of the above treatment, resTORbio intends to treat future payments received by a resTORbio U.S. Holder on a CVR as a non-taxable return of such resTORbio U.S. Holder's adjusted tax basis in the CVR to the extent thereof, and payments in excess of such amount as ordinary income.

However, the treatment of such future payments is uncertain and alternative treatments are possible, although not expected. For example it is possible, although unlikely, that the CVRs could be treated as one or more debt instruments or as a distribution of equity for U.S. federal income tax purposes.

It is possible, although again unlikely, that the issuance of the CVRs could be treated as subject to the "open transaction" doctrine if the value of the CVRs on the closing date cannot be "reasonably ascertained." If the receipt of CVRs were treated as an "open transaction" for U.S. federal income tax purposes, each resTORbio U.S. Holder should not immediately take the CVRs into account in determining whether such holder must recognize gain, if any, on the receipt of the CVRs and such holder would take no tax basis in the CVRs. Rather, the resTORbio U.S. Holder's U.S. federal income tax consequences would be determined based on whether the CVRs are treated as a distribution of property or as debt or equity at the time the payments with respect to the CVRs are received or deemed received in accordance with the resTORbio U.S. Holder's regular method of accounting. As discussed above, resTORbio does not intend to report the issuance of the CVRs as an open transaction.

The CVRs should generally be treated as capital assets for U.S. federal income tax purposes once issued.

Alternative Treatment of the Receipt of CVRs and the resTORbio Reverse Stock Split as a Single Recapitalization

Notwithstanding resTORbio's position that the receipt of CVRs and the reverse stock split are appropriately treated as separate transactions, it is possible that the IRS or a court could determine that the receipt of the CVRs and the reverse stock split constitute a single "recapitalization" for U.S. federal income tax purposes. In such case, the tax consequences of the receipt of CVRs and the reverse stock split would differ from those described above and would depend in part on many of the same considerations described above, including whether the CVRs should be treated as property, equity or debt instruments or should be subject to the "open transaction" doctrine. In general, if the CVRs are treated as property and are not subject to the "open transaction" doctrine, then a resTORbio U.S. Holder could be required to recognize gain (but not loss) equal to the lesser of (i) the fair market value of the CVRs received, and (ii) the excess (if any) of (A) the sum of (1) the fair market value of the CVRs received and (2) the fair market value of the resTORbio shares received in the reverse stock split, over (B) the resTORbio U.S. Holder's adjusted tax basis in the resTORbio common stock surrendered in the resTORbio reverse stock split.

PLEASE CONSULT YOUR TAX ADVISOR WITH RESPECT TO THE PROPER CHARACTERIZATION OF THE RECEIPT OF THE CVRs.

MATTERS BEING SUBMITTED TO A VOTE OF RESTORBIO STOCKHOLDERS

Proposal No. 1: The Share Issuance Proposal: Approval of the Issuance of resTORbio Common Stock in the Merger and the resulting "Change of Control" of resTORbio under the Nasdaq rules

At the resTORbio special meeting, resTORbio stockholders will be asked to approve the issuance of shares of resTORbio common stock to Adicet's stockholders pursuant to the merger agreement and the resulting "change of control" of resTORbio under the Nasdaq rules. Immediately following the effective time of the merger, the former equityholders of Adicet are expected to hold approximately 75% of the outstanding shares of resTORbio common stock on a fully-diluted basis and the current equityholders of resTORbio are expected to hold approximately 25% of the outstanding shares of resTORbio common stock on a fully-diluted basis (in each case excluding equity incentives available for grant).

The terms of, reasons for and other aspects of the merger agreement, the merger and the issuance of shares of resTORbio common stock pursuant to the merger agreement are described in detail in the other sections in this proxy statement/prospectus/information statement.

The full text of the merger agreement is attached to this proxy statement/prospectus/information statement as *Annex A* and incorporated by reference herein.

Required Vote; Recommendation of Board of Directors

The affirmative vote of the holders of a majority of the votes properly cast at the special meeting is required for approval of Proposal No. 1. A failure to submit a proxy card or vote at the special meeting, or an abstention or "broker non-vote" will have no effect on the outcome of Proposal No. 1.

THE RESTORBIO BOARD RECOMMENDS THAT RESTORBIO STOCKHOLDERS VOTE "FOR" PROPOSAL NO. 1 TO APPROVE THE ISSUANCE OF RESTORBIO COMMON STOCK PURSUANT TO THE MERGER AGREEMENT AND THE RESULTING "CHANGE OF CONTROL" OF RESTORBIO UNDER NASDAQ RULES.

Proposal No. 2: The Reverse Stock Split Proposal: Approval of an Amendment to the resTORbio Certificate of Incorporation Effecting the Reverse Stock Split

General

At the special meeting, resTORbio stockholders will be asked to approve an amendment to the resTORbio certificate of incorporation effecting the reverse stock split. Upon the effectiveness of the amendment, the outstanding shares of resTORbio common stock will be combined into a lesser number of shares such that one share of resTORbio common stock will be issued for a specified number of shares, which shall be equal to or greater than four (4) and equal to or less than twelve (12), with the exact number within the range to be determined by the resTORbio Board prior to the effective time of such amendment and publicly announced by resTORbio. The proposed amendment to the resTORbio certificate of incorporation will effect the reverse stock split, as more fully described below, but will not change the number of authorized shares, or the par value, of resTORbio common stock.

Purpose

The resTORbio Board believes that a reverse stock split may be desirable for a number of reasons. resTORbio common stock is currently, and will be following the completion of the merger, listed on Nasdaq. According to the applicable Nasdaq rules, in order for resTORbio common stock to continue to be listed on Nasdaq, resTORbio must satisfy certain requirements established by Nasdaq, including a minimum trading price requirement. The resTORbio Board expects that a reverse stock split of resTORbio common stock will increase the market price of resTORbio common stock so that resTORbio is able to maintain compliance with the relevant Nasdaq rules for the foreseeable future.

The resTORbio Board also believes that the increased market price of resTORbio common stock expected as a result of implementing the reverse stock split will improve the marketability and liquidity of resTORbio common stock and will encourage interest and trading in resTORbio common stock. Because of the trading volatility often associated with low-priced stocks, many brokerage houses and institutional investors have internal policies and practices that either prohibit them from investing in low-priced stocks or tend to discourage individual brokers from recommending low-priced stocks to their customers. Some of those policies and practices may function to make the processing of trades in low-priced stocks economically unattractive to brokers. Additionally, because brokers' commissions on low-priced stocks generally represent a higher percentage of the stock price than commissions on higher-priced stocks, the current average price per share of resTORbio common stock can result in individual stockholders paying transaction costs representing a higher percentage of their total share value than would be the case if the share price were substantially higher. It should be noted that the liquidity of resTORbio common stock may be harmed by the proposed reverse stock split given the reduced number of shares that would be outstanding after the reverse stock split. The resTORbio Board is hopeful, however, that the anticipated higher market price will reduce, to some extent, the negative effects of the policies and practices of institutional investors and brokerage houses described above on the liquidity and marketability of the resTORbio common stock.

Notwithstanding the foregoing, there can be no assurance that: (a) the market price per share following the reverse stock split would rise in proportion to the reduction in the number of pre-split shares of resTORbio common stock outstanding before the reverse stock split; (b) the market price per share following the reverse stock split would remain in excess of the minimum price required for listing on Nasdaq for a sustained period of time; (c) the resTORbio common stock will not be delisted from Nasdaq due to a failure to meet other continued listing requirements even if the market price per post-reverse split share of resTORbio common stock remains in excess of such required minimum price; and (d) the reverse stock split would result in a per share price that would attract brokers and investors who do not trade in lower-priced stock. The market price of resTORbio common stock will also be based on resTORbio's performance and other factors, some of which are unrelated to the number of shares outstanding. If the reverse stock split is effected and the market price of resTORbio common stock declines, the percentage decline as an absolute number and as a percentage of resTORbio's overall market capitalization may be greater than would occur in the absence of the proposed reverse stock split.

Nasdaq Requirements for Listing on the Nasdaq Global Market

resTORbio common stock is currently listed on Nasdaq under the symbol "TORC."

According to the Nasdaq rules, an issuer must, in a case such as this, apply for initial inclusion following a transaction whereby the issuer combines with a non-Nasdaq entity, resulting in a change of control of the issuer and potentially allowing the non-Nasdaq entity to obtain a Nasdaq listing. These are referred to as Nasdaq's "reverse merger" rules. Accordingly, the listing standards of Nasdaq will require resTORbio to have, among other things, a $4.00 per share minimum bid price upon the effective time of the merger. Because the current price of resTORbio common stock is less than the required minimum bid price, the reverse stock split is necessary to obtain approval of the listing of the combined company and the shares of resTORbio common stock being issued in the merger on Nasdaq.

Additionally, the resTORbio Board believes that maintaining its listing on Nasdaq may provide a broader market for resTORbio common stock and facilitate the use of resTORbio common stock in financing and other transactions. The resTORbio Board approved the reverse stock split partly as a means of maintaining the share price of resTORbio common stock following the merger above $4.00 per share.

One of the effects of the reverse stock split will be to effectively increase the proportion of authorized shares which are unissued relative to those which are issued. This could result in the combined company being able to issue more shares without further stockholder approval. resTORbio currently has no plans to issue shares, other

than in connection with the merger, and to satisfy obligations under resTORbio options from time to time as these options are exercised. The reverse stock split will not affect the number of authorized shares of resTORbio common stock, which will continue to be 150,000,000. Although resTORbio must complete the reverse stock split in order for the merger to be completed, the resTORbio Board may implement the reverse stock split, even if the merger is not completed, for the reasons discussed above.

Principal Effects of the Reverse Stock Split

If the resTORbio stockholders approve the proposal to implement the reverse stock split and the resTORbio Board implements the reverse stock split, resTORbio will amend the resTORbio certificate of incorporation to effect the reverse stock split. The text of the form of the proposed amendment to the resTORbio certificate of incorporation is attached to this proxy statement/prospectus/information statement as *Annex D* and incorporated by reference herein.

The reverse stock split will be effected simultaneously for all outstanding shares of resTORbio common stock. The reverse stock split will affect all of resTORbio stockholders uniformly and will not affect any stockholder's percentage ownership interests in resTORbio, except to the extent that the reverse stock split results in any of resTORbio stockholders owning a fractional share. resTORbio common stock issued pursuant to the reverse stock split will remain fully paid and nonassessable. The reverse stock split will not affect resTORbio's continuing to be subject to the periodic reporting requirements of the Exchange Act.

As of the effective time of the reverse stock split, resTORbio will adjust and proportionately decrease the number of shares of resTORbio common stock subject to issuance upon exercise of, and adjust and proportionately increase the exercise price of, all options and warrants and other rights to acquire resTORbio common stock. In addition, as of the effective time of the reverse stock split, resTORbio will adjust and proportionately decrease the total number of shares of resTORbio common stock that may be the subject of the future grants under resTORbio's stock option plans.

Determination of Reverse Stock Split Ratio

The ratio of the reverse stock split, if approved by the resTORbio stockholders and implemented by the resTORbio Board, will be between 1-for-4 and 1-for-12 shares outstanding, as determined by the resTORbio Board and agreed to by Adicet. If the resTORbio Board determines to proceed with the reverse stock split, resTORbio will publicly announce the exact ratio selected. In determining the reverse stock split ratio, the resTORbio Board will consider numerous factors including:

- the historical and projected performance of resTORbio common stock before and after the reverse stock split;
- prevailing industry, general economic and market conditions;
- the projected impact of the selected reverse stock split ratio on trading liquidity in resTORbio common stock and resTORbio's ability to continue its common stock's listing on Nasdaq (See "*Matters Being Submitted to a Vote of resTORbio Stockholders—Nasdaq Requirements for Listing on the Nasdaq Global Market*" beginning on page 229 of this proxy statement/prospectus/information statement);
- resTORbio's capitalization (including the number of shares of resTORbio common stock issued and outstanding);
- the prevailing trading price for resTORbio common stock and the volume level thereof; and
- potential devaluation of resTORbio's market capitalization as a result of a reverse stock split.

The purpose of asking for authorization to implement a reverse stock split at a ratio to be determined by the resTORbio Board, as opposed to a ratio fixed in advance, is to give the resTORbio Board the flexibility to take into account then-current market conditions and changes in price of resTORbio common stock and to respond to other developments that may be deemed relevant, when considering the appropriate ratio.

Procedure for Effecting Reverse Stock Split and Exchange of Stock Certificates

If resTORbio stockholders approve the proposal to effect the reverse stock split, and if the resTORbio Board still believes that a reverse stock split is in the best interests of resTORbio and its stockholders, the resTORbio Board and Adicet will agree on the ratio of the reverse stock split to be implemented. resTORbio will file the certificate of amendment to the resTORbio certificate of incorporation with the Secretary of State of the State of Delaware immediately prior to the effective time of the merger. The resTORbio Board may delay effecting the reverse stock split without resoliciting stockholder approval. Beginning on the effective date of the reverse stock split, each certificate or book-entry share representing pre-split shares will be deemed for all corporate purposes to evidence ownership of post-split shares.

As soon as practicable after the effective date of the reverse stock split, resTORbio stockholders will be notified that the reverse stock split has been effected. resTORbio expects that resTORbio's transfer agent will act as exchange agent for purposes of implementing the exchange of stock certificates. Holders of pre-split shares will be asked to surrender to the exchange agent certificates representing pre-split shares in exchange for certificates representing post-split shares in accordance with the procedures to be set forth in a letter of transmittal to be sent by resTORbio. No new certificates will be issued to a stockholder until such stockholder has surrendered such stockholder's outstanding certificate(s) together with the properly completed and executed letter of transmittal to the exchange agent. Any pre-split shares submitted for transfer, whether pursuant to a sale or other disposition, or otherwise, will automatically be exchanged for post-split shares. STOCKHOLDERS SHOULD NOT DESTROY ANY STOCK CERTIFICATE(S) AND SHOULD NOT SUBMIT ANY CERTIFICATE(S) UNLESS AND UNTIL REQUESTED TO DO SO.

Fractional Shares

No certificates representing fractional shares of resTORbio common stock will be issued in connection with the reverse stock split. Each holder of resTORbio common stock who would otherwise have been entitled to receive a fraction of a share of resTORbio common stock (after taking into account all fractional shares of resTORbio common stock otherwise issuable to such holder) shall be entitled to receive, in lieu thereof, upon surrender of such holder's certificate(s) representing such fractional shares of resTORbio common stock, cash (without interest) in an amount based on such fractional part of a share of resTORbio common stock multiplied by the then fair value of the resTORbio common stock as determined by the resTORbio board.

By authorizing the reverse stock split, stockholders will be approving the combination of any whole number of shares of common stock between and including a number that is greater than four (4) and less than or equal to twelve (12) into one share. The certificate of amendment to the resTORbio certificate of incorporation filed with the Secretary of State of the State of Delaware effecting the reverse stock split will include only that number determined by the resTORbio Board to be in the best interests of resTORbio and its stockholders. The resTORbio Board will not implement any amendment providing for a different split ratio.

resTORbio stockholders should be aware that, under the escheat laws of the various jurisdictions where stockholders reside, where resTORbio is domiciled, and where the funds will be deposited, sums due for fractional interests that are not timely claimed after the effective date of the split may be required to be paid to the designated agent for each such jurisdiction, unless correspondence has been received by resTORbio or the exchange agent concerning ownership of such funds within the time permitted in such jurisdiction. Thereafter, stockholders otherwise entitled to receive such funds will have to seek to obtain them directly from the state to which they were paid.

Accounting Matters

The reverse stock split will not affect the common stock capital account on resTORbio's balance sheet. However, because the par value per share of resTORbio common stock will remain unchanged on the effective date of the

split, the components that make up the common stock capital account will change by offsetting amounts. Depending on the size of the reverse stock split the resTORbio Board decides to implement, the stated capital component will be reduced and the additional paid-in capital component will be increased with the amount by which the stated capital is reduced. The per share net income or loss and net book value of resTORbio will be increased because there will be fewer shares of resTORbio common stock outstanding. Prior periods' per share amounts will be restated to reflect the reverse stock split.

Potential Anti-Takeover Effect

Although the increased proportion of unissued authorized shares to issued shares of resTORbio common stock could, under certain circumstances, have an anti-takeover effect, for example, by permitting issuances that would dilute the stock ownership of a person seeking to effect a change in the composition of the resTORbio Board or contemplating a tender offer or other transaction for the combination of resTORbio with another company, the reverse stock split proposal is not being proposed in response to any effort of which resTORbio is aware to accumulate shares of resTORbio common stock or obtain control of resTORbio, other than in connection with the merger with Adicet, nor is it part of a plan by management to recommend a series of similar amendments to the resTORbio Board and stockholders. Other than the proposals being submitted to resTORbio stockholders for their consideration at the special meeting, the resTORbio Board does not currently contemplate recommending the adoption of any other actions that could be construed to affect the ability of third parties to take over or change control of resTORbio.

The number of authorized shares of resTORbio common stock will not be reduced as a result of the reverse stock split. Consequently, the number of authorized but unissued shares of resTORbio common stock will increase as a result of the reverse stock split. The authorized and unissued shares would be available from time to time for corporate purposes including raising additional capital by means of sales of stock or securities convertible into common stock, acquisitions of companies or assets, or other strategic transactions. The issuance of authorized but unissued shares may have the effect of diluting the earnings per share and book value per share, as well as the stock ownership and voting rights, of outstanding common stock. resTORbio currently has no plan, arrangement or agreement to issue shares of common stock for any purpose, except for the issuance of resTORbio common stock in the merger, or upon the exercise of any resTORbio options, and pursuant to resTORbio's equity incentive plans.

No Appraisal Rights

Under the DGCL, resTORbio stockholders are not entitled to appraisal rights with respect to the reverse stock split, and resTORbio will not independently provide stockholders with any such right.

For more information, please see the section entitled "*Risks Related to resTORbio's Common Stock*" beginning on page 90 of this proxy statement/prospectus/information statement and "*Description of resTORbio's Capital Stock—Anti-Takeover Effects of the resTORbio Certificate of Incorporation and Bylaws and Delaware Law*" beginning on page 390 of this proxy statement/prospectus/information statement.

Material U.S. Federal Income Tax Consequences of the Reverse Stock Split

The following discussion is a summary of the material U.S. federal income tax consequences of the reverse stock split to resTORbio U.S. Holders (as defined above in the section entitled "*The Merger—Material U.S. Federal Income Tax Considerations of the Merger*" beginning on page 191 of this proxy statement/prospectus/information statement). This discussion does not purport to be a complete analysis of all potential tax consequences that may be relevant to a resTORbio U.S. Holder. The effects of U.S. federal tax laws other than U.S. federal income tax laws, such as estate and gift tax laws, and any applicable state, local or non-U.S. tax laws are not discussed. This discussion is based on the Code, Treasury Regulations promulgated thereunder, judicial decisions, and published rulings and administrative pronouncements of the IRS, in each case in effect as of the

date hereof. These authorities may change or be subject to differing interpretations. Any such change or differing interpretation may be applied retroactively in a manner that could adversely affect a resTORbio U.S. Holder. resTORbio has not sought and does not intend to seek any rulings from the IRS regarding the matters discussed below. There can be no assurance the IRS or a court will not take a position contrary to that discussed below regarding the tax consequences of the reverse stock split.

This discussion is limited to resTORbio U.S. Holders that hold resTORbio 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 U.S. federal income tax consequences relevant to a resTORbio U.S. Holder's particular circumstances, including the impact of the alternative minimum tax, the rules related to "qualified small business stock" within the meaning of Section 1202 of the Code, the Medicare contribution tax on net investment income, any considerations relating to any requirement for certain holders to accelerate the recognition of any item of gross income as a result of such income being recognized on an "applicable financial statement," or any withholding considerations arising under the Foreign Account Tax Compliance Act of 2010 (including the U.S. Treasury regulations promulgated thereunder and intergovernmental agreements entered into pursuant thereto or in connection therewith). In addition, it does not address consequences relevant to resTORbio U.S. Holders subject to special rules, including, without limitation:

- U.S. expatriates and former citizens or long-term residents of the United States;
- resTORbio U.S. Holders whose functional currency is not the U.S. dollar;
- persons holding resTORbio common stock as part of a hedge, straddle or other risk reduction strategy or as part of a conversion transaction or other integrated investment;
- banks, insurance companies, and other financial institutions;
- real estate investment trusts or regulated investment companies;
- brokers, dealers or traders in securities;
- "controlled foreign corporations," "passive foreign investment companies," and corporations that accumulate earnings to avoid U.S. federal income tax;
- S corporations, partnerships or other entities or arrangements treated as partnerships for U.S. federal income tax purposes (and investors therein);
- tax-exempt organizations or governmental organizations;
- persons deemed to sell resTORbio common stock under the constructive sale provisions of the Code;
- persons who hold or received resTORbio common stock pursuant to the exercise of any employee stock option or otherwise as compensation; and
- tax-qualified retirement plans.

If an entity or arrangement treated as a partnership for U.S. federal income tax purposes holds resTORbio common stock, the tax treatment of a partner in the partnership will depend on the status of the partner, the activities of the partnership and certain determinations made at the partner level. Accordingly, partnerships holding resTORbio common stock and the partners in such partnerships should consult their tax advisors regarding the U.S. federal income tax consequences to them.

THIS DISCUSSION IS FOR INFORMATION PURPOSES ONLY AND IS NOT TAX ADVICE. HOLDERS SHOULD CONSULT THEIR TAX ADVISORS WITH RESPECT TO THE APPLICATION OF THE U.S. FEDERAL INCOME TAX LAWS TO THEIR PARTICULAR SITUATIONS AS WELL AS ANY TAX CONSEQUENCES OF THE REVERSE STOCK SPLIT ARISING UNDER THE U.S. FEDERAL ESTATE OR GIFT TAX LAWS OR UNDER THE LAWS OF ANY STATE, LOCAL OR NON-U.S. TAXING JURISDICTION OR UNDER ANY APPLICABLE INCOME TAX TREATY.

Tax Consequences of the Reverse Stock Split

Although the matter is not free from doubt, resTORbio intends to treat the reverse stock split and the receipt of the CVRs as separate transactions for U.S. federal income tax purposes, and the following discussion assumes this treatment will be respected.

The reverse stock split should constitute a "recapitalization" for U.S. federal income tax purposes. As a result, a resTORbio U.S. Holder should not recognize gain or loss upon the reverse stock split. A resTORbio U.S. Holder's aggregate tax basis in the shares of resTORbio common stock received pursuant to the reverse stock split should equal the aggregate tax basis of the shares of the resTORbio common stock surrendered, and such resTORbio U.S. Holder's holding period in the shares of resTORbio common stock received should include the holding period in the shares of resTORbio common stock surrendered. Treasury Regulations provide detailed rules for allocating the tax basis and holding period of the shares of resTORbio common stock surrendered to the shares of resTORbio common stock received in a recapitalization pursuant to the reverse stock split. resTORbio U.S. Holders of shares of resTORbio common stock acquired on different dates and at different prices should consult their tax advisors regarding the allocation of the tax basis and holding period of such shares.

Alternative Treatment of the Reverse Stock Split and the Receipt of the CVRs as a Single Recapitalization

Notwithstanding resTORbio's position that the reverse stock split and the receipt of the CVRs are appropriately treated as separate transactions, it is possible that the IRS or a court could determine that the reverse stock split and the receipt of the CVRs constitute a single "recapitalization" for U.S. federal income tax purposes. In such case, the tax consequences of the reverse stock split and the receipt of CVRs would differ from those described above. Please see the section entitled "*Agreements Related to the Merger—Contingent Value Rights Agreement*" beginning on page 223 of this proxy statement/prospectus/information statement.

Vote Required; Recommendation of Board of Directors

The affirmative vote of holders of a majority of the outstanding shares of resTORbio common stock entitled to vote at the special meeting is required to approve the amendment to the resTORbio certificate of incorporation effecting the reverse stock split. A failure to submit a proxy card or vote at the special meeting, or an abstention for Proposal No. 2 will have the same effect as a vote against the approval off Proposal No. 2.

THE RESTORBIO BOARD RECOMMENDS THAT RESTORBIO'S STOCKHOLDERS VOTE "FOR" PROPOSAL NO. 2 TO APPROVE THE AMENDMENT TO THE RESTORBIO CERTIFICATE OF INCORPORATION EFFECTING THE REVERSE STOCK SPLIT.

The Adjournment Proposal: Approval of Possible Adjournment of the Special Meeting

General

If resTORbio fails to receive a sufficient number of votes to approve Proposal No. 1 and Proposal No. 2, resTORbio may propose to adjourn the resTORbio special meeting for the purpose of soliciting additional proxies to approve Proposal No. 1 and Proposal No. 2. resTORbio currently does not intend to propose adjournment at the special meeting if there are sufficient votes to approve Proposal No. 1 and Proposal No. 2.

Vote Required; Recommendation of the Board of Directors

The affirmative vote of the holders of a majority of votes properly cast at the special meeting is required to approve the adjournment of the special meeting for the purpose of soliciting additional proxies to approve Proposal No. 1 and Proposal No. 2. A failure to submit a proxy card or vote at the special meeting, or an abstention or "broker non-vote" will have no effect on the outcome of Proposal No. 3.

THE RESTORBIO BOARD RECOMMENDS THAT RESTORBIO'S STOCKHOLDERS VOTE "FOR" PROPOSAL NO. 3 TO ADJOURN THE SPECIAL MEETING, IF NECESSARY, TO SOLICIT ADDITIONAL PROXIES IF THERE ARE NOT SUFFICIENT VOTES IN FAVOR OF PROPOSAL NO. 1 AND PROPOSAL NO. 2.

RESTORBIO BUSINESS

Overview

resTORbio is a clinical-stage biopharmaceutical company developing innovative medicines that target the biology of aging to prevent or treat age-related diseases with the potential to extend healthy lifespan. resTORbio's lead program selectively inhibits the target of rapamycin complex 1, or TORC1, an evolutionarily conserved pathway that contributes to the age-related decline in function of multiple organ systems. resTORbio's lead product candidate, RTB101, is an oral, selective, and potent inhibitor of TORC1. RTB101 inhibits the phosphorylation of multiple targets downstream of TORC1. Inhibition of TORC1 has been observed to extend lifespan and healthspan in aging preclinical species and to enhance immune, neurologic and cardiac functions, suggesting potential benefits in several aging-related diseases. In May 2020, resTORbio initiated a randomized, double-blind, placebo-controlled trial to determine if prophylaxis with RTB101 as compared to placebo reduces the severity of laboratory-confirmed COVID-19 in adults age 65 years and older who reside in a nursing home with one or more residents or staff who have laboratory-confirmed COVID-19. The primary endpoint for the study is the percentage of subjects who develop laboratory-confirmed COVID-19 with protocol-defined progressive symptoms or are hospitalized or die beginning at randomization through Week 4. Approximately 550 subjects are expected to enroll in the study. Subjects will be randomized 1:1 to RTB101 10 mg once daily or matching placebo once daily. The study will be conducted in collaboration with Investigators at Brown University's Schools of Medicine and Public Health.

RTB101 was previously in development for preventing clinically symptomatic respiratory illness in adults age 65 and older. The prior Phase 2b and Phase 3 studies were randomized, double-blind, placebo-controlled clinical trials that assessed whether 16 weeks of once daily RTB101 treatment reduced the incidence of laboratory-confirmed respiratory tract infections (the Phase 2b primary endpoint) or the incidence of clinically symptomatic respiratory illness (the Phase 3 primary endpoint) in older adults during winter cold and flu season. The Phase 2b study enrolled 652 adults, 65 years of age and older, at increased risk of respiratory tract infection-related morbidity and mortality. The Phase 3 study enrolled 1,024 adults, 65 years of age and older, who did not smoke and did not have chronic obstructive pulmonary disease. Topline results from both trials have been disclosed previously. Although the Phase 2b and Phase 3 trials of RTB101 to reduce the incidence of illness associated with respiratory tract infections (referred to as "RTIs") in older adults were not designed or powered to assess the incidence and severity of coronavirus infections specifically, a trend toward a decrease in the incidence and severity of coronavirus infections was observed in both trials in older adults who were given RTB101 10 mg once daily as compared to placebo. Specifically, there were seven coronavirus infections observed in subjects who received RTB101 10 mg daily in the Phase 2b study, compared to 15 in the placebo group, and 18 coronavirus infections in the RTB101 group in the Phase 3 study compared to 23 in the placebo group. Trends were also observed toward a decrease in the percentage of subjects with severe coronavirus RTI symptoms and the time to alleviation of moderate and severe coronavirus RTI symptoms in the RTB101 group compared to placebo.

resTORbio licensed the worldwide rights to its TORC1 program, including RTB101 alone or in combination with everolimus, from Novartis International Pharmaceutical Ltd., or Novartis, in March 2017. resTORbio's management team includes co-founders, Chen Schor, who serves as President and Chief Executive Officer, Joan Mannick, M.D., who serves as Chief Medical Officer, Lloyd Klickstein, M.D., Ph.D., who serves as Chief Scientific Officer, and additional veterans in drug development and discovery, with executive experience in leading global pharmaceutical companies. Dr. Mannick led the mTOR inhibition in diseases of aging clinical program at Novartis Institutes for Biomedical Research, Inc., or NIBR, prior to resTORbio's in-licensing of the program.

In February 2020, resTORbio retained JMP Securities LLC as a financial advisor to assist in resTORbio's evaluation of a broad range of strategic alternatives to enhance stockholder value, including additional capital raising transactions, an acquisition, merger, business combination, licensing and/or other strategic transaction involving resTORbio.

After a comprehensive review of strategic alternatives, on April 28, 2020, resTORbio entered into the merger agreement with Adicet, pursuant to which, if all of the conditions to closing are satisfied or waived, Adicet will become a wholly owned subsidiary of resTORbio. The merger agreement was approved by the members of resTORbio's Board and the Board resolved to recommend approval of the merger agreement to resTORbio stockholders. Consummation of the merger is subject to certain closing conditions, a number of which are not within resTORbio's control. Certain of resTORbio stockholders who collectively own approximately 24% of the outstanding shares of resTORbio common stock have entered into voting agreements, pursuant to which they have agreed, among other things, and subject to the terms and conditions of the agreements, to vote in favor of the merger.

Subject to the terms of the merger agreement, at the Effective Time each share of resTORbio common stock issued and outstanding immediately prior to the Effective Time shall be entitled to one contractual contingent value right issued by resTORbio subject to and in accordance with the terms and conditions of a Contingent Value Rights Agreement. The transaction is expected to close in the second half of 2020.

resTORbio expects to devote significant time and resources to completion of the merger, or, if the merger is not completed, identifying and evaluating other strategic alternatives. However, there can be no assurance that such activities will result in the completion of the merger or any other contemplated transactions that will enhance shareholder value. Further, the completion of the merger, or of any other strategic transaction, ultimately may not deliver the anticipated benefits or enhance stockholder value.

From resTORbio's inception, resTORbio has devoted substantially all of its efforts to business planning, engaging regulatory, manufacturing and other technical consultants, planning and executing clinical trials and raising capital. resTORbio's future operations are highly dependent on the success of the merger with Adicet.

resTORbio's Strategy

resTORbio's goal is to be a leading biopharmaceutical company focused on treating aging-related diseases. resTORbio strives to maintain a leadership position in the TORC1 inhibitor class of pharmaceutical products for aging-related diseases. The key elements of resTORbio's strategy to achieve this goal include:

- *Rapidly advance resTORbio's TORC1 program to improve and address the function of multiple aging organ systems, including the immune system.* In May 2020, resTORbio initiated a randomized, double-blind, placebo-controlled trial to determine if prophylaxis with RTB101 as compared to placebo reduces the severity of laboratory-confirmed COVID-19 in adults age 65 years and older who reside in a nursing home with one or more residents or staff who have laboratory-confirmed COVID-19. The primary endpoint for the study is the percentage of subjects who develop laboratory-confirmed COVID-19 with protocol-defined progressive symptoms or are hospitalized or die beginning at randomization through Week 4. Approximately 550 subjects are expected to enroll in the study. Subjects will be randomized 1:1 to RTB101 10 mg once daily or matching placebo once daily. The study will be conducted in collaboration with Investigators at Brown University's Schools of Medicine and Public Health. resTORbio may initiate another COVID-19 related study in people age 65 years and older or contribute to additional clinical studies of RTB101 by supplying the investigational medicinal product.
- *Maintain and defend a robust intellectual property portfolio in the field of TORC1 inhibition for aging-related diseases.* resTORbio has exclusive licenses to patent families directed to compositions of matter, methods of use and formulations covering RTB101 alone or in combination with everolimus and have filed additional method of use patent applications. resTORbio intend to pursue and maintain broad intellectual property protection for RTB101 alone or in combination with a rapalog, such as everolimus or sirolimus, or other compounds for the prevention or treatment of aging-related diseases through U.S. and international patents.

- *Strategic Alternatives.* In February 2020, resTORbio retained JMP Securities LLC as a financial advisor to assist in resTORbio's evaluation of a broad range of strategic alternatives to enhance stockholder value, including additional capital raising transactions, an acquisition, merger, business combination, licensing and/or other strategic transaction involving resTORbio. After a comprehensive review of strategic alternatives, on April 28, 2020, resTORbio entered into the merger agreement with Adicet. The transaction is expected to close in the second half of 2020.

resTORbio's Product Pipeline

The following table summarizes key information about resTORbio's product candidates.

* For PD, resTORbio may be required to file an investigational new drug application, or IND, with the U.S. Food and Drug Administration, or FDA, prior to initiating Phase 2 clinical trials in the United States.

Aging and its Regulation by the mTOR Pathway

Until recently, advances in the scientific understanding of aging have been limited, despite high growth in the elderly population

The elderly are the fastest growing population around the globe. According to the U.S. Census Bureau, the population age 65 years and older in the United States is expected to double by 2050 compared to 2012 estimates. According to global census data, there are nearly 150 million people age 65 years and older, and approximately 20 million people age 85 years and older in the United States, the major European countries and Japan. Despite age being the major risk factor for multiple chronic diseases, resTORbio believes few therapies are being developed to target aging biology, and none have been approved.

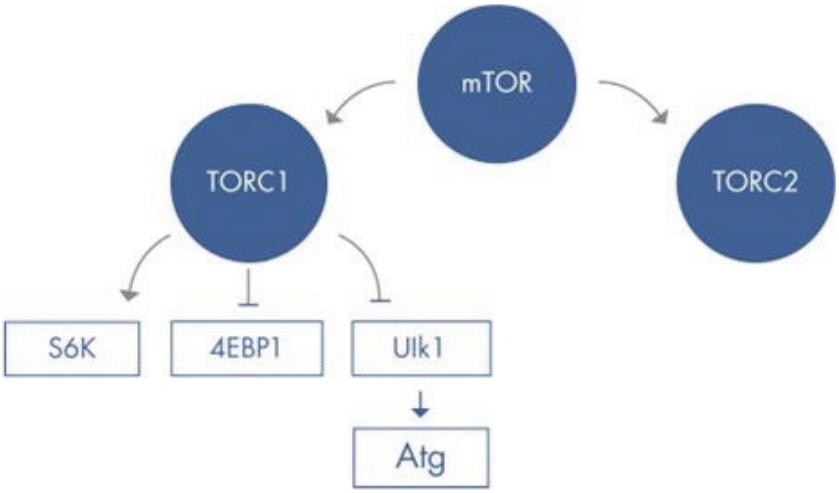
mTOR is an evolutionarily conserved pathway that regulates aging

mTOR is a serine/threonine protein kinase that regulates the process of aging and aging-related diseases and conditions. Inhibition of the mTOR pathway has been observed to prolong lifespan in multiple animals. These data support the potential of drugs that target the mTOR pathway to have therapeutic benefits for aging and aging-related conditions in humans.

In preclinical studies, the mTOR pathway has been observed to be hyperactivated in some cell types, including hematopoietic stem cells, or HSCs, at an advanced age. It was observed that suppressing mTOR activity in these cell types to levels found at younger ages may enhance cell function, including their ability to generate white blood cells. Furthermore, preclinical studies found that mTOR activity stimulates protein synthesis and cell growth but inhibits protective processes such as autophagy in which damaged proteins and organelles are broken down and recycled. Therefore, these studies suggest that increased mTOR activity is beneficial during years of growth and reproduction but may be harmful during post-reproductive years when cells accumulate damage and require protective mechanisms such as autophagy to prevent and repair damage.

mTOR signals via two multiprotein complexes, known as TORC1 and TORC2. TORC1 inhibition has been observed to prolong lifespan, enhance immune responses, ameliorate neurodegenerative diseases, ameliorate

heart failure, enhance memory and mobility, decrease adiposity and delay onset of aging-related diseases in multiple animal studies. On the other hand, TORC2 inhibition has been observed to decrease lifespan and cause hyperlipidemia and hyperglycemia in certain animals and humans. Therefore, resTORbio believes the optimal approach for the treatment of aging-related conditions through mTOR inhibition is a regimen that inhibits TORC1 without inhibiting TORC2. mTOR within the TORC1 complex introduces phosphates to, or phosphorylates, multiple proteins including S6K, 4EBP1 and Ulk1, as shown in the figure below. Different dosing regimens that inhibit different spectrum of TORC1, as measured by decreased phosphorylation of multiple proteins downstream of TORC1, may be more beneficial for the prevention or treatment of certain aging-related diseases.



resTORbio believes TORC1 inhibition may have therapeutic benefit in multiple aging-related diseases. Preclinical studies suggest that key mechanisms involved in the anti-aging effects of TORC1 inhibition include improved stem cell function, increased autophagy, increased expression of mitochondrial proteins that are important for energy production, decreased adiposity and increased expression of proteins that are responsible for cellular maintenance and repair. Based on preclinical data, these biological effects have the potential to improve multiple aging-related pathologies including decreased autophagy and accumulation of damaged proteins. Autophagy is the process in which a cell breaks down and recycles damaged cellular components, including damaged and aggregated proteins. Preclinical data suggests that an aging-associated decrease in autophagy leads to the accumulation of toxic proteins and may result in aging-associated pathologies such as neurodegeneration.

Immunosenescence and COVID-19 in the Elderly

Potential for TORC1 inhibition to address decreased immune function associated with aging

TORC1 inhibition has been observed to enhance immune function in at least three independent preclinical studies to date, conducted by laboratories at the University of Michigan, Emory University and St. Jude Children's Research Hospital, where administration of mTOR inhibitors improved immune response to influenza vaccination. Further, findings from these preclinical studies suggest that short-term treatment of aged animals with a TORC1 inhibitor can rejuvenate HSC function, increase the number of infection-fighting white blood cells, and increase longevity. resTORbio believes these findings suggest that TORC1 inhibition has the potential to improve immune function in elderly humans.

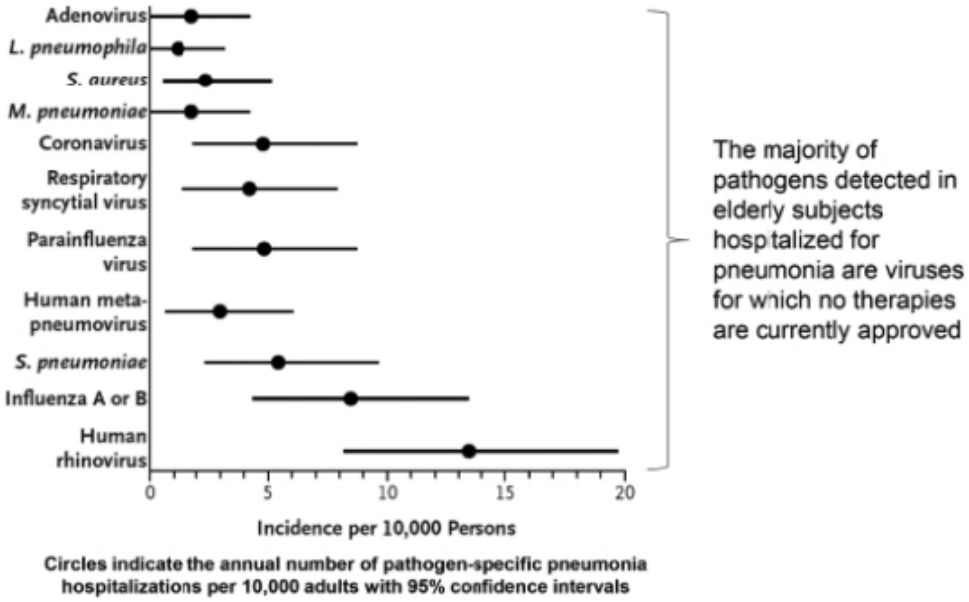
COVID-19 in the elderly

The reduced ability of the aging immune system to effectively detect and fight infections results in increased susceptibility of the elderly to RTIs, which, in turn negatively impacts such patients' overall health and quality of life. resTORbio believes that decreasing the incidence of RTIs is a large unmet medical need in the elderly, particularly in subjects at an increased risk of RTI-related morbidity and mortality. resTORbio believes there is a significant unmet medical need for an innovative therapy to reduce the incidence of RTIs in the elderly for the following reasons:

- *The large and growing elderly population is particularly susceptible to morbidity and mortality from RTIs*. The elderly represent the fastest growing population across the globe. In the United States, RTIs are the fifth leading cause of death in people age 85 and over and the seventh leading cause of death in people age 65 and over.

  The COVID-19 pandemic has highlighted the dysfunction of the aging immune system, which contributes to the increased risk of viral RTIs in older adults. Given the elevated mortality of COVID-19 infections in older adults (Wu *et al* 2020), there is an urgent need to evaluate medicines that may prevent or ameliorate severe disease in these vulnerable patients. The COVID-19 pandemic also highlights the need for new therapies that enhance the function of the aging immune system and protect older adults from COVID-19.

- *The majority of RTIs are caused by viruses for which no available therapy exists*. The majority of RTIs including COVID-19 are caused by viruses, most of which lack approved prophylactics or therapies, leaving physicians with few treatment options. Based on Center for Disease Control, or CDC, guidelines, vaccines are given to prevent influenza and pneumococcal infections. However, even if vaccinated, the elderly are less likely to develop sufficient protective immunity against influenza and pneumococcal infections due to immunosenescence. In addition, vaccines against most of the viral pathogens that cause RTIs including COVID-19 are not currently available. The following figure illustrates the specific pathogens detected in patients 80 years or older hospitalized with community-acquired pneumonia (Jain et al., 2015).



- *Antibiotics are often prescribed indiscriminately to treat RTIs, leading to potential side effects and contributing to growing antibiotic resistance*. Antibiotics, which are ineffective against viruses, are

often prescribed indiscriminately to treat RTIs, which may cause side effects related to antibiotic use and contribute to the growing global problem of antibiotic resistance. As antibiotic use is a primary driver of antibiotic resistance, resTORbio believes that reducing the incidence of RTIs in the elderly could also indirectly limit the rise of antibiotic-resistant bacteria. Furthermore, the elderly are at increased risk of antibiotic-related adverse events due to increased organ sensitivity, increased exposure due to changes in pharmacokinetics, and polypharmacy. According to a study conducted by McGill University, antibiotics have been linked to 17% of adverse drug-related events in the elderly who visit emergency departments. Antibiotic use can also lead to lethal superinfections such as *C. difficile* infections.

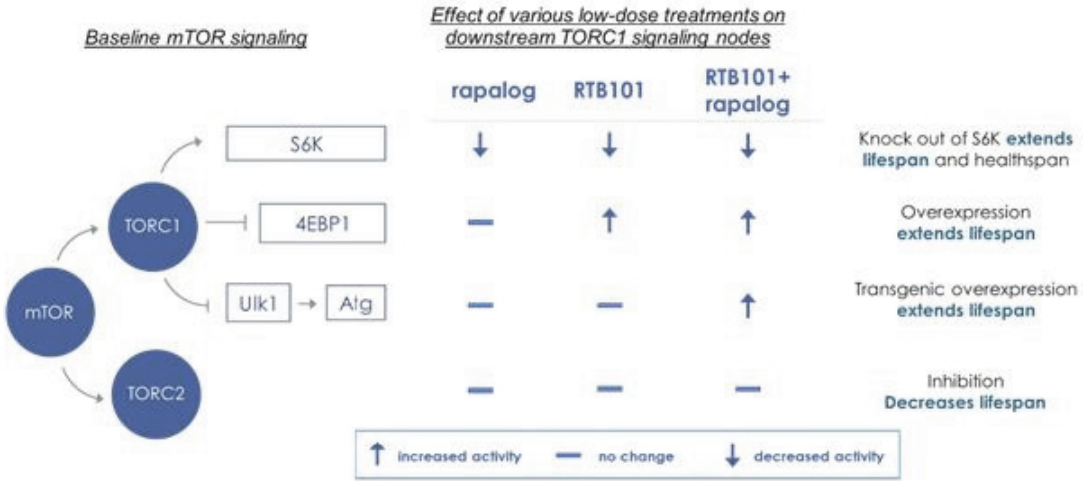
- *Lack of immunotherapy drugs to address RTIs.* Ideally, an immunotherapy would enhance innate immunity to provide broad, acute and long-lasting protection against multiple pathogens. Currently, however, there are no approved immunotherapies to enhance innate immunity in the elderly. resTORbio believes RTB101 upregulates innate antiviral immunity and thereby may decrease the incidence or severity of viral RTIs such as COVID-19 in the elderly.

resTORbio's TORC1 Program

Overview

In March 2017, resTORbio obtained a license from Novartis to the worldwide rights to RTB101 for all indications, and the rights to use everolimus in combination with RTB101 for all aging-related indications. RTB101 is an orally administered, small molecule, potent TORC1 inhibitor that binds to the active site of mTOR on the TORC1 complex, a mechanism known as catalytic inhibition. In contrast, rapalogs, such as everolimus or sirolimus, also orally administered small molecules, inhibit mTOR activity by changing the shape of TORC1, a mechanism known as allosteric inhibition, that is distinct from and synergistic with catalytic inhibition.

The downstream signaling cascade of TORC1 that resTORbio believes occurs in scenarios of baseline, RTB101 alone and RTB101 in combination with a rapalog, such as everolimus or sirolimus are pictured in the following figure.



resTORbio's TORC1 program includes evaluation of RTB101 alone because resTORbio believes RTB101 monotherapy can effectively inhibit phosphorylation of multiple downstream signaling nodes of TORC1, including S6K, 4EBP1 and Ulk1, that are key drivers of TORC1 downstream activity. Decreased phosphorylation of S6K leads to decreased activity, while decreased phosphorylation of 4EBP1 and Ulk1 leads to

increased activity. resTORbio believes RTB101 alone consistently inhibits more downstream signaling nodes of TORC1 than a rapalog, such as everolimus or sirolimus, alone. Therefore, resTORbio believes RTB101 alone has the potential to inhibit the targets downstream of TORC1 needed to induce autophagy and have disease modifying effects in PD as well as to alleviate levodopa-induced dyskinesia.

resTORbio's TORC1 program also includes evaluation of RTB101 in combination with a rapalog, such as everolimus or sirolimus, as the combination of catalytic and allosteric inhibitors synergistically inhibit TORC1. resTORbio believes rapalogs, such as everolimus and sirolimus, may induce a conformation change in TORC1 that allows lower concentrations of RTB101 to inhibit TORC1. It was observed in preclinical in vitro studies that RTB101 and everolimus at the comparable doses that resTORbio is evaluating in resTORbio's clinical trials synergistically inhibit S6K and 4EBP1 phosphorylation and induce autophagy. The synergy of RTB101 with everolimus or sirolimus, as measured by Bliss synergy scoring, was up to 150% in those studies. Bliss scores in excess of 30% are considered to be high. Preclinical and clinical data suggest that RTB101 monotherapy alone or in combination with sirolimus may achieve concentrations in the CNS sufficient to inhibit TORC1 and have potential therapeutic benefit in patients with neurodegenerative diseases such as PD. Accordingly, resTORbio's TORC1 program includes evaluation of both RTB101 alone and in combination with a rapalog, such as everolimus or sirolimus.

Clinical Development of RTB101

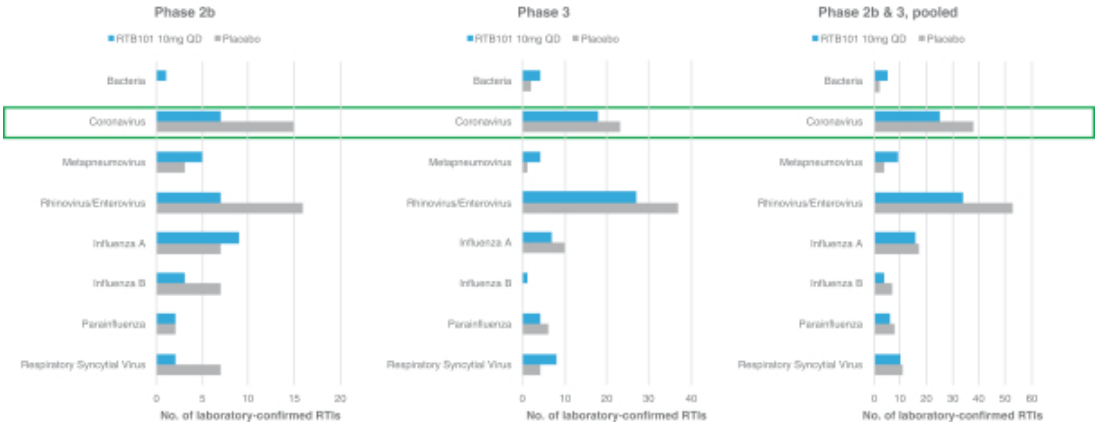
RTB101 was previously in development for preventing clinically symptomatic respiratory illness in adults age 65 and older. On November 15, 2019, resTORbio announced that top line data from the PROTECTOR 1 Phase 3 study, evaluating the safety and efficacy of RTB101 in preventing clinically symptomatic respiratory illness in adults age 65 and older, did not meet its primary endpoint and that resTORbio has stopped the development of RTB101 for clinically symptomatic respiratory illness.

The prior Phase 2b and Phase 3 studies were randomized, double-blind, placebo-controlled clinical trials that assessed whether 16 weeks of once daily RTB101 treatment reduced the incidence of laboratory-confirmed respiratory tract infections (the Phase 2b primary endpoint) or the incidence of clinically symptomatic respiratory illness (the Phase 3 primary endpoint) in older adults during winter cold and flu season. The Phase 2b study enrolled 652 adults, 65 years of age and older, at increased risk of respiratory tract infection-related morbidity and mortality. The Phase 3 study enrolled 1,024 adults, 65 years of age and older, who did not smoke and did not have chronic obstructive pulmonary disease. Topline results from both trials have been disclosed previously.

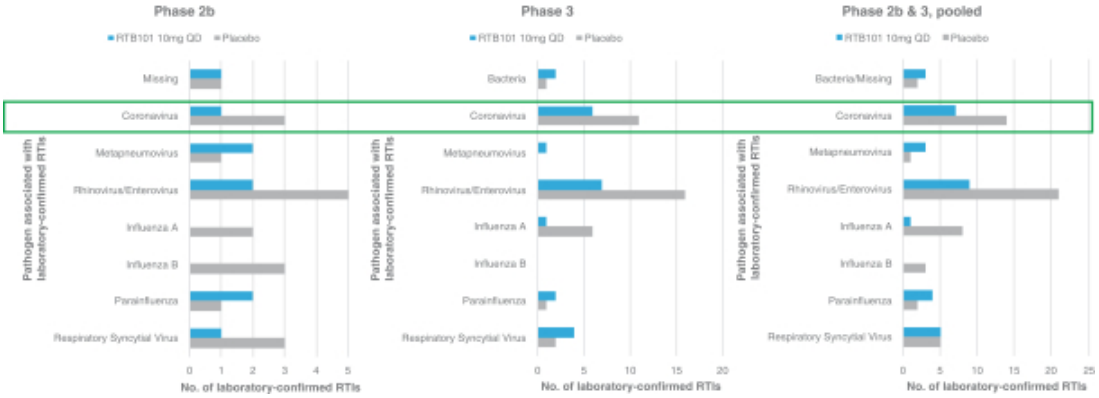
A prespecified analysis of laboratory-confirmed RTI pathogens in both trials is shown in Figure 1A. A trend towards reduced number of coronavirus infections (OC43, NL63, HKU1, 229E) among older adults treated with RTB101 as compared to placebo was identified in both studies (Figure 1A). Posthoc analyses of causative pathogens associated with laboratory-confirmed RTIs with severe symptoms further identified a trend towards fewer coronavirus RTIs with severe symptoms (Figure 1B), and a reduction in the time to alleviation of moderate to severe coronavirus RTI symptoms among older adults treated with RTB101 as compared to placebo in both studies (Figure 1C).

Figure 1. Treatment with RTB101 10mg once daily is associated with a numerical decrease in the incidence and severity of coronavirus infections, and a reduced time to alleviation of moderate to severe coronavirus symptoms as compared to placebo.

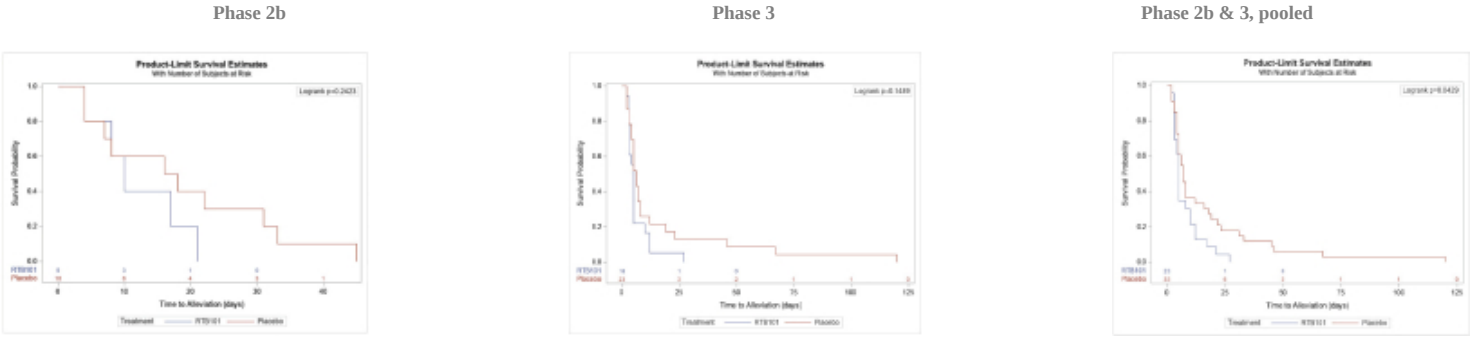
A. Laboratory-confirmed RTIs



B. Laboratory-confirmed RTIs with severe symptoms



C. Time to alleviation of moderate and severe symptoms among patients with laboratory-confirmed Coronavirus infection



Ongoing Phase 2b/3a Clinical Development

resTORbio is conducting a randomized, double-blind, placebo-controlled study to evaluate whether prophylaxis with RTB101 as compared to placebo reduces the severity of laboratory-confirmed COVID-19 in adults 65 years

of age and older who reside in a nursing home in which one or more residents or staff have developed laboratory-confirmed COVID-19. The FDA-approved primary endpoint for the study is the percentage of subjects who develop laboratory-confirmed COVID-19 with protocol-defined progressive symptoms or are hospitalized or die through four weeks of study drug treatment. Approximately 550 subjects are expected to enroll in the study. Subjects will be randomized 1:1 to RTB101 10 mg once daily or matching placebo once daily. The study will be conducted in collaboration with Investigators at Brown University's Schools of Medicine and Public Health and Insight Therapeutics, LLC, and in certain nursing homes within the Genesis Healthcare system, where patients will be provided the opportunity to volunteer and participate in the study.

Other Potential Indications for resTORbio's TORC1 Program

Neurodegenerative Diseases and Parkinson's Disease in the Elderly

Potential for TORC1 inhibition to ameliorate levodopa-induced dyskinesia and to be neuroprotective in Parkinson's disease patients

Preclinical studies of RTB101 in rodent models of PD conducted by third parties have shown that mTOR inhibition can induce autophagy, reduce α-synuclein accumulation and decrease neuronal cell death. Therefore, resTORbio believes induction of autophagy with RTB101 alone or in combination with a rapalog has the potential to be a disease modifying therapy in PD. Moreover, inhibition of TORC1 may have additional benefit in PD patients by alleviating levodopa-induced dyskinesia, or LID. LID is a distressing side-effect of levodopa treatment that causes patients to experience involuntary movements. Polymorphisms in the mTOR gene in patients with PD have been linked to increased susceptibility to developing LID. In preclinical PD models, inhibition of TORC1 activity has been shown to alleviate LID symptoms. Together, these data suggest that TORC1 inhibition may be beneficial to PD patients both for prevention of disease progression, by virtue of direct effects on autophagy in the brain, and for amelioration of secondary symptoms created by treatment with levodopa, the mainstay of current therapy.

Parkinson's disease

PD is a progressive neurodegenerative disease that affects approximately 7.5 million people worldwide. The incidence of PD increases rapidly in people 60 years of age and older, with a mean age at diagnosis of 70.5 years. Patients with PD develop shaking, rigidity, slowness of movement and difficulty walking. PD may be attributed in part to neuronal damage caused by the accumulation in brain cells of abnormal aggregates, in the case of PD, containing the protein α-synuclein. Preclinical studies in mouse models of PD have shown that mTOR inhibition can induce autophagy, reduce α-synuclein accumulation and decrease neuronal cell death. Therefore, induction of autophagy with RTB101 alone or in combination with a rapalog may have therapeutic benefit for patients with PD.

Phase 1b/2a Clinical Development

In April of 2019, resTORbio initiated a Phase 1b/2a clinical trial of RTB101 alone or in combination with sirolimus in Parkinson's Disease, or PD. PD is a progressive neurodegenerative disease that affects approximately 7.5 million people worldwide. The multicenter, 2:1 randomized, double-blind, placebo-controlled Phase 1b/2a trial is evaluating the safety and tolerability of RTB101 alone or in combination with escalating doses of sirolimus (2 mg, 4 mg and 6 mg) once weekly for 4 weeks in patients with PD. To date, patients have been enrolled in four cohorts and dosed once weekly with 300 mg of RTB101 alone, 2 mg of sirolimus alone, or a combination of 300 mg RTB101 and 2 mg and 4 mg of sirolimus. Results of an interim study analysis indicated that the dosing regimens were well tolerated and RTB101 300 mg once weekly was observed to cross the blood brain barrier. Sirolimus was not detected in the CSF. In April 2020, resTORbio announced that it postponed enrollment in the fifth cohort as a consequence of the COVID-19 level 4 alert in New Zealand, where all non-essential services have been closed and people have been instructed to stay home. Enrollment of four of the five planned once-weekly dosing arms of RTB101 300 mg, sirolimus 2 mg, RTB101 300 mg in combination with

sirolimus 2 mg, and RTB101 300 mg in combination with sirolimus 4 mg has been completed. resTORbio plans to analyze the data from the four completed dosing arms and data from the four completed cohorts is expected by mid-2020. Notwithstanding the foregoing, on April 30, 2020, resTORbio elected to terminate the study and have no plans to dose patients in the fifth dosing arm. Given resTORbio's planned merger with Adicet, resTORbio currently has no plans to initiate additional studies for PD.

resTORbio Intellectual Property

resTORbio strives to protect the proprietary technologies that it believes are important to resTORbio's business, including seeking and maintaining patent protection intended to cover the composition of matter of its product candidates, including RTB101, their methods of use, related technology, and other inventions that are important to its business. resTORbio licensed a patent portfolio of ten patent families from Novartis. Please see the section entitled "*resTORbio Business—License Agreement with Novartis*" beginning on page 245 of this proxy statement/prospectus/information statement.

As of June 16, 2020, one family within this patent portfolio covering compositions of matter of RTB101 has 45 issuances in 34 countries; and has six pending applications in five counties and are expected to expire in 2026. resTORbio's issued patents and pending applications with respect to RTB101 are expected to expire in 2031 or 2032, (depending on eligibility for patent term extension or supplementary protection). Additional pending applications are expected to expire between 2034 and 2039, exclusive of possible patent term adjustments or extensions.

In addition to patent protection, resTORbio relies on trade secrets and confidentiality agreements to protect resTORbio's technology, know-how and other aspects of resTORbio's business that are not amenable to, or that resTORbio does not consider appropriate for, patent protection.

resTORbio's success will depend significantly on its ability to obtain and maintain patent and other proprietary protection for commercially important technology, inventions, and know-how related to resTORbio's business, defend and enforce the patents resTORbio owns or controls, maintain its licenses to use intellectual property owned by third parties, preserve the confidentiality of its trade secrets, and operate without infringing the valid and enforceable patents and other proprietary rights of third parties.

The patent positions of biopharmaceutical companies like resTORbio are generally uncertain and involve complex legal, scientific and factual questions. In addition, the coverage claimed in a patent application can be significantly reduced before the patent is issued, and its scope can be reinterpreted after issuance. Consequently, resTORbio does not know whether any of resTORbio's product candidates will be protectable or remain protected by enforceable patents. resTORbio cannot predict whether the patent applications resTORbio is currently pursuing will issue as patents in any particular jurisdiction or whether the claims of any issued patents will provide sufficient proprietary protection from competitors. Any patents that resTORbio holds or control may be challenged, circumvented or invalidated by third parties.

License Agreement with Novartis

In March 2017, resTORbio entered into a license agreement with Novartis, pursuant to which resTORbio was granted an exclusive, field-restricted, worldwide license to certain intellectual property rights owned or controlled by Novartis, including patents, patent applications, proprietary information, know-how and other intellectual property, to develop, commercialize and sell one or more therapeutic products comprising RTB101 alone or RTB101 and everolimus in a fixed dose combination. Under the license agreement, resTORbio has been licensed a patent portfolio of ten patent families directed to composition of matter of RTB101 and its salts, formulations of everolimus and methods of using RTB101 and everolimus to enhance the immune response among others. These families include certain granted patents and pending patent applications in the United States and foreign jurisdictions, including Canada, the United Kingdom, Germany, France, Italy, Spain, Russia, Japan, Korea and China. Patents in these families will begin expiring in 2026, subject to possible patent term extensions. resTORbio believes that patent term extension and the potential grant of certain pending patent applications may

provide exclusivity for RTB101 and RTB101 in combination with everolimus until 2039 in the United States and the major European markets.

The exclusive field for RTB101 is for the treatment, prevention and diagnosis of diseases and other conditions in all indications in humans and animals. With respect to the fixed dose combination of RTB101 and everolimus, the exclusive field of use is for any indication in humans related to the improvement in immune function or immunosenescence in the elderly, the reduction of infection frequency, severity, duration, health care resource utilization, hospitalization, morbidity or mortality, or the treatment of infections, the reduction of pulmonary disease exacerbation frequency, severity, or related hospitalization, the enhancement of therapeutic or prophylactic benefits of vaccines, or any aging-related disease, excluding in each case the application of everolimus in connection with organ transplantation, oncology, immune-oncology or in the cardiac stent field. Novartis has agreed not to enforce any rights to improvements related to RTB101 developed after the effective date in connection with the exercise of resTORbio's rights under this agreement. In addition, resTORbio has agreed to grant back to Novartis for use outside of the exclusive fields any improvements related to everolimus that resTORbio develops after the effective date.

resTORbio is required to use commercially reasonable efforts to develop and commercialize at least one product in the field in at least one major market, which includes the United States, Japan and certain identified countries in Europe.

As initial consideration for the license, resTORbio issued NIBR 2,587,992 shares of resTORbio's Series A preferred stock.

As additional consideration for the license, resTORbio is required to pay up to an aggregate of $4.3 million upon the satisfaction of clinical milestones, up to an aggregate of $24 million upon the satisfaction of regulatory milestones for the first indication approved, and up to an aggregate of $18 million upon the satisfaction of regulatory milestones for the second indication approved. In addition, resTORbio is required to pay up to an aggregate of $125 million upon the satisfaction of commercial milestones, based on the amount of annual net sales. resTORbio is also required to pay tiered royalties ranging from a mid-single digit percentage to a low-teen digit percentage on annual net sales of products. These royalty obligations last on a product-by-product and country-by-country basis until the latest of (i) the expiration of the last valid claim of a Novartis patent covering a subject product, (ii) the expiration of any regulatory exclusivity for the subject product in a country, or (iii) the 10th anniversary of the first commercial sale of the product in the country, and are subject to a reduction after the expiration of the last valid claim of a Novartis patent or the introduction of a generic equivalent of a product in a country. In addition, if resTORbio sublicenses the rights under the license agreement, resTORbio is required to pay a certain percentage of the sublicense revenue to Novartis.

Either resTORbio or Novartis may terminate the license agreement if the other party commits a material breach and fails to cure such breach within 60 days after written notice. Novartis may terminate the license agreement upon resTORbio's bankruptcy, insolvency, dissolution or winding up. In addition, Novartis may partially terminate the license agreement with respect to everolimus if resTORbio fails or ceases to use commercially reasonable efforts to research, develop and commercialize a product utilizing everolimus for a period of three years, provided that resTORbio's license related to RTB101 and Novartis's license to resTORbio's improvements related to everolimus will continue. In addition, resTORbio may terminate the license agreement, with or without cause, in its entirety or on a product-by-product or country-by-country basis, upon 60 days' prior written notice.

Sales and Marketing

resTORbio holds worldwide commercialization rights to resTORbio's product candidates. resTORbio does not have its own marketing, sales or distribution capabilities. In order to commercialize resTORbio's product candidate if approved for commercial sale, resTORbio must either develop a sales and marketing infrastructure or collaborate with third parties that have sales and marketing experience.

In addition, pursuant to the CVR agreement, Adicet (as successor in interest to resTORbio) has agreed to use commercially reasonable efforts to through September 30, 2021 reasonably support Finder (as such term is defined in the CVR Agreement) to identify one or more partners and negotiate a CVR Commercial Agreement (as such term is defined in the CVR Agreement) with such partner for the commercialization of RTB101 for a COVID-19 related indication, subject to certain limitations contained in the CVR agreement

Manufacturing

RTB101 and rapalogs, such as everolimus or sirolimus, are small molecules that can be manufactured using commercially available technologies. resTORbio acquired data from Novartis related to the chemical synthesis and manufacturing of RTB101, which is currently being manufactured by a single contract manufacturing organization, and are outsourcing the manufacturing of rapalogs, such as everolimus or sirolimus.

resTORbio believes there are multiple sources for all of the materials required for the manufacture of resTORbio's product candidates. resTORbio's manufacturing strategy enables resTORbio to more efficiently direct financial resources to the research, development, and commercialization of product candidates rather than diverting resources to internally develop manufacturing facilities.

Manufacturing of any product candidate is subject to extensive regulations that impose various procedural and documentation requirements, which govern recordkeeping, manufacturing processes and controls, personnel, quality control and quality assurance, among others. resTORbio expects that all of its contract manufacturing organizations will manufacture RTB101 under current Good Manufacturing Practice, or cGMP, conditions. cGMP is a regulatory standard for the production of pharmaceuticals to be used in humans.

Competition

resTORbio considers Navitor Pharmaceuticals, Inc., or Navitor, to be resTORbio's most direct competitor in developing novel therapeutics targeting TORC1 for aging-related diseases. However, Navitor's clinical TORC1 candidate is a TORC1 activator that is in Phase 1 clinical trials for treatment-resistant depression. resTORbio is aware of multiple other allosteric and catalytic mTOR inhibitors in development by other companies. resTORbio is not aware of any TORC1 inhibitors with TORC1 selectivity comparable to resTORbio's product candidate, RTB101, being commercially developed.

resTORbio is aware of other companies that are potential competitors for prevention or treatment of COVID-19, including but not limited to Gilead Sciences, Inc., Moderna, Inc., Novartis AG, Pfizer Inc., BioNTech, Amgen, Altimmune, CytoDyn Inc., GlaxoSmithKline, Heat Biologics Inc., Inovio Pharmaceuticals Inc., Johnson & Johnson, Novavax Inc., Regeneron Pharmaceuticals Inc., Sanofi, Takeda Pharmaceutical Co. Ltd., Vaxart Inc., and Vir Biotechnology Inc.

resTORbio is also aware of other companies seeking to develop treatments to prevent or treat aging-related diseases through biological pathways unrelated to mTOR inhibition, including Calico Life Sciences LLC, or Calico, and UNITY Biotechnology, Inc., or Unity. Calico has not yet disclosed any pipeline candidates, and Unity's most advanced candidate, based on publicly disclosed information, is in Phase 1 clinical trials for osteoarthritis. Hence, resTORbio believes that resTORbio currently has the most clinically advanced program based on the stage of development of resTORbio's competitors' programs.

resTORbio is aware of other companies that are potential competitors for prevention or treatment of aging-associated pathologies such as neurodegeneration. Companies pursuing prevention or treatment of aging-associated pathologies such as neurodegeneration in PD include: Denali Therapeutics, Inc., Acorda Therapeutics, Inc., Prothena Biosciences, Inc., Takeda Pharmaceutical Company (formerly Shire plc), Affiris AG, Biogen Inc., Inflazome Ltd., Casma Therapeutics, Inc., Neuropore Therapies, Inc., Caraway Therapeutics, Inc. (previously called Rheostat Therapeutics), Selphagy Therapeutics Inc., and others. Companies pursuing treatments for levodopa-induced dyskinesia in PD, including but not limited to: VistaGen Therapeutics, Inc., Prilienia Therapeutics, Inc., IRLAB Therapeutics AB, Neurolixis Inc, and others.

Drug development is highly competitive and subject to rapid and significant technological advancements. resTORbio's ability to compete will significantly depend upon resTORbio's ability to complete necessary clinical trials and regulatory approval processes, and effectively market any drug that resTORbio may successfully develop. resTORbio's current and potential future competitors may include pharmaceutical and biotechnology companies, academic institutions and government agencies. The primary competitive factors that will affect the commercial success of any product candidate for which resTORbio may receive regulatory approval include efficacy, safety and tolerability profile, dosing convenience, price, formulary coverage and reimbursement. resTORbio's existing or potential future competitors may have substantially greater financial, technical and human resources than resTORbio does and significantly greater experience in the discovery and development of product candidates, as well as in obtaining regulatory approvals of those product candidates in the United States and in foreign countries. resTORbio's current and potential future competitors may also have significantly more experience commercializing drugs that have been approved for marketing. Mergers and acquisitions in the pharmaceutical and biotechnology industries could result in even more resources being concentrated among a small number of resTORbio's competitors.

Accordingly, resTORbio's competitors may be more successful than resTORbio in obtaining regulatory for therapies and in achieving widespread market acceptance of their drugs. It is also possible that the development of a more effective treatments by a competitor could render resTORbio's product candidate non-competitive or obsolete or reduce the demand for resTORbio's product candidate before resTORbio can recover development and commercialization expenses.

Government Regulation

Government authorities in the United States, at the federal, state and local level, and in other countries and jurisdictions, including the European Union, extensively regulate, among other things, the research, development, testing, manufacture, quality control, approval, packaging, storage, recordkeeping, labeling, advertising, promotion, distribution, marketing, post-approval monitoring and reporting, and import and export of pharmaceutical products. The processes for obtaining regulatory approvals in the United States and in foreign countries and jurisdictions, along with subsequent compliance with applicable statutes and regulations and other regulatory authorities, require the expenditure of substantial time and financial resources.

Review and Approval of Drugs in the United States

In the United States, the FDA regulates drugs primarily under the Federal Food, Drug, and Cosmetic Act, or FDCA, and its implementing regulations. The failure to comply with applicable U.S. requirements at any time during the product development process, approval process or after approval may subject an applicant and/or sponsor to a variety of administrative or judicial sanctions, including refusal by the FDA to approve pending applications, withdrawal of an approval, imposition of a clinical hold, issuance of warning letters and other types of letters, product seizures, total or partial suspension of production or distribution, injunctions, fines, refusals of government contracts, restitution, disgorgement of profits, or civil or criminal investigations and penalties brought by the FDA and the Department of Justice or other governmental entities. In addition, an applicant may need to recall a product.

An applicant seeking approval to market and distribute a new drug product in the United States must typically undertake the following:

- completion of nonclinical, or preclinical, laboratory tests, animal studies and formulation studies in compliance with the FDA's good laboratory practice, or GLP, regulations;
- submission to the FDA of an IND, which must take effect before human clinical trials may begin;
- approval by an independent Institutional Review Board, or IRB, representing each clinical site before each clinical trial may be initiated at that site;

- performance of adequate and well-controlled human clinical trials in accordance with good clinical practices, or GCP, to establish the safety and efficacy of the proposed drug product for each indication;
- preparation and submission to the FDA of a new drug application, or NDA, and payment of user fees;
- review of the product by an FDA advisory committee, where appropriate or if applicable;
- satisfactory completion of one or more FDA inspections of the manufacturing facility or facilities at which the product, or components thereof, are produced to assess compliance with current Good Manufacturing Practices, or cGMP, requirements and to assure that the facilities, methods and controls are adequate to preserve the product's identity, strength, quality and purity;
- satisfactory completion of FDA audits of clinical trial sites to assure compliance with GCPs and the integrity of the clinical data;
- FDA review and approval of the NDA; and
- compliance with any post-approval requirements, including Risk Evaluation and Mitigation Strategies, or REMS, and post-approval studies required by the FDA.

Preclinical Studies

Before an applicant begins testing a compound in humans, the drug candidate enters the preclinical testing stage. Preclinical studies include laboratory evaluation of the purity and stability of the manufactured drug substance or active pharmaceutical ingredient and the formulated drug or drug product, as well as in vitro and animal studies to assess the safety and activity of the drug for initial testing in humans and to establish a rationale for therapeutic use. The conduct of preclinical studies is subject to federal regulations and requirements, including GLP regulations. The results of the preclinical tests, together with manufacturing information, analytical data, any available clinical data or literature and plans for clinical trials, among other things, are submitted to the FDA as part of an IND. Some long-term preclinical testing, such as animal tests of reproductive adverse events and carcinogenicity, may continue after the IND is submitted.

The IND and IRB Processes

An IND is an exemption from the FDCA that allows an unapproved drug to be shipped in interstate commerce for use in an investigational clinical trial and a request for FDA authorization to administer such investigational drug to humans. Such authorization must be secured prior to interstate shipment and administration of the investigational drug. In an IND, applicants must submit a protocol for each clinical trial and any subsequent protocol amendments. In addition, the results of the preclinical tests, manufacturing information, analytical data, any available clinical data or literature and plans for clinical trials, among other things, are submitted to the FDA as part of an IND. The FDA requires a 30-day waiting period after the filing of each IND before clinical trials may begin. At any time during this 30-day period, the FDA may raise concerns or questions about the conduct of the trials as outlined in the IND and impose a clinical hold. In this case, the IND sponsor and the FDA must resolve any outstanding concerns before clinical trials can begin.

Following commencement of a clinical trial under an IND, the FDA may also place a clinical hold or partial clinical hold on that trial. A clinical hold is an order issued by the FDA to the sponsor to delay a proposed clinical investigation or to suspend an ongoing investigation. A partial clinical hold is a delay or suspension of only part of the clinical work requested under the IND. No more than 30 days after imposition of a clinical hold or partial clinical hold, the FDA will provide the sponsor a written explanation of the basis for the hold.

Following issuance of a clinical hold or partial clinical hold, an investigation may only resume after the FDA has notified the sponsor that the investigation may proceed. The FDA will base that determination on information provided by the sponsor correcting the deficiencies previously cited or otherwise satisfying the FDA that the investigation can proceed.

A sponsor may choose, but is not required, to conduct a foreign clinical study under an IND. When a foreign clinical study is conducted under an IND, all FDA IND requirements must be met unless waived. When the foreign clinical study is not conducted under an IND, the sponsor who wishes to rely upon it in support of its NDA must ensure that the study is conducted in accordance with GCP, including review and approval by an independent ethics committee, or IEC, and informed consent from subjects. The GCP requirements are intended to help ensure the protection of human subjects enrolled in non-IND foreign clinical studies, as well as the quality and integrity of the resulting data. FDA must also be able to validate the data from the study through an on-site inspection if necessary.

In addition to the foregoing IND requirements, an IRB representing each institution participating in the clinical trial must review and approve the plan for any clinical trial before it commences at that institution, and the IRB must conduct continuing review of the study at least annually. The IRB must review and approve, among other things, the study protocol and informed consent information to be provided to study subjects. An IRB must operate in compliance with FDA regulations. An IRB can suspend or terminate approval of a clinical trial at its institution, or an institution it represents, if the clinical trial is not being conducted in accordance with the IRB's requirements or if the product candidate has been associated with unexpected serious harm to patients.

Additionally, some trials are overseen by an independent group of qualified experts organized by the trial sponsor, known as a data safety monitoring board or committee. This group provides authorization for whether or not a trial may move forward at designated check points based on access that only the group maintains to available data from the study. Suspension or termination of development during any phase of clinical trials can occur if it is determined that the subjects or patients are being exposed to an unacceptable health risk. Other reasons for suspension or termination may be made by resTORbio based on evolving business objectives and/or competitive climate.

Information about certain clinical trials must be submitted within specific timeframes to the National Institutes of Health, or NIH, for public dissemination on its ClinicalTrials.gov website.

Human Clinical Trials in Support of an NDA

Clinical trials involve the administration of the investigational product to human subjects under the supervision of qualified investigators in accordance with GCP requirements, which include, among other things, the requirement that all research subjects provide their informed consent in writing before their participation in any clinical trial. Clinical trials are conducted under written study protocols detailing, among other things, the inclusion and exclusion criteria, the objectives of the study, the parameters to be used in monitoring safety and the effectiveness criteria to be evaluated.

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

- *Phase 1.* The drug is initially introduced into healthy human subjects or, in certain indications such as cancer, patients with the target disease or condition and tested for safety, dosage tolerance, absorption, metabolism, distribution, excretion and, if possible, to gain an early indication of its effectiveness and to determine optimal dosage.
- *Phase 2.* The drug is administered to a limited patient population to identify possible adverse effects and safety risks, to preliminarily evaluate the efficacy of the product for specific targeted diseases and to determine dosage tolerance and optimal dosage.
- *Phase 3.* The drug is administered to an expanded patient population, generally at geographically dispersed clinical trial sites, in well-controlled clinical trials to generate enough data to evaluate the efficacy and safety of the product for approval, to establish the overall risk-benefit profile of the product and to provide adequate information for the labeling of the product.
- *Phase 4.* Post-approval studies may be conducted after initial regulatory approval. These studies are used to gain additional experience from the treatment of patients in the intended therapeutic indication.

Progress reports detailing the results of the clinical trials must be submitted at least annually to the FDA. In addition, IND safety reports must be submitted to the FDA for any of the following: serious and unexpected suspected adverse reactions; findings from other studies or animal or in vitro testing that suggest a significant risk in humans exposed to the drug; and any clinically important increase in the case of a serious suspected adverse reaction over that listed in the protocol or investigator brochure. The sponsor must submit an IND safety report within 15 calendar days after the sponsor determines that the information qualifies for reporting. The sponsor also must notify the FDA of any unexpected fatal or life-threatening suspected adverse reaction within seven calendar days after the sponsor's initial receipt of the information. Phase 1, Phase 2 and Phase 3 clinical trials may not be completed successfully within any specified period, or at all. Furthermore, the FDA or the sponsor may suspend or terminate a clinical trial at any time on various grounds, including a finding that the research subjects are being exposed to an unacceptable health risk. Similarly, an IRB can suspend or terminate approval of a clinical trial at its institution, or an institution it represents, if the clinical trial is not being conducted in accordance with the IRB's requirements or if the drug has been associated with unexpected serious harm to patients. The FDA will typically inspect one or more clinical sites to assure compliance with GCP and the integrity of the clinical data submitted.

A manufacturer of an investigational drug for a serious disease or condition is required to make available, such as by posting on its website, its policy on evaluating and responding to requests for individual patient access to such investigational drug. This requirement applies on the earlier of the first initiation of a Phase 2 or Phase 3 trial of the investigational drug or, as applicable, 15 days after the drug receives a designation as a breakthrough therapy, fast track product, or regenerative advanced therapy.

Concurrent with clinical trials, companies often complete additional animal studies and must also develop additional information about the chemistry and physical characteristics of the drug as well as finalize a process for manufacturing the product in commercial quantities in accordance with cGMP requirements. The manufacturing process must be capable of consistently producing quality batches of the drug candidate and, among other things, the applicant must develop methods for testing the identity, strength, quality, purity, and potency of the final drug. Additionally, appropriate packaging must be selected and tested, and stability studies must be conducted to demonstrate that the drug candidate does not undergo unacceptable deterioration over its shelf life.

Review of an NDA by the FDA

Assuming successful completion of required clinical testing and other requirements, the results of the preclinical studies and clinical trials, together with detailed information relating to the product's chemistry, manufacture, controls and proposed labeling, among other things, are submitted to the FDA as part of an NDA requesting approval to market the drug product for one or more indications. Under federal law, the submission of most NDAs is additionally subject to an application user fee, currently exceeding $2.9 million in fiscal year 2020 for applications requiring clinical data, and an annual prescription drug program fee exceeding $325,000 in fiscal year 2020. These fees are typically increased annually. Certain exceptions and waivers are available for some of these fees, such as an exception from the application fee for drugs with orphan designation.

The FDA conducts a preliminary review of an NDA within 60 days of its receipt, before accepting the NDA for filing, to determine whether the application is sufficiently complete to permit substantive review. The FDA may request additional information rather than accept an NDA for filing. In this event, the application must be resubmitted with the additional information. The resubmitted application is also subject to review before the FDA accepts it for filing. Once the submission is accepted for filing, the FDA begins an in-depth substantive review. The FDA has agreed to specified performance goals in the review process of NDAs. Applications for drugs containing novel active moieties are meant to be reviewed within ten months from the date of filing, and applications for "priority review" products containing novel active moieties are meant to be reviewed within six months of filing. The review process may be extended by the FDA for three additional months to consider new information or clarification provided by the applicant to address an outstanding deficiency identified by the FDA following the original submission.

Before approving an NDA, the FDA typically will inspect the facility or facilities where the product is or will be manufactured. These pre-approval inspections may cover all facilities associated with an NDA submission, including drug component manufacturing (such as active pharmaceutical ingredients), finished drug product manufacturing, and control testing laboratories. The FDA will not approve an application unless it determines that the manufacturing processes and facilities are in compliance with cGMP requirements and adequate to assure consistent production of the product within required specifications.

In addition, as a condition of approval, the FDA may require an applicant to develop a REMS. REMS use risk minimization strategies beyond the professional labeling to ensure that the benefits of the product outweigh the potential risks. To determine whether a REMS is needed, the FDA will consider the size of the population likely to use the product, seriousness of the disease, expected benefit of the product, expected duration of treatment, seriousness of known or potential adverse events, and whether the product is a new molecular entity. REMS can include medication guides, physician communication plans for healthcare professionals, and elements to assure safe use, or ETASU. ETASU may include, but are not limited to, special training or certification for prescribing or dispensing, dispensing only under certain circumstances, special monitoring, and the use of patient registries. The FDA may require a REMS before approval or post-approval if it becomes aware of a serious risk associated with use of the product. The requirement for a REMS can materially affect the potential market and profitability of a product.

The FDA is required to refer an application for a novel drug to an advisory committee or explain why such referral was not made. Typically, an advisory committee is a panel of independent experts, including clinicians and other scientific experts, that reviews, evaluates and provides a recommendation as to whether the application should be approved and under what conditions. The FDA is not bound by the recommendations of an advisory committee, but it considers such recommendations carefully when making decisions.

Fast Track, Breakthrough Therapy, and Priority Review

The FDA has a number of programs intended to facilitate and expedite development and review of new drugs if they are intended to address an unmet medical need in the treatment of a serious or life-threatening disease or condition. Three of these programs are referred to as fast track designation, breakthrough therapy designation, and priority review designation.

Specifically, the FDA may designate a product for Fast Track review if it is intended, whether alone or in combination with one or more other products, for the treatment of a serious or life-threatening disease or condition, and it demonstrates the potential to address unmet medical needs for such a disease or condition. For Fast Track products, sponsors may have greater interactions with the FDA and the FDA may initiate review of sections of a Fast Track product's application before the application is complete. This rolling review may be available if the FDA determines, after preliminary evaluation of clinical data submitted by the sponsor, that a Fast Track product may be effective. The sponsor must also provide, and the FDA must approve, a schedule for the submission of the remaining information and the sponsor must pay applicable user fees. However, the FDA's time period goal for reviewing a Fast Track application does not begin until the last section of the application is submitted. In addition, the Fast Track designation may be withdrawn by the FDA if the FDA believes that the designation is no longer supported by data emerging in the clinical trial process.

Second, a product may be designated as a Breakthrough Therapy if it is intended, either alone or in combination with one or more other products, to treat a serious or life-threatening disease or condition and preliminary clinical evidence indicates that the product may demonstrate substantial improvement over existing therapies on one or more clinically significant endpoints, such as substantial treatment effects observed early in clinical development. The FDA may take certain actions with respect to Breakthrough Therapies, including holding meetings with the sponsor throughout the development process; providing timely advice to the product sponsor regarding development and approval; involving more senior staff in the review process; assigning a cross-disciplinary project lead for the review team; and taking other steps to design the clinical trials in an efficient manner.

Third, the FDA may designate a product for priority review if it is a product that treats a serious or life-threatening disease or condition and, if approved, would provide a significant improvement in safety or effectiveness. The FDA determines, on a case-by-case basis, whether the proposed product represents a significant improvement when compared with other available therapies. Significant improvement may be illustrated by evidence of increased effectiveness in the treatment of a condition, elimination or substantial reduction of a treatment-limiting product reaction, documented enhancement of patient compliance that may lead to improvement in serious outcomes, and evidence of safety and effectiveness in a new subpopulation. A priority designation is intended to direct overall attention and resources to the evaluation of such applications, and to shorten the FDA's goal for taking action on a marketing application from ten months to six months.

Accelerated Approval Pathway

The FDA may grant accelerated approval to a product for a serious or life-threatening condition that provides meaningful therapeutic advantage to patients over existing treatments based upon a determination that the product has an effect on a surrogate endpoint that is reasonably likely to predict clinical benefit or on an intermediate clinical endpoint that can be measured earlier than an effect on irreversible morbidity or mortality, or IMM, and that is reasonably likely to predict an effect on IMM or other clinical benefit, taking into account the severity, rarity, or prevalence of the condition and the availability or lack of alternative treatments. Products granted accelerated approval must meet the same statutory standards for safety and effectiveness as those granted traditional approval.

For the purposes of accelerated approval, a surrogate endpoint is a marker, such as a laboratory measurement, radiographic image, physical sign, or other measure that is thought to predict clinical benefit, but is not itself a measure of clinical benefit. Surrogate endpoints can often be measured more easily or more rapidly than clinical endpoints. An intermediate clinical endpoint is a measurement of a therapeutic effect that is considered reasonably likely to predict the clinical benefit of a product, such as an effect on IMM. The FDA has limited experience with accelerated approvals based on intermediate clinical endpoints, but has indicated that such endpoints generally may support accelerated approval where the therapeutic effect measured by the endpoint is not itself a clinical benefit and basis for traditional approval, if there is a basis for concluding that the therapeutic effect is reasonably likely to predict the ultimate clinical benefit of a product.

The accelerated approval pathway is most often used in settings in which the course of a disease is long and an extended period of time is required to measure the intended clinical benefit of a product, even if the effect on the surrogate or intermediate clinical endpoint occurs rapidly.

The accelerated approval pathway is usually contingent on a sponsor's agreement to conduct, in a diligent manner, additional post-approval confirmatory studies to verify and describe the product's clinical benefit. As a result, a product candidate approved on this basis is subject to rigorous post-marketing compliance requirements, including the completion of Phase 4 or post-approval clinical trials to confirm the effect on the clinical endpoint. Failure to conduct required post-approval studies, or confirm a clinical benefit during post-marketing studies, could result in the FDA's withdrawal of the approval and require the withdrawal of the product from the market on an expedited basis. All promotional materials for product candidates approved under accelerated regulations are subject to prior review by the FDA.

The FDA's Decision on an NDA

On the basis of the FDA's evaluation of the NDA and accompanying information, including the results of the inspection of the manufacturing facilities and select clinical trial sites, the FDA may issue an approval letter or a complete response letter. An approval letter authorizes commercial marketing of the product with specific prescribing information for specific indications. A complete response letter generally outlines the deficiencies in the submission and may require substantial additional testing or information in order for the FDA to reconsider the application. If and when those deficiencies have been addressed to the FDA's satisfaction in a resubmission

of the NDA, the FDA will issue an approval letter. The FDA has committed to reviewing such resubmissions in two or six months depending on the type of information included. Even with submission of this additional information, the FDA ultimately may decide that the application does not satisfy the regulatory criteria for approval. If the FDA approves a product, it may limit the approved indications for use for the product, require that contraindications, warnings or precautions be included in the product labeling, require that post-approval studies, including Phase 4 clinical trials, be conducted to further assess the drug's safety or effectiveness after approval, require testing and surveillance programs to monitor the product after commercialization, or impose other conditions, including distribution restrictions or other risk management mechanisms, including REMS, which can materially affect the potential market and profitability of the product. The FDA may prevent or limit further marketing of a product based on the results of post-market studies or surveillance programs.

Post-Approval Requirements

Drugs manufactured or distributed pursuant to FDA approvals are subject to pervasive and continuing regulation by the FDA, including, among other things, requirements relating to recordkeeping, periodic reporting, product sampling and distribution, advertising and promotion and reporting of adverse experiences with the product. After approval, many changes to the approved product, such as adding new indications or other labeling claims, are subject to prior FDA review and approval. There also are annual program fee requirements for certain marketed products.

The FDA may impose a number of post-approval requirements as a condition of approval of an NDA. For example, the FDA may require post-marketing testing, including Phase 4 clinical trials, and surveillance to further assess and monitor the product's safety and effectiveness after commercialization.

In addition, drug manufacturers and other entities involved in the manufacture and distribution of approved drugs are required to register their establishments with the FDA and state agencies and are subject to periodic unannounced inspections by the FDA and these state agencies for compliance with cGMP requirements. Changes to the manufacturing process are strictly regulated and often require prior FDA approval before being implemented. FDA regulations also require investigation and correction of any deviations from cGMP and impose reporting and documentation requirements upon the NDA holder and any third-party manufacturers that the NDA holder may decide to use. Accordingly, manufacturers must continue to expend time, money, and effort in the area of production and quality control to maintain cGMP compliance.

Once an approval is granted, the FDA may withdraw the approval if compliance with regulatory requirements and standards is not maintained or if problems occur after the product reaches the market. Later discovery of previously unknown problems with a product, including adverse events of unanticipated severity or frequency, or with manufacturing processes, or failure to comply with regulatory requirements, may result in revisions to the approved labeling to add new safety information; imposition of post-market studies or clinical trials to assess new safety risks; or imposition of distribution or other restrictions under a REMS program. Other potential consequences include, among other things:

- restrictions on the marketing or manufacturing of the product, complete withdrawal of the product from the market or voluntary product recalls;
- fines, warning or untitled letters or holds on post-approval clinical trials;
- refusal of the FDA to approve pending NDAs or supplements to approved NDAs, or withdrawal of product approvals;
- product seizure or detention, or refusal to permit the import or export of products; or
- injunctions or the imposition of civil or criminal penalties.

The FDA strictly regulates marketing, labeling, advertising and promotion of products that are placed on the market. Drugs generally may be promoted only for the approved indications and in accordance with the

provisions of the approved label. The FDA and other agencies actively enforce the laws and regulations prohibiting the promotion of off-label uses, and a company that is found to have improperly promoted off-label uses may be subject to significant liability.

In addition, the distribution of prescription pharmaceutical products is subject to the Prescription Drug Marketing Act, or PDMA, which regulates the distribution of drugs and drug samples at the federal level, and sets minimum standards for the registration and regulation of drug distributors by the states. Both the PDMA and state laws limit the distribution of prescription pharmaceutical product samples and impose requirements to ensure accountability in distribution.

Hatch-Waxman Amendments

Section 505 of the FDCA describes three types of marketing applications that may be submitted to the FDA to request marketing authorization for a new drug. A Section 505(b)(1) NDA is an application that contains full reports of investigations of safety and efficacy. A 505(b)(2) NDA is an application that contains full reports of investigations of safety and efficacy but where at least some of the information required for approval comes from investigations that were not conducted by or for the applicant and for which the applicant has not obtained a right of reference or use from the person by or for whom the investigations were conducted. This regulatory pathway enables the applicant to rely, in part, on the FDA's prior findings of safety and efficacy for an existing product, or published literature, in support of its application. Section 505(j) establishes an abbreviated approval process for a generic version of approved drug products through the submission of an Abbreviated New Drug Application, or ANDA. An ANDA provides for marketing of a generic drug product that has the same active ingredients, dosage form, strength, route of administration, labeling, performance characteristics and intended use, among other things, to a previously approved product, known as a reference listed drug, or RLD. ANDAs are termed "abbreviated" because they are generally not required to include preclinical (animal) and clinical (human) data to establish safety and efficacy. Instead, generic applicants must scientifically demonstrate that their product is bioequivalent to, or performs in the same manner as, the innovator drug through in vitro, in vivo, or other testing. The generic version must deliver the same amount of active ingredients to the site of drug action in the same amount of time as the innovator drug and can often be substituted by pharmacists under prescriptions written for the reference listed drug.

Non-Patent Exclusivity

Under the Hatch-Waxman Amendments, the FDA may not approve (or in some cases accept) an ANDA or 505(b)(2) application until any applicable period of non-patent data exclusivity for the RLD has expired. The FDCA provides a period of five years of non-patent data exclusivity for a new drug containing a new chemical entity, or an NCE. For the purposes of this provision, an NCE is a drug that contains no active moiety that has previously been approved by the FDA in any other NDA. An active moiety is the molecule or ion responsible for the physiological or pharmacological action of the drug substance. In cases where such NCE exclusivity has been granted, an ANDA may not be filed with the FDA until the expiration of five years unless the submission is accompanied by a Paragraph IV certification, which states the proposed generic drug will not infringe one or more of the already approved product's listed patents or that such patents are invalid or unenforceable, in which case the applicant may submit its application four years following the original product approval.

The FDCA also provides for a period of three years of exclusivity for non-NCE drugs if the NDA or a supplement to the NDA includes reports of one or more new clinical investigations, other than bioavailability or bioequivalence studies, that were conducted by or for the applicant and are essential to the approval of the application or supplement. This three-year exclusivity period often protects changes to a previously approved drug product, such as a new dosage form, route of administration, combination or indication, but it generally would not protect the original, unmodified product from generic competition. Unlike five-year NCE exclusivity, an award of three-year exclusivity does not block the FDA from accepting ANDAs seeking approval for generic or versions of the drug as of the date of approval of the original drug product; it only prevents FDA from approving such ANDAs.

Hatch-Waxman Patent Certification and the 30-Month Stay

In seeking approval of an NDA or a supplement thereto, NDA sponsors are required to list with the FDA each patent with claims that cover the applicant's product or an approved method of using the product. Upon approval, each of the patents listed by the NDA sponsor is published in the FDA's Approved Drug Products with Therapeutic Equivalence Evaluations, commonly known as the Orange Book. Upon submission of an ANDA or 505(b)(2) NDA, an applicant is required to certify to the FDA concerning any patents for the RLD required to be listed in the Orange Book that:

- no patent information on the drug product that is the subject of the application has been submitted to the FDA;
- such patent has expired;
- the date on which such patent expires; or
- such patent is invalid, unenforceable or will not be infringed upon by the manufacture, use, or sale of the drug product for which the application is submitted.

Generally, the ANDA or 505(b)(2) NDA cannot be approved until all listed patents have expired, except where the ANDA or 505(b)(2) NDA applicant is not seeking approval of a use covered by the patent or the ANDA or 505(b)(2) applicant challenges a listed patent through the last type of certification, also known as a paragraph IV certification. If an applicant indicates that it is not seeking approval of a method of use covered by a patent, that method of use will not delay approval of the ANDA or 505(b)(2). If the applicant otherwise does not challenge the listed patents, the ANDA or 505(b)(2) NDA application will not be approved until all of the listed patents claiming the referenced product have expired. If the ANDA or 505(b)(2) NDA applicant has provided a paragraph IV certification the applicant must send notice of the paragraph IV certification to the NDA and patent holders once the application has been accepted for filing by the FDA. The NDA and patent holders may then initiate a patent infringement lawsuit in response to the notice of the paragraph IV certification. If the paragraph IV certification is challenged by an NDA holder or the patent owner(s) asserts a patent challenge to the paragraph IV certification within 45 days of receiving the notice, the FDA may not approve that application until the earlier of 30 months from the receipt of the notice of the paragraph IV certification, the expiration of the patent, when the infringement case concerning each such patent was favorably decided in the applicant's favor or settled, or such shorter or longer period as may be ordered by a court. This prohibition is generally referred to as the 30-month stay. In instances where an ANDA or 505(b)(2) NDA applicant files a paragraph IV certification, the NDA holder or patent owner(s) regularly take action to trigger the 30-month stay, recognizing that the related patent litigation may take many months or years to resolve. Thus, approval of an ANDA or 505(b)(2) application could be delayed for a significant period of time depending on the patent certification the applicant makes and the reference drug sponsor's decision to initiate patent litigation. If the drug has NCE exclusivity and the ANDA or 505(b)(2) application is submitted four years after approval, the 30-month stay is extended so that it expires 7 1/2 years after approval of the innovator drug, unless the patent expires or there is a decision in the infringement case that is favorable to the ANDA applicant before then.

Pediatric Studies and Exclusivity

Under the Pediatric Research Equity Act of 2003, as amended, an NDA or supplement thereto for a drug with certain innovative features (*e.g.*, new active ingredient, new indication, new dosage form) must contain data that are adequate to assess the safety and effectiveness of the drug product for the claimed indications in all relevant pediatric subpopulations, and to support dosing and administration for each pediatric subpopulation for which the product is safe and effective. Sponsors must also submit pediatric study plans prior to the assessment data. Those plans must contain an outline of the proposed pediatric study or studies the applicant plans to conduct, including study objectives and design, any deferral or waiver requests, and other information required by regulation. The applicant, the FDA, and the FDA's internal review committee must then review the information submitted, consult with each other, and agree upon a final plan. The FDA or the applicant may request an amendment to the plan at any time.

The FDA may, on its own initiative or at the request of the applicant, grant deferrals for submission of some or all pediatric data until after approval of the product for use in adults, or full or partial waivers from the pediatric data requirements. Generally, the pediatric data requirements do not apply to products with orphan designation.

Pediatric exclusivity is another type of non-patent exclusivity in the United States and, if granted, provides for the attachment of an additional six months of marketing protection to the term of certain existing non-patent exclusivity periods, including orphan exclusivity. This six-month exclusivity may be granted if an NDA sponsor submits pediatric data that fairly respond to a written request from the FDA for such data within certain time periods. The data do not need to show the product to be effective in the pediatric population studied; rather, if the clinical trial is deemed to fairly respond to the FDA's request, the additional protection is granted. If reports of requested pediatric studies are submitted to and accepted by the FDA within the statutory time limits, whatever statutory or regulatory periods of exclusivity or patent protection cover the product are extended by six months. This is not a patent term extension, but it effectively extends the regulatory period during which the FDA cannot approve another application after expiration of a patent.

Orphan Drug Designation and Exclusivity

Under the Orphan Drug Act, the FDA may designate a drug product as an "orphan drug" if it is intended to treat a rare disease or condition (generally meaning that it affects fewer than 200,000 individuals in the United States, or more in cases in which there is no reasonable expectation that the cost of developing and making a drug product available in the United States for treatment of the disease or condition will be recovered from sales of the product). A company must request orphan product designation before submitting an NDA. If the request is granted, the FDA will disclose the identity of the therapeutic agent and its potential use. Orphan product designation does not convey any advantage in or shorten the duration of the regulatory review and approval process.

If a product with orphan status receives the first FDA approval for the drug for the disease or condition for which it has such designation or for a select indication or use within the rare disease or condition for which it was designated, the product generally will receive orphan product exclusivity. Orphan product exclusivity means that the FDA may not approve any other applications for the same product for the same indication for seven years, except in certain limited circumstances. Competitors may receive approval of different products for the indication for which the orphan product has exclusivity and may obtain approval for the same product but for a different indication. If a drug or drug product designated as an orphan product ultimately receives regulatory approval for an indication broader than what was designated in its orphan product application, it may not be entitled to exclusivity.

Patent Term Restoration and Extension

A patent claiming a new drug product may be eligible for a limited patent term extension under the Hatch-Waxman Amendments, which permits a patent term restoration of up to five years for patent term lost during product development and the FDA regulatory review. The restoration period granted is typically one-half the time between the effective date of an IND and the submission date of an NDA, plus the time between the submission date of an NDA and the ultimate approval date. Patent term restoration cannot be used to extend the remaining term of a patent past a total of 14 years from the product's approval date. Only one patent applicable to an approved drug product is eligible for the extension, and the application for the extension must be submitted prior to the expiration of the patent in question and within 60 days of drug approval. A patent that covers multiple drugs for which approval is sought can only be extended in connection with one of the approvals. The U.S. Patent and Trademark Office reviews and approves the application for any patent term extension or restoration in consultation with the FDA.

Review and Approval of Medicinal Products in the European Union

In order to market any product outside of the United States, a company must also comply with numerous and varying regulatory requirements of other countries and jurisdictions regarding quality, safety and efficacy and

governing, among other things, clinical trials, marketing authorization, commercial sales and distribution of products. Whether or not it obtains FDA approval for a product, an applicant will need to obtain the necessary approvals by the comparable foreign regulatory authorities before it can commence clinical trials or marketing of the product in those countries or jurisdictions. Specifically, the process governing approval of medicinal products in the European Union generally follows the same lines as in the United States, although the approval of a medicinal product in the United States is no guarantee of approval of the same product in the European Union, either at all or within the same timescale as approval may be granted in the United States. It entails satisfactory completion of preclinical studies and adequate and well-controlled clinical trials to establish the safety and efficacy of the product for each proposed indication. It also requires the submission to the relevant competent authorities of a marketing authorization application, or MAA, and granting of a marketing authorization by these authorities before the product can be marketed and sold in the European Union.

Clinical Trial Approval

The Clinical Trials Directive 2001/20/EC, the Directive 2005/28/EC on GCP, and the related national implementing provisions of the individual EU Member States govern the system for the approval of clinical trials in the European Union. Under this system, an applicant must obtain prior approval from the competent national authority of the EU Member States in which the clinical trial is to be conducted. Furthermore, the applicant may only start a clinical trial at a specific study site after the competent ethics committee has issued a favorable opinion in relation to the trial. The clinical trial application must be accompanied by, among other documents, an investigational medicinal product dossier (the Common Technical Document) with supporting information prescribed by Directive 2001/20/EC, Directive 2005/28/EC, where relevant the implementing national provisions of the individual EU Member States and further detailed in applicable guidance documents.

In April 2014, the new Clinical Trials Regulation, (EU) No 536/2014 (Clinical Trials Regulation) was adopted. The Regulation is anticipated to come into effect in 2020. The Clinical Trials Regulation will be directly applicable in all the EU Member States (meaning that no national implementing legislation will be required in each Member State, as is the case for Directives), repealing the current Clinical Trials Directive 2001/20/EC. Conduct of all clinical trials performed in the European Union will continue to be bound by currently applicable provisions until the new Clinical Trials Regulation becomes applicable. The extent to which ongoing clinical trials will be governed by the Clinical Trials Regulation will depend on when the Clinical Trials Regulation becomes applicable and on the duration of the individual clinical trial. If a clinical trial continues for more than three years from the day on which the Clinical Trials Regulation becomes applicable the Clinical Trials Regulation will at that time begin to apply to the clinical trial.

The new Clinical Trials Regulation aims to simplify and streamline the approval of clinical trials in the European Union. The main characteristics of the regulation include: a streamlined application procedure via a single entry point, the “EU portal”; a single set of documents to be prepared and submitted for the application as well as simplified reporting procedures for clinical trial sponsors; and a harmonized procedure for the assessment of applications for clinical trials, which is divided in two parts. Part I is assessed by the competent authorities of all EU Member States in which an application for authorization of a clinical trial has been submitted (Member States concerned), although the Part 1 review process will be led by the “reporting Member State”, which shall be proposed by the sponsor of the proposed clinical trial. Part II is assessed separately by each Member State concerned. Strict deadlines have been established for the assessment of clinical trial applications. The role of the relevant ethics committees in the assessment procedure will continue to be governed by the national law of the concerned EU Member State. However, overall related timelines will be defined by the Clinical Trials Regulation.

Marketing Authorization

To obtain a marketing authorization for a product under European Union regulatory systems, an applicant must submit an MAA either under a centralized procedure administered by the European Medicines Agency, or EMA,

or one of the procedures administered by competent authorities in the EU Member States (the decentralized procedure, the national procedure or the mutual recognition procedure). A marketing authorization may be granted only to an applicant established in the European Union. Regulation (EC) No 1901/2006 provides that prior to obtaining a marketing authorization in the European Union, applicants have to demonstrate compliance with all measures included in an EMA-approved Pediatric Investigation Plan, or PIP, covering all subsets of the pediatric population, unless the EMA has granted (1) a product-specific waiver, (2) a class waiver or (3) a deferral for one or more of the measures included in the PIP.

The centralized procedure provides for the grant of a single marketing authorization by the European Commission that is valid for all EU Member States and three of the four European Free Trade Association, or EFTA, States, Iceland, Liechtenstein and Norway. Pursuant to Regulation (EC) No 726/2004, the centralized procedure is compulsory for specific products, including for medicines produced by certain biotechnological processes, products designated as orphan medicinal products, advanced therapy products and products with a new active substance indicated for the treatment of certain diseases, including products for the treatment of HIV or AIDS, cancer, diabetes, neurodegenerative diseases, auto-immune and other immune dysfunctions and viral diseases. For those products for which the use of the centralized procedure is not mandatory, applicants may elect to use the centralized procedure where either the product contains a new active substance indicated for the treatment of other diseases or where the applicant can show that the product constitutes a significant therapeutic, scientific or technical innovation, and or for which a centralized process is in the interest of patients at EU level.

Under the centralized procedure, the Committee for Medicinal Products for Human Use, or the CHMP, established at the EMA is responsible for conducting the initial assessment of a product, specifically whether a medicine meets the required quality, safety and efficacy requirements, and whether the product has a positive benefit/risk profile. The CHMP is also responsible for several post-authorization and maintenance activities, such as the assessment of modifications or extensions to an existing marketing authorization. Under the centralized procedure in the European Union, the maximum timeframe for the evaluation of an MAA is 210 days from the receipt of a valid MAA, excluding clock stops, when additional information or written or oral explanation is to be provided by the applicant in response to questions of the CHMP. Clock stops may extend the timeframe of evaluation of an MAA considerably beyond 210 days. Accelerated evaluation might be granted by the CHMP in exceptional cases, when a medicinal product is of major interest from the point of view of public health and in particular from the viewpoint of therapeutic innovation. If the CHMP accepts such request, the timeframe of 210 days will be reduced to 150 days (excluding clock stops), but it is possible that the CHMP can revert to the standard time limit for the centralized procedure if it considers that it is no longer appropriate to conduct an accelerated assessment. At the end of this period, the CHMP provides a scientific opinion on whether or not a marketing authorization should be granted in relation to a medicinal product. Within 67 days from the date of the CHMP Opinion, the European Commission will adopt its final decision on the marketing authorization application.

Unlike the centralized authorization procedure, the decentralized marketing authorization procedure requires a separate application to, and leads to separate approval by, the competent authorities of each EU Member State in which the product is to be marketed. This application is identical to the application that would be submitted to the EMA for authorization through the centralized procedure. The reference EU Member State prepares a draft assessment and drafts of the related materials within 120 days after receipt of a valid application. The resulting assessment report is submitted to the concerned EU Member States who, within 90 days of receipt, must decide whether to approve the assessment report and related materials. If a concerned EU Member State cannot approve the assessment report and related materials due to concerns relating to a potential serious risk to public health, disputed elements may be referred to the European Commission, whose decision is binding on all EU Member States.

The mutual recognition procedure similarly is based on the acceptance by the competent authorities of the EU Member States of the marketing authorization of a medicinal product by the competent authorities of other EU Member States. The holder of a national marketing authorization may submit an application to the competent

authority of an EU Member State requesting that this authority recognize the marketing authorization delivered by the competent authority of another EU Member State.

Regulatory Data Protection in the European Union

In the European Union, innovative medicinal products approved on the basis of a complete independent data package qualify for eight years of data exclusivity upon grant of a marketing authorization and an additional two years of market exclusivity pursuant to Directive 2001/83/EC. Regulation (EC) No 726/2004 repeats this entitlement for medicinal products authorized in accordance the centralized authorization procedure. Data exclusivity prevents applicants for authorization of generics of these innovative products from referencing the innovator's data to assess a generic (abbreviated) application for a period of eight years. During an additional two-year period of market exclusivity, a generic marketing authorization application can be submitted and authorized, and the innovator's data may be referenced, but no generic medicinal product can be placed on the European Union market until the expiration of the market exclusivity. The overall ten-year period will be extended to a maximum of 11 years if, during the first eight years of those ten years, the marketing authorization holder obtains an authorization for one or more new therapeutic indications which, during the scientific evaluation prior to their authorization, are held to bring a significant clinical benefit in comparison with existing therapies. Even if a compound is considered to be a new chemical entity so that the innovator gains the prescribed period of data exclusivity, another company nevertheless could also market another version of the product if such company obtained marketing authorization based on an MAA with a complete independent data package of pharmaceutical tests, preclinical tests and clinical trials.

Periods of Authorization and Renewals

A marketing authorization has an initial validity for five years in principle. The marketing authorization may be renewed after five years on the basis of a re-evaluation of the risk-benefit balance by the EMA or by the competent authority of the EU Member State. To this end, the marketing authorization holder must provide the EMA or the competent authority with a consolidated version of the file in respect of quality, safety and efficacy, including all variations introduced since the marketing authorization was granted, at least nine months before the marketing authorization ceases to be valid. The European Commission or the competent authorities of the EU Member States may decide, on justified grounds relating to pharmacovigilance, to proceed with one further five-year period of marketing authorization. Once subsequently definitively renewed, the marketing authorization shall be valid for an unlimited period. Any authorization which is not followed by the actual placing of the medicinal product on the European Union market (in case of centralized procedure) or on the market of the authorizing EU Member State within three years after authorization ceases to be valid (the so-called sunset clause).

Regulatory Requirements after a Marketing Authorization has been Obtained

In case an authorization for a medicinal product in the European Union is obtained, the holder of the marketing authorization is required to comply with a range of requirements applicable to the manufacturing, marketing, promotion and sale of medicinal products. These include:

- Compliance with the European Union's stringent pharmacovigilance or safety reporting rules must be ensured. These rules can impose post-authorization studies and additional monitoring obligations.
- The manufacturing of authorized medicinal products, for which a separate manufacturer's license is mandatory, must also be conducted in strict compliance with the applicable European Union laws, regulations and guidance, including Directive 2001/83/EC, Directive 2003/94/EC, Regulation (EC) No 726/2004 and the European Commission Guidelines for Good Manufacturing Practice. These requirements include compliance with European Union cGMP standards when manufacturing medicinal products and active pharmaceutical ingredients, including the manufacture of active pharmaceutical ingredients outside of the European Union with the intention to import the active pharmaceutical ingredients into the European Union.

- The marketing and promotion of authorized drugs, including industry-sponsored continuing medical education and advertising directed toward the prescribers of drugs, are strictly regulated in the European Union notably under Directive 2001/83/EC, as amended, and EU Member State laws. The advertising of prescription-only medicines to the general public is not permitted in the European Union.

Brexit and the Regulatory Framework in the United Kingdom

On June 23, 2016, the electorate in the United Kingdom voted in favor of leaving the European Union (commonly referred to as "Brexit"). Thereafter, on March 29, 2017, the country formally notified the European Union of its intention to withdraw pursuant to Article 50 of the Lisbon Treaty. The United Kingdom formally left the European Union on January 31, 2020. A transition period began on February 1, 2020, during which European Union pharmaceutical law remains applicable to the United Kingdom. This transition period is due to end on December 31, 2020. Since the regulatory framework for pharmaceutical products in the United Kingdom covering quality, safety and efficacy of pharmaceutical products, clinical trials, marketing authorization, commercial sales and distribution of pharmaceutical products is derived from European Union directives and regulations, Brexit could materially impact the future regulatory regime which applies to products and the approval of product candidates in the United Kingdom. It remains to be seen how Brexit will impact regulatory requirements for product candidates and products in the United Kingdom.

Healthcare Law and Regulation

Healthcare providers and third-party payors play a primary role in the recommendation and prescription of drug products that are granted regulatory approval. Arrangements with providers, consultants, third-party payors and customers are subject to broadly applicable fraud and abuse, anti-kickback, false claims laws, reporting of payments to physicians and teaching hospitals and patient privacy laws and regulations and other healthcare laws and regulations that may constrain resTORbio's business and/or financial arrangements. Restrictions under applicable federal and state healthcare laws and regulations, include the following:

- the federal Anti-Kickback Statute, which prohibits, among other things, persons and entities from knowingly and willfully soliciting, offering, paying, receiving or providing remuneration, directly or indirectly, in cash or in kind, to induce or reward either the referral of an individual for, or the purchase, order or recommendation of, any good or service, for which payment may be made, in whole or in part, under a federal healthcare program such as Medicare and Medicaid; a person or entity need not have actual knowledge of the federal Anti-Kickback Statute or specific intent to violate it in order to have committed a violation; in addition, the government may assert that a claim that includes items or services resulting from a violation of the federal Anti-Kickback Statute constitutes a false or fraudulent claim for purposes of the False Claims Act;
- the federal civil and criminal false claims laws, including the civil False Claims Act, and civil monetary penalties laws, which prohibit individuals or entities from, among other things, knowingly presenting, or causing to be presented, to the federal government, claims for payment that are false, fictitious or fraudulent; knowingly making a false statement or record material to a false or fraudulent claim or obligation to pay or transmit money or property to the federal government; or knowingly concealing or knowingly and improperly avoiding or decreasing an obligation to pay money to the federal government;
- the federal Health Insurance Portability and Accountability Act of 1996, or HIPAA, and its implemented regulations, which created additional federal criminal laws that prohibit, among other things, knowingly and willfully executing, or attempting to execute, a scheme to defraud any healthcare benefit program or knowingly and willfully falsifying, concealing or covering up a material fact or making any materially false statement in connection with the delivery of or payment for healthcare benefits, items or services; similar to the federal Anti-Kickback Statute, a person or entity does not

need to have actual knowledge of the statute or specific intent to violate it in order to have committed a violation;

- HIPAA, as amended by the Health Information Technology for Economic and Clinical Health Act, and their respective implementing regulations, including the Final Omnibus Rule published in January 2013, which impose obligations, including mandatory contractual terms, with respect to safeguarding the privacy, security and transmission of individually identifiable health information;
- the federal transparency requirements known as the federal Physician Payments Sunshine Act, under the Patient Protection and Affordable Care Act, as amended by the Health Care Education Reconciliation Act, or the Affordable Care Act, which requires certain manufacturers of drugs, devices, biologics and medical supplies to report annually to the Centers for Medicare & Medicaid Services, or CMS, within the United States Department of Health and Human Services, information related to payments and other transfers of value made by that entity to physicians (currently defined to include doctors, dentists, optometrists, podiatrists and chiropractors) and teaching hospitals, as well as ownership and investment interests held by physicians and their immediate family members. Effective January 1, 2022, these reporting obligations will extend to include transfers of value made to certain non-physician providers such as physician assistants and nurse practitioners;
- analogous state and foreign laws and regulations, such as state anti-kickback and false claims laws, which may apply to healthcare items or services that are reimbursed by non-governmental third-party payors, including private insurers; and
- European Privacy Laws including the General Data Protection Regulation and the E-Privacy Directive (2002/58/EC), and the national laws implementing or supplementing each of them.

Some state laws require pharmaceutical companies to comply with the pharmaceutical industry's voluntary compliance guidelines and the relevant compliance guidance promulgated by the federal government in addition to requiring manufacturers to report information related to payments to physicians and other healthcare providers or marketing expenditures and pricing information. State and foreign laws also govern the privacy and security of health information in some circumstances, many of which differ from each other in significant ways and often are not preempted by HIPAA, thus complicating compliance efforts.

In the event one of resTORbio's product candidates becomes commercial, it is possible that governmental authorities could conclude that resTORbio's business practices may not comply with current or future statutes, regulations, agency guidance or case law involving applicable fraud and abuse or other healthcare laws and regulations. If resTORbio's operations are found to be in violation of any of these laws or any other governmental regulations that may apply to resTORbio, resTORbio may be subject to significant civil, criminal and administrative penalties, damages, fines, imprisonment, disgorgement, exclusion from government funded healthcare programs, such as Medicare and Medicaid, integrity and oversight agreements to resolve allegations of non-compliance, contractual damages, reputational harm, diminished profits and future earnings, and the curtailment or restructuring of resTORbio's operations. Defending against any such actions can be costly, time-consuming and may require significant financial and personnel resources. If any of the physicians or other healthcare providers or entities with whom resTORbio expects to do business is found to be not in compliance with applicable laws, they may be subject to significant criminal, civil or administrative sanctions, including exclusions from government funded healthcare programs.

Additional Regulation

In addition to the foregoing, state and federal laws regarding environmental protection and hazardous substances, including the Occupational Safety and Health Act, the Resource Conservancy and Recovery Act and the Toxic Substances Control Act, all affect resTORbio's business. These and other laws govern resTORbio's use, handling and disposal of various biological, chemical and radioactive substances used in, and wastes generated by, resTORbio's operations. If resTORbio's operations result in contamination of the environment or expose

individuals to hazardous substances, resTORbio could be liable for damages and governmental fines. resTORbio believes that resTORbio is in material compliance with applicable environmental laws and that continued compliance therewith will not have a material adverse effect on resTORbio's business. resTORbio cannot predict, however, how changes in these laws may affect resTORbio's future operations.

GDPR and EU Privacy Law Reform

In the EU, Regulation 2016/679, known as the General Data Protection Regulation, or GDPR, replaced the EU Data Protection Directive on May 25, 2018. The GDPR introduced new data protection requirements in the European Union, as well as potential fines for noncompliance of up to the greater of €20 million or 4% of annual global revenue. The regulation imposes numerous requirements regarding the collection, use and disclosure of personal information, including: stringent requirements relating to data subject consent; what information must be shared with data subjects regarding how their personal information is used; the obligation to notify regulators and affected individuals of personal data breaches; extensive new internal privacy governance obligations; and obligations to honor expanded rights of individuals in relation to their personal information (e.g., the right to access, correct and delete their data). In addition, the GDPR includes restrictions on cross border data transfer. The GDPR increases the responsibility and liability of pharmaceutical companies in relation to processing personal data, and companies may be required to put in place additional mechanisms to ensure compliance with the new EU data protection rules. Further, Brexit has created uncertainty with regard to the status of the United Kingdom as an 'adequate country' for the purposes of data transfers outside the European Economic Area. In particular, it is unclear how data transfers to and from the United Kingdom will be regulated. These changes may require resTORbio to find alternative bases for the compliant transfer of personal data from the United Kingdom to the United States and resTORbio is monitoring developments in this area.

Pharmaceutical Insurance Coverage and Healthcare Reform

In the United States and markets in other countries, patients who are prescribed treatments for their conditions and providers performing the prescribed services generally rely on third-party payors to reimburse all or part of the associated healthcare costs. Thus, even if a product candidate is approved, sales of the product will depend, in part, on the extent to which third-party payors, including government health programs in the United States such as Medicare and Medicaid, commercial health insurers and managed care organizations, provide coverage, and establish adequate reimbursement levels for, the product. The process for determining whether a payor will provide coverage for a product may be separate from the process for setting the price or reimbursement rate that the payor will pay for the product once coverage is approved. Third-party payors are increasingly challenging the prices charged, examining the medical necessity, and reviewing the cost-effectiveness of medical products and services and imposing controls to manage costs. Third-party payors may limit coverage to specific products on an approved list, also known as a formulary, which might not include all of the approved products for a particular indication.

In order to secure coverage and reimbursement for any product that might be approved for sale, a company may need to conduct expensive pharmacoeconomic studies in order to demonstrate the medical necessity and cost-effectiveness of the product, in addition to the costs required to obtain FDA or other comparable regulatory approvals. Additionally, companies may also need to provide discounts to purchasers, private health plans or government healthcare programs. Nonetheless, product candidates may not be considered medically necessary or cost effective. A decision by a third-party payor not to cover a product could reduce physician utilization once the product is approved and have a material adverse effect on sales, results of operations and financial condition. Additionally, a payor's decision to provide coverage for a product does not imply that an adequate reimbursement rate will be approved. Further, one payor's determination to provide coverage for a product does not assure that other payors will also provide coverage and reimbursement for the product, and the level of coverage and reimbursement can differ significantly from payor to payor.

The containment of healthcare costs has become a priority of federal, state and foreign governments, and the prices of products have been a focus in this effort. Governments have shown significant interest in implementing

cost-containment programs, including price controls, restrictions on reimbursement and requirements for substitution of generic products. Adoption of price controls and cost-containment measures, and adoption of more restrictive policies in jurisdictions with existing controls and measures, could further limit a company's revenue generated from the sale of any approved products. Coverage policies and third-party reimbursement rates may change at any time. Even if favorable coverage and reimbursement status is attained for one or more products for which a company or its collaborators receive regulatory approval, less favorable coverage policies and reimbursement rates may be implemented in the future.

There have been a number of federal and state proposals during the last few years regarding the pricing of pharmaceutical products, limiting coverage and the amount of reimbursement for drugs and other medical products, government control and other changes to the healthcare system in the United States. For example, in March 2010, the United States Congress enacted the Affordable Care Act, which, among other things, includes changes to the coverage and payment for products under government health care programs. Among the provisions of the Affordable Care Act of importance to resTORbio's potential product candidates are:

- an annual, nondeductible fee on any entity that manufactures or imports specified branded prescription drugs and biologic products, apportioned among these entities according to their market share in certain government healthcare programs;
- expansion of eligibility criteria for Medicaid programs by, among other things, allowing states to offer Medicaid coverage to certain individuals with income at or below 133% of the federal poverty level, thereby potentially increasing a manufacturer's Medicaid rebate liability;
- expanded manufacturers' rebate liability under the Medicaid Drug Rebate Program by increasing the minimum rebate for both branded and generic drugs and revising the definition of "average manufacturer price," or AMP, for calculating and reporting Medicaid drug rebates on outpatient prescription drug prices;
- addressed a new methodology by which rebates owed by manufacturers under the Medicaid Drug Rebate Program are calculated for drugs that are inhaled, infused, instilled, implanted or injected;
- expanded the types of entities eligible for the 340B drug discount program;
- established the Medicare Part D coverage gap discount program by requiring manufacturers to provide a point-of-sale-discount off the negotiated price of applicable brand drugs to eligible beneficiaries during their coverage gap period as a condition for the manufacturers' outpatient drugs to be covered under Medicare Part D; and
- a new Patient-Centered Outcomes Research Institute to oversee, identify priorities in, and conduct comparative clinical effectiveness research, along with funding for such research.

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

Other legislative changes have been proposed and adopted in the United States since the Affordable Care Act was enacted. In August 2011, the Budget Control Act of 2011, among other things, included aggregate reductions

of Medicare payments to providers of 2% per fiscal year, which went into effect in April 2013 and will remain in effect through 2029 unless additional Congressional action is taken. In January 2013, then-President Obama signed into law the American Taxpayer Relief Act of 2012, which, among other things, further reduced Medicare payments to several providers, including hospitals, imaging centers and cancer treatment centers, and increased the statute of limitations period for the government to recover overpayments to providers from three to five years. In addition, recently there has been heightened governmental scrutiny over the manner in which manufacturers set prices for their commercial products, which has resulted in several Congressional inquiries and proposed bills designed to, among other things, bring more transparency to product pricing, review the relationship between pricing and manufacturer patient programs, and reform government program reimbursement methodologies for pharmaceutical products. Individual states in the United States have also become increasingly active in passing legislation and implementing regulations designed to control pharmaceutical product pricing, including price or patient reimbursement constraints, discounts, restrictions on certain product access and marketing cost disclosure and transparency measures, and, in some cases, designed to encourage importation from other countries and bulk purchasing.

Outside the United States, ensuring coverage and adequate payment for a product also involves challenges. Pricing of prescription pharmaceuticals is subject to government control in many countries. Pricing negotiations with government authorities can extend well beyond the receipt of regulatory approval for a product and may require a clinical trial that compares the cost-effectiveness of a product to other available therapies. The conduct of such a clinical trial could be expensive and result in delays in commercialization.

In the European Union, pricing and reimbursement schemes vary widely from country to country. Some countries provide that products may be marketed only after a reimbursement price has been agreed. Some countries may require the completion of additional studies that compare the cost-effectiveness of a particular product candidate to currently available therapies or so-called health technology assessments, in order to obtain reimbursement or pricing approval. For example, the European Union provides options for its member states to restrict the range of products for which their national health insurance systems provide reimbursement and to control the prices of medicinal products for human use. European Union member states may approve a specific price for a product or it may instead adopt a system of direct or indirect controls on the profitability of the company placing the product on the market. Other member states allow companies to fix their own prices for products but monitor and control prescription volumes and issue guidance to physicians to limit prescriptions. Recently, many countries in the European Union have increased the amount of discounts required on pharmaceuticals and these efforts could continue as countries attempt to manage healthcare expenditures, especially in light of the severe fiscal and debt crises experienced by many countries in the European Union. The downward pressure on healthcare costs in general, particularly prescription products, has become intense. As a result, increasingly high barriers are being erected to the entry of new products. Political, economic and regulatory developments may further complicate pricing negotiations, and pricing negotiations may continue after reimbursement has been obtained. Reference pricing used by various European Union member states, and parallel trade, i.e., arbitrage between low-priced and high-priced member states, can further reduce prices. There can be no assurance that any country that has price controls or reimbursement limitations for pharmaceutical products will allow favorable reimbursement and pricing arrangements for any products, if approved in those countries.

Employees

As of June 16, 2020, resTORbio had ten full-time employees, including a total of five employees with M.D. or Ph.D. degrees, and no part-time employees. Of resTORbio’s workforce, five employees are directly engaged in research and development activities, and five employees provide administrative, business and operations support. None of resTORbio’s employees are represented by labor unions or covered by collective bargaining agreements. resTORbio considers the relationship with its employees to be good. resTORbio also uses outside consultants and contractors for limited engagements.

Facilities

In January 2018, resTORbio entered into a multi-year agreement to lease office space in Boston, Massachusetts under an operating lease agreement. In April 2019, resTORbio amended its multi-year lease agreement to relocate its office space in Boston, Massachusetts under an operating lease agreement. The amended lease term is for a period of seven years from the date of relocation on August 1, 2019. Under the lease agreement, resTORbio is permitted to assign, sublease or transfer this lease, with the consent of the landlord, which consent shall not be unreasonably withheld. resTORbio believes that this office is sufficient to meet its current needs and that suitable additional space will be available as and when needed.

Legal Proceedings

In the ordinary course of business resTORbio may, from time to time, be involved in lawsuits, claims, and other legal proceedings related to contracts, employment arrangements, operating activities, intellectual property or other matters. While the outcome of any such proceedings cannot be predicted with certainty, as of the date of this proxy statement/prospectus/information statement, resTORbio was not party to any legal proceedings or claims that resTORbio would expect to have a material adverse impact on resTORbio's financial position, results of operations or cash flow.

Corporate Information

resTORbio was incorporated under the laws of the State of Delaware in July 2016. resTORbio's principal offices are located at 500 Boylston Street, 13th floor, Boston, MA 02116, and resTORbio's telephone number is (857) 315-5528. resTORbio's website address is www.restorbio.com. resTORbio's website and the information contained on, or that can be accessed through, the website will not be deemed to be incorporated by reference in, and are not considered part of, this proxy statement/prospectus/information statement. You should not rely on any such information in making your decision whether to purchase resTORbio common stock.

Available Information

resTORbio files annual, quarterly, and current reports, proxy statements, and other documents with the Securities and Exchange Commission (SEC) under the Exchange Act. The SEC maintains an Internet website that contains reports, proxy and information statements, and other information regarding issuers, including resTORbio, that file electronically with the SEC. The public can obtain any documents that resTORbio files with the SEC at www.sec.gov.

Copies of each of resTORbio's filings with the SEC on Form 10-K, Form 10-Q, and Form 8-K and all amendments to those reports, can be viewed and downloaded free of charge at resTORbio's website, www.restorbio.com after the reports and amendments are electronically filed with, or otherwise furnished to, the SEC.

resTORbio's code of conduct, corporate governance guidelines and the charters of resTORbio's Audit Committee, Compensation Committee, and Nominating and Corporate Governance Committee are available through resTORbio's website at www.restorbio.com.

ADICET BUSINESS

Overview

Adicet is a biotechnology company that is advancing a new generation of chimeric antigen receptor, or CAR, modified-T cell therapies in oncology and other indications. Adicet's approach is based on gamma delta T cells, an immune cell population that Adicet believes has potentially significant advantages over alpha beta T cells, which are the basis of standard CAR-T cell therapies. Adicet believes that it is at the forefront to take tumor targeting gamma delta CAR-T cell product candidates into Investigational New Drug, or IND, enabling studies and clinical trials for specific tumor types. Adicet is focused on developing proprietary processes for engineering and manufacturing product candidates based on gamma delta T cells from the blood of healthy donors, resulting in high yields of cells with efficacious tumor-killing activity as observed in preclinical experiments. The ability to administer product candidates based on gamma delta T cells to patients without inducing a graft versus host immune response means that Adicet's products can potentially be produced as off-the-shelf therapies. This is in contrast to products based on alpha beta T cells, which either must be manufactured for each patient from his or her own T cells or which require significant gene editing to manufacture allogeneic therapies, that is, therapies that are based on T cells derived from donors that are unrelated to the patient. Based on what Adicet believes is the enormous promise of these cells and associated modifications, Adicet is initially developing product candidates in oncology, both for hematological malignancies and for solid tumor indications. Due to certain unique properties of gamma delta T cells, Adicet believes that its product candidates will have an inherent capacity to recognize and kill circulating tumor cells and to infiltrate and kill solid tumors, the cause of over 90% of all cancer deaths as estimated by the American Cancer Society in 2020. Subject to the FDA regulatory process for review of INDs, Adicet intends to initiate clinical development of ADI-001, the company's lead product candidate, in non-Hodgkin lymphoma, or NHL, by the end of 2020 or early 2021. Subject to the FDA regulatory process for review of INDs, Adicet anticipates initiating clinical development of ADI-002, the company's first solid tumor product candidate, in 2021.

Gamma delta T cells have unique attributes that Adicet believes make them especially well-suited to be used for cancer therapy. Approximately 95% of T cells in circulation are so-called alpha beta T cells, named after the proteins that make up the cells' T cell receptor, or TCR. The remaining T cells include a population that makes up between 1% and 5% of all T cells, the gamma delta T cells, along with a few other cell types. Distinct among immune cell populations, gamma delta T cells have the following combination of attributes:

- Can be used "off-the-shelf" after being expanded from healthy donors;
- Are actively cytotoxic to tumor cells;
- Can replicate in an appropriate and measured way after manufacture;
- Can have their specificity for tumor cells enhanced further by the addition of a CAR;
- Express both T cell and natural killer, or NK, cell receptors, facilitating both adaptive and innate anti-tumor immune responses; and
- Can be manufactured in large numbers to facilitate the treatment of many patients and to avoid the cumbersome nature and expense of isolating T cells from each patient.

By contrast, approved CAR-T cell therapies, as well as the majority of CAR-T cell therapies in clinical development, are based on a different population of T cells, known as alpha beta T cells, which have the ability to attack healthy tissues if they are not immunologically matched to the patient. For this reason, the majority of alpha-beta-T-cell-derived CAR-T cell products are custom-generated from cells isolated from each patient. Gamma delta T cells, by contrast, do not in principle require immunological matching to be safe and effective and therefore cells isolated from healthy donors can be administered to any patient. This enables cell therapy products based on gamma delta T cells to be manufactured in bulk and be distributed as readily available off-the-shelf products. In animal models and early clinical trials, gamma delta T cells do not expand in healthy tissues, indicating that they may be associated with a lower risk of life-threatening immune responses. In addition to their ability to circulate, gamma delta T cells have an inherent capacity to locate in tissues and recognize and attack cancerous cells.

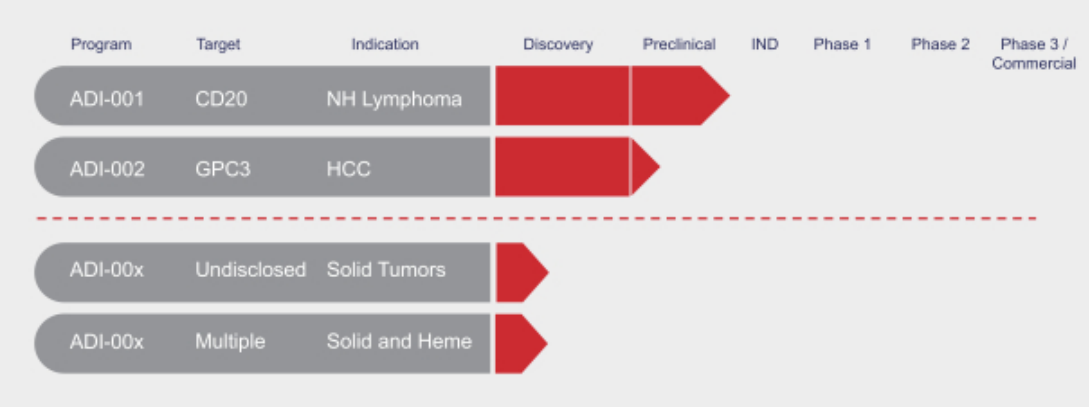
ADI-001 is a gamma delta T-cell product candidate into which Adicet introduced a CAR that specifically recognizes CD20, a highly expressed surface protein found on the majority of NHLs. Adicet is developing a highly efficient and robust process to activate, engineer and manufacture product candidates derived from peripheral blood cells of healthy donors. Adicet is developing processes that can produce these cells in bulk under conditions that meet current Good Manufacturing Practices, that is, are cGMP-compliant, to generate an inventory of cell product that is readily available to patients on demand at clinical sites. Gamma delta T cells engineered with anti-CD20 CAR have highly potent antitumor activity in preclinical models, leading to effective long-term control of tumor growth. Adicet anticipates filing an Investigational New Drug, or IND, application with the FDA and, subject to the FDA regulatory process for review of INDs, initiating clinical development of ADI-001 by the end of 2020 or early 2021. Adicet believes that ADI-001 has the potential to benefit the majority of patients that have NHL while also providing clinical validation of Adicet's gamma delta T-cell platform technology.

In addition to potentially providing access to immunocellular therapies to a broader set of patients with hematological malignancies, Adicet believes that its technology is well-positioned to bring these therapies to patients with solid tumors. ADI-002 is a product candidate containing a CAR directed against Glypican-3, or GPC3, a tumor antigen that is highly expressed in hepatocellular carcinoma, or HCC, and other tumors such as gastric cancer and squamous cell carcinoma of the lung. ADI-002 has dose-dependent antitumor activity in animal models and, subject to the FDA regulatory process for review of INDs, Adicet anticipates filing an IND and initiating clinical trials in 2021.

Adicet's solid tumor efforts are further complemented by the company's proprietary T cell receptor-like antibody, or TCRL, platform technology, a monoclonal antibody technology which enables the generation of CARs that recognize tumor antigens inside tumor cells, also known as intracellular proteins. Adicet believes that the ability to selectively bind to tumor antigens derived specifically from intracellular proteins is a critical advantage to immunocellular therapy due to the scarcity of tumor-specific surface antigens on solid tumors. Adicet's approach to generating CARs for some product candidates takes advantage of this ability.

The Adicet management team has extensive experience in the discovery and development of immunocellular therapies with prior experience at leading biopharmaceutical organizations including AbbVie, Fate, Celgene, Amgen and Onyx. The founder and former President and CEO of Adicet, Aya Jakobovits, was the President and founding CEO of Kite Pharma Inc., or Kite Pharma. As of the date of this proxy statement/prospectus/information statement, Adicet has received investments valued at an aggregate of approximately $124 million from investors that include aMoon, Consensus Business Group, DSC Investment, Handok, Johnson & Johnson Innovation- JJDC, KB Investment, OCI Enterprises, Novartis Venture Fund, OrbiMed, OCI Enterprises, Pontifax, Regeneron Pharmaceuticals, Samsung Venture Investment and SBI JI Innovation Fund.

Pipeline



Adicet has a pipeline of wholly owned preclinical assets. Later in 2020, the company expects to file an IND and, subject to the FDA regulatory process for review of INDs, initiate a Phase 1 clinical trial for its lead product candidate, ADI-001, in CD20 positive hematological tumors including NHL. ADI-002 is Adicet's second most advanced CAR-modified gamma delta T cell product and selectively targets Glypican-3, or GPC-3, via an engineered CAR. GPC-3 is differentially expressed on hepatocellular carcinoma, or HCC, and a number of other tumors. As part of a five-year collaboration between Adicet and Regeneron Pharmceuticals, Inc., or Regeneron, signed in 2016, Regeneron has the option to obtain development and commercial rights for a certain number of product candidates, and Adicet has an option to participate in the development and commercialization of these potential products or is entitled to royalty payments by Regeneron. Immune cell therapy product candidates developed and commercialized by Adicet under the Regeneron Agreement (as defined below) will be subject to payment of royalties to Regeneron. This collaboration is ongoing. To date, Regeneron has not exercised an option on any of Adicet's candidates. For additional information on Adicet's agreement with Regeneron, please see "*Adicet Business—Strategic Agreements*" beginning on page 291 of this proxy statement/prospectus/information statement.

Strategies

Adicet's objective is to be the leading biotechnology company developing oncology and other therapies based on CAR-modified gamma delta T cells. The company's strategy to achieve this is as follows:

- **Target clinical development, regulatory approval and commercialization of Adicet's lead ADI-001 product candidate**. Adicet intends to achieve two key objectives with the development program for ADI-001:
  - Bring a meaningful product to patients by developing ADI-001 in NHL and demonstrating its safety and efficacy; and
  - Validate the gamma delta T cell platform, showing both safety and efficacy, to enable rapid application to additional oncology indications.

To achieve these objectives, Adicet intends to demonstrate in its clinical trials an efficacy and safety profile that is similar or better than the currently approved autologous (manufactured from the patient's own cells) alpha-beta based T-cell therapy in similar patient populations of NHL while making the product available off the shelf.

- **Advance ADI-002 into clinical development.** ADI-002, Adicet's lead solid tumor product candidate, is currently undergoing preclinical studies and, subject to the FDA regulatory process for review of INDs, Adicet intends to file an IND in 2021. The company's goal is to develop ADI-002, both in monotherapy and in combination with standard of care agents, in a number of solid tumors that express high levels of glypican 3 protein, or GPC3, the cell surface molecule targeted by the product.
- **Continue to innovate and invest in the gamma delta T cell platform and pipeline**. The company expects to continue to develop product candidates in oncology based on the gamma delta T cell platform using either previously validated antigens or those that Adicet identifies and targets using the company's TCRL technology. The company may utilize additional genetic engineering and editing technologies to further improve its products for greater cell persistence that may lead to greater efficacy. A key strength of Adicet's gamma delta T cell therapy platform lies in the company's ability to target antigens of both known and unknown potential and devote the company's clinical development resources to those antigens that show the most promise in preclinical *in vivo* analyses and early human trials.
- **Expand and protect the company's intellectual property**. Adicet will continue to aggressively protect the gamma delta T cell production methodology the company has developed as well as specific product candidates based on proprietary antigen-binding domains. For more information on Adicet's intellectual property, see "*Adicet Business—Adicet Intellectual Property*" on page 290 of this proxy statement/prospectus/information statement.

Background

Anticancer immune cell therapy

In recent years, the field of immuno-oncology has transformed the treatment of cancer. Immuno-oncology deploys the immune system to attack and, in some cases, to eliminate cancer. One of the key breakthroughs in immuno-oncology involved using T cells, a key element of the immune system, and turned them into even more potent, tumor-cell-specific killers. Researchers have achieved this improvement and targeting by loading the T cells with a gene encoding a CAR. These engineered receptors represent a powerful combination of, first, a region that binds to a target on a cancer cell and tethers the T cell to it; and, second, a signal that activates the T cell to eliminate the tethered cancer cell. To the company's knowledge, all marketed CAR-T cells contain predominantly alpha beta T cells. While Adicet believes the use of CAR-T cell therapies is extremely promising, conventional CAR-T cell therapies also have some key flaws that, Adicet believes, can be addressed by using a cell population, specifically, gamma delta T cells rather than alpha beta T cells.

As of the date of this proxy statement/prospectus/information statement, two CD19-targeting CAR-T cell therapies have been approved by the FDA: axicabtagene ciloleucel, or Yescarta®, developed by Kite Pharma (now Gilead); and tisagenlecleucel, or Kymriah®, developed by Novartis. These therapies are highly effective in many patients. Among the 101 patients with diffuse large B cell lymphoma, or DLBCL, treated with Yescarta® in a clinical trial, an objective response rate of 82% was observed with 54% of patients achieving a complete response. This high efficacy, however, is associated with significant adverse events, with 13% of patients experiencing grade 3 or higher cytokine release syndrome and 28% of patients experiencing grade 3 or higher neurologic events. In the Yescarta® clinical trial, three patients died due to adverse events during treatment and ten patients who were enrolled in the trial were not able to be treated due to disease progression or complications that arose during the period of time required to generate the patient-specific therapy or because of the inability to generate the desired CAR-T cells from the patient's cells. Despite these known adverse events, in 2017 and 2018, leading CAR-T cell companies Kite Pharma and Juno Therapeutics, Inc., or Juno, were acquired for a total of $20.9 billion by Gilead and Celgene, now Bristol Myers-Squibb, respectively. Adicet believes these acquisitions were a result of a combination of the ability of Kite Pharma and Juno to treat cancer immediately through the initial product candidates and projected to generate numerous additional candidates. Adicet believes that, despite their progress to date, currently available CAR-T cell therapies have not reached their full promise, and the Adicet gamma delta CAR-T cell approach has the potential to be a significant improvement.

The current generation of CAR-T cell therapies represented by Yescarta® and Kymriah® are autologous cell therapies, that is, they are based on immune cells isolated from a patient, modified and expanded in a laboratory and then reintroduced into the same patient. One key reason for taking this autologous approach is that the cytotoxic, or cell-killing, predominantly alpha beta T cells that are used to generate these therapies are cells that the immune system uses to recognize and attack foreign cells. If these types of T cells were to be introduced into a patient from an unrelated donor, the donor T cells would attack healthy tissues throughout the patient in a process known as graft versus host disease, or GvHD, potentially causing multiple organ failure and death.

The T cells used for first-generation CAR-T cell therapies were derived from a well-known and highly abundant subclass of T cells known as alpha beta T cells. Alpha beta T cells, which comprise approximately 95% of the T cells in circulation in the body, are able to distinguish whether cells that they encounter are normal cells that belong in the body or foreign or damaged cells that need to be destroyed. Alpha beta T cells have a receptor on their surface called a T cell receptor, or TCR, which is made up of alpha and beta protein chains. These TCRs recognize targets, also known as antigens, on cells that are presented by antigen-presenting molecules encoded by the major histocompatibility complex, or MHC. The MHC contains genes that encode a number of proteins with multiple variants, or alleles, such that most individuals have a distinct MHC profile. During normal T cell development, those T cells that recognize the combination of the specific MHC profile and antigens that are presented by healthy cells of the specific individual are eliminated, resulting in a population of T cells that circulate throughout the body, vigilantly checking for abnormal antigens or foreign cells, including from another individual.

In one type of cellular immunotherapy known as adoptive cell therapy, naturally occurring immune cells from a patient are isolated and are activated using cytokines and tumor-specific antigens to stimulate the growth and expansion of antitumor T cells that already exist at low abundance in the patient. After activation and expansion in the laboratory, large numbers of T cells that are primed to recognize the tumor are reintroduced into the same patient.

CAR-T cell therapies are a variant of this adoptive cell therapy in which, instead of trying to activate T cells based on the ability of naturally occurring TCRs to recognize tumor antigens, a chimeric antigen receptor, or CAR, that is designed to recognize a specific tumor antigen is genetically introduced into T cells. These CAR-T cells are then able to destroy any cells expressing the appropriate antigen completely independent of MHC. However, CAR-T cells derived from alpha beta T cells still have endogenous TCRs which restrict their use to the original patient.

Limitations of autologous cell therapies

Autologous cell therapies, such as those developed by Kite Pharma and Novartis, have a number of limitations, including but not limited to the following:

- **Treatment delays imposed by individualized manufacturing**. Due to the individualized manufacturing process, patients must wait up to three to four weeks for the individualized products to be manufactured and administered. In the registrational trials for Yescarta® and Kymriah®, up to 31% of intended patients ultimately did not receive treatment primarily due to complications from the underlying disease that occurred during manufacturing or due to manufacturing failures.
- **Manufacturing variability and failure**. It was reported by Novartis in 2018 that variability in product specifications had been observed in the production of Kymriah®. In addition, in approximately 9% of the cases, no product could be shipped to patients at all due to out-of-specification issues or from manufacturing failures.
- **High cost limits patient access**. The high cost of therapy and payer policies can limit access to autologous CAR-T cell therapies. According to a 2019 article published in the journal *Managed Care*, treating physicians estimate that the costs of autologous CAR-T cell therapies combined with patient care services are approximately $1 million per patient, generating reluctance of payers to approve these therapies for patients before they have exhausted other options. These therapies are then relegated to the most heavily pretreated patients who may be unable to withstand the severe side effects.
- **Scalability.** Because each patient requires a custom manufacturing batch, the production of autologous CAR-T cells at the scale needed to meet commercial demand and anticipated label and geographic expansions may be challenging.

Autologous cell therapies, such as CAR-T cells derived from alpha beta T cells, have been successful in their initial use in hematological malignancies. Furthermore, they have provided critical data that demonstrates the potential of immunocellular cancer therapies. However, manufacturing of these cells imposes some critical limitations that could be minimized if similar allogeneic cell therapies that can be given to any patient, regardless of the donor of cells, are developed. Adicet believes that allogeneic cell therapies offer great promise for optimizing the access to therapy, overcoming manufacturing-related and cost-related limitations of autologous cell therapies.

Gamma delta T cells and their allogeneic potential

Gamma delta T cells are a subset of T cells that have TCRs comprising gamma and delta receptor chains. In contrast to alpha beta T cells, gamma delta T cells are not selective for patient-specific MHC molecules. Therefore, gamma delta T cells from an unrelated donor can be administered to a patient without inducing GvHD. Gamma delta T cells primarily reside in tissues and comprise between 1% and 5% of circulating T cells.

Gamma delta T cells correlate with improved outcomes

An analysis of the transcriptional profiles of 5,872 patient tumor samples across 25 malignancies published in *Nature Medicine* in 2015 found that gene signatures consistent with gamma delta T cells were the strongest predictors of overall survival. The association of gamma delta T cells with overall survival in solid tumors had a z-score over three, meaning it was over three standard deviations above the mean, corresponding to a p value less than 0.001.

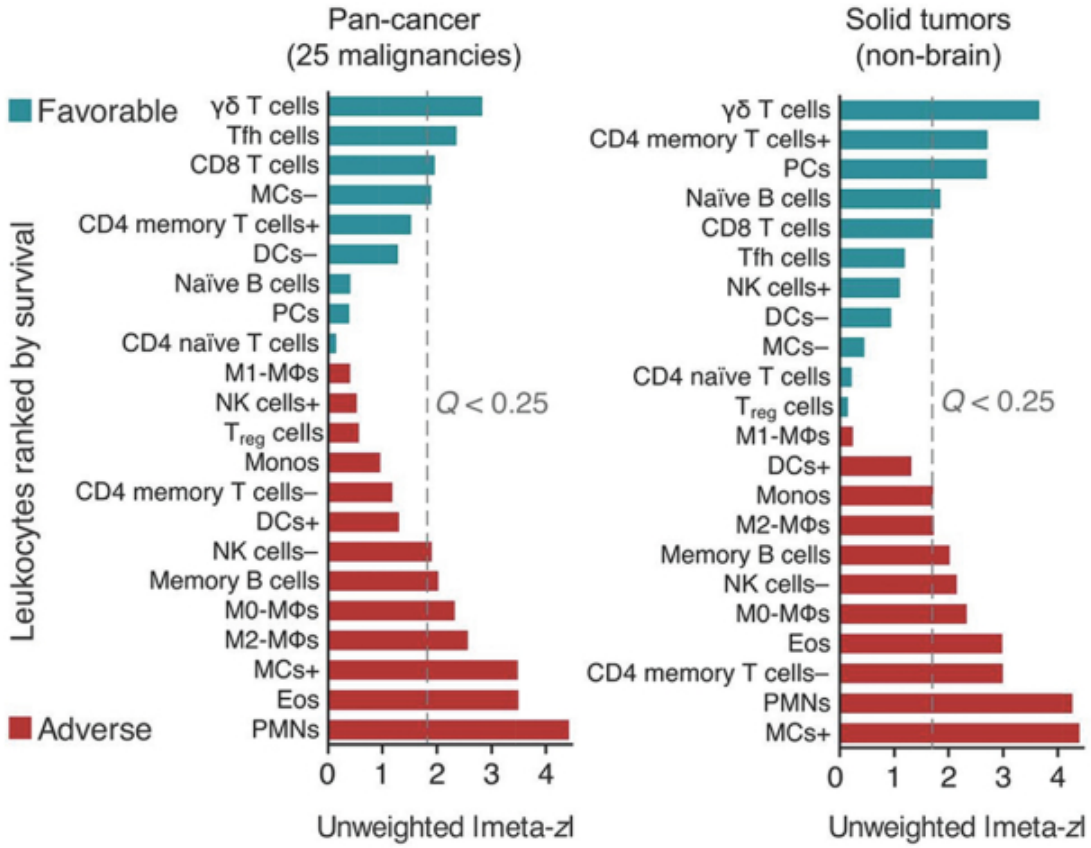


Figure 1. Analysis of the immune cell composition of tumor samples that gamma delta T cells were highly predictive of overall survival. Adapted from Gentles et al., Nat Med. 2015 August; 21(8).

Additionally, high levels of gamma delta T cells have been associated with improved overall survival in acute leukemia patients who received hematopoietic stem cell transplants, or HSCT. In a study published by KT Godder et al. in 2007 in the journal *Bone Marrow Transplantation*, those patients with high levels of gamma delta T cells after the transplant had a leukemia free survival at five-years of 54.4% and overall survival of 70.8%. Those with low levels of gamma delta T cells had a significantly lower five-year leukemia free survival of 19.1% and a five-year overall survival of 19.6%.

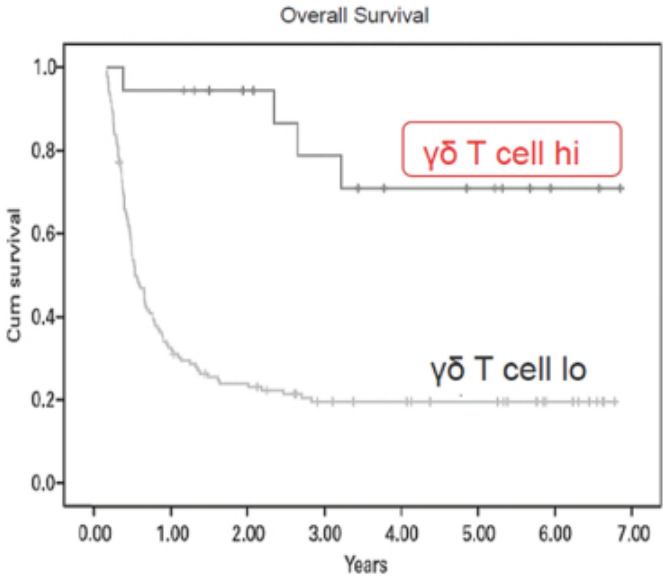


Figure 2. HSCT patients who develop high levels of gamma delta T cells have improved survival. Adapted from Godder et al., Bone Marrow Transplantation (2007) 39.

The correlation between high levels of gamma delta T cells and disease-free survival extends to patients with solid tumors. In a study published by Meraviglia et al in 2017 in the journal *OncoImmunology*, across a cohort of 557 patients with colorectal cancer, those with high gamma delta T cell levels had a ten-year disease-free survival rate of over 80%, while those with lower levels had a rate of approximately 50%.

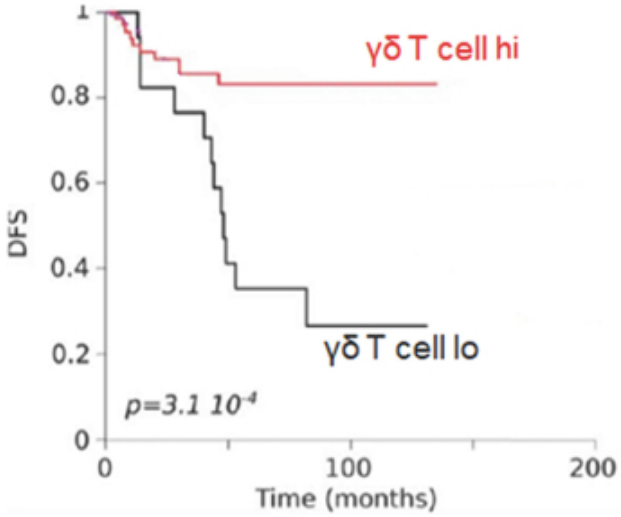


Figure 3. High levels of gamma delta T cells are correlated with increased disease-free survival in colorectal cancer patients. Adapted from Meraviglia et al Oncoimmunology 2017, VOL. 6, NO. 10.

Adicet believes that these studies and others point to an important role of gamma delta T cells in disease control and overall survival and indicate that gamma delta T cell-based therapies have the potential to deliver clinically meaningful results.

Advantages of gamma delta T cell-based therapies

Immunotherapies developed using gamma delta T cells have a number of advantages over other therapies developed using other cell types, including the following:

- **Lack of GvHD.** A body of published evidence, mainly in the field of HSCT, indicates the safety of transfer of allogeneic gamma delta T cells from donors to unrelated patient recipients. HSCT procedures containing significant numbers of gamma delta T cells were able to proceed with no signs of acute or chronic GvHD. In many cases, the presence of gamma delta T cells in the HSCT products correlated with improved clinical outcomes, indicating the antitumor potential of gamma delta T cells. Additionally, a study performed by Martin Wilhelm and colleagues in 2014 indicated that gamma delta T cells from haploidentical donors could be successfully expanded and infused in large numbers ($2.17x10^6$ cells / kg (range, 0.9-3.84)), followed by further expansion (mean, 68-fold) in the patients without any observed GvHD.
- **Tumor localization**. In addition to being present in the circulation at low frequency, gamma delta T cells have an inherent propensity to home to tissues and tumors. Their ability to be activated in environments with low levels of oxygen such as those found in the tumor microenvironment has the potential to increase the efficacy of gamma delta T cells in solid tumors.
- **Limited cytokine secretion**. Unlike alpha beta T cells, gamma delta T cells can be made to secrete lower levels of certain cytokines such as interleukin 2, or IL-2. This, combined with lack of recognition of normal, non-malignant, cells by of gamma delta T cells, may lower the risk of life-threatening cytokine release syndrome.
- **Limited ability for tumors to escape.** Although the initial responses to immunotherapies such as antibodies and CAR-T cells are often impressive, many patients become refractory or relapse. A common mechanism for the relapse to these therapies is loss of the expression of the CAR-targeted antigen such as CD19 from tumor cells. Because gamma delta T cells also express innate cytotoxic immune receptors, they can recognize and kill tumor cells even in the absence of the CAR-targeted tumor antigen.
- **Ability to manufacture more efficiently and cost-effectively.** Unlike alpha beta T cells, therapies based on gamma delta T cells can in principle be manufactured in bulk and used in the allogeneic or off-the-shelf setting, addressing many of the shortcomings of conventional alpha beta T cell therapy.
- **Potential for superior cytotoxic activity**. T cells from some cancer patients, for example those with chronic lymphocytic leukemia, often display an exhausted, or otherwise dysfunctional, phenotype and CAR-T cell products from these cells may perform poorly. The Adicet allogenic cell therapy is manufactured from healthy donors whose T cells have been proven to generate highly active CAR-T cell product.
- **Potential for re-dosing.** Along with increased availability of material due to the ability to utilize off-the-shelf healthy allogeneic donor-derived starting material compared to conventional CAR-T cell therapies, the lack of MHC-dependent GvHD also opens up the possibility of being able to re-dose patients to achieve prolonged efficacy if they do not obtain an adequate clinical response from initial treatment or if they relapse. A number of studies with other CAR-T cell therapies have linked the development of cytokine release syndrome with high numbers of circulating CAR T cells following rapid alpha beta T cell proliferation. Having the option to retreat patients with gamma delta T cells provides the option of starting with a low dose and redosing if required.

Adicet's CAR gamma delta T-cell technology

Human gamma delta T cells can be divided into three main subsets based on their TCR delta chain usage: Vd1, Vd2 and Vd3. The most abundant subset of gamma delta T cells in the circulatory system, the Vd2 cells, is the most well-studied. However, it is the Vd1 subset which primarily resides in tissues and is the subset that Adicet is developing proprietary methods to activate and manufacture.

V*d*1 gamma delta T cells

Vd1 cells have properties of both the innate and adaptive immune system, meaning that they can be activated by tumor-specific antigens as well as by general activators common to damaged or otherwise abnormal cells. Similar to other T cells, they express TCRs, but also express cytotoxicity receptors that are found on innate immune cells such as natural killer, or NK, cells. These gamma delta T cells can induce tumor cell death through multiple mechanisms including the secretion of cytotoxic proteins such as granzymes and perforin as well as through the section of cytokines such as interferon gamma, or IFNg, and tumor necrosis factor alpha, or TNFa.

In *in vitro* and *in vivo* preclinical cancer models, Vd1 cells are more cytotoxic and have a longer durability than Vd2 cells. Vd1 cells are also more resistant to activation induced cell death, or AICD, which has posed significant problems in clinical trials following chronic stimulation of Vd2 cells. Vd1 cells normally reside within tissues and they are able to adapt to lower nutrient availability and decreased oxygen levels, conditions which are similar to those in the microenvironments or localized areas associated with certain solid tumors. Incubation of these gamma delta T cells in conditions of low oxygen, or hypoxia, that are typical of tumors has been shown to enhance their cytotoxicity.

Anticipated advantages of V*d*1 gamma delta T cells over other approaches to generate allogeneic CAR-T cells

An alternate approach to the development of allogeneic CAR T cells consists of introducing genetic modifications that disable the TCR in alpha beta T cells derived from donors that are not related to the patient. This process prevents these cells from attacking the patient's healthy cells. Adicet believes that the healthy donor-derived gamma delta T cell technology it uses, which lacks the ability to attack healthy cells from unrelated individuals, has a number of advantages over this approach. In an allogeneic paradigm, unlike alpha beta T cells, Vd1 gamma delta T-cells have the following advantages:

- Do not rely on genetic manipulations to inactivate the alpha beta TCR;
- Display properties of both adaptive and innate immune systems and are capable of killing cells even if their specifically targeted CAR antigen is expressed at low levels or not present;
- May not be prone to exhaustion and are likely to persist longer;
- May inherently home to tissues and tumors rather than predominantly residing in circulation; and
- May be less likely to induce cytokine release syndrome due to more limited endogenous IL-2 secretion by activated cells.

Adicet believes these advantages position gamma delta T cell based therapies to become an attractive and potentially superior alternative to alpha beta T cell based therapies.

Anticipated advantages of V*d*1 gamma delta T cells over bispecific antibody T cell recruitment for tumor immunotherapy

An alternate approach to the development of allogeneic CAR T cells consists of bispecific antibodies that are designed to crosslink T cells to specific targets on the tumor. This approach generally requires healthy and functional T cells able to attack the tumor when guided to the tumor expressing the target antigen. Adicet believes that the healthy donor-derived gamma delta T cell technology it uses has a number of advantages over this approach. Unlike bispecific antibodies, Vd1 gamma delta T cells have the following advantages:

- Do not rely on functional T cells derived from the patient;
- Display properties of both adaptive and innate immune systems and are capable of killing cells even if their specifically targeted CAR antigen is not present;
- May inherently home to tissues and tumors rather than predominantly residing in circulation; and
- May be less likely to induce cytokine release syndrome due to more limited endogenous IL-2 secretion by activated cells.

Adicet believes these advantages position gamma delta T cell-based therapies to become an attractive and potentially superior alternative to bispecific-based therapies for many oncology indications and lines of therapy.

Anticipated advantages of Vd1 gamma delta T cells over NK cell based therapies

An alternate approach to the development of allogeneic CAR T cells consists of engineered natural killer, or NK, cell-based therapy. While both gamma delta T cell and NK cell therapy generally are not expected to cause graft versus host disease, NK cells express a broad repertoire of both inhibitory and activating receptors and have more limited tumor induced secretion of multiple cytokines. Adicet believes that the gamma delta T cell technology it uses has a number of advantages over this approach. Unlike engineered NK cells, Vd1 gamma delta T-cells have the following advantages:

- Express activating receptors more predominantly;
- Can display tumor-induced secretion of multiple cytokines including expressing high levels of interferon-gamma;
- The presence of gamma delta cells in tumors is strongly correlated with positive clinical outcomes; and
- Can be produced as highly homogeneous cell populations.

Adicet believes these advantages position gamma delta T cell-based therapies to become an attractive and potentially superior alternative to NK based therapies for many oncology indications and lines of therapy.

Production of gamma delta T cells

To produce gamma delta T cell based product candidates, Adicet isolates peripheral blood mononuclear cells, or PBMCs, from healthy donors that meet all the safety criteria for human cells, tissues, and cellular and tissue-based products, or HCT/P, criteria for donors as outlined by the FDA in 21 CFR Part 1271. Adicet then activates Vd1 gamma delta T cells using a proprietary agonistic antibody and cytokines and expands these cells before introduction of replication-incompetent retroviral vectors containing the coding sequence for CAR constructs. These CAR-modified cells are further expanded, resulting in cell cultures that primarily consist of the desired gamma delta T cells. To reduce the chance of a patient developing GvHD, the remaining alpha beta T cells are then depleted using alpha-beta-specific, antibody-based techniques. The resulting gamma delta T cells are then formulated in an infusible solution to form the final drug product, which is filled into vials and then frozen to enable delivery of a post-thaw cell dose from each vial of CAR-T cells.

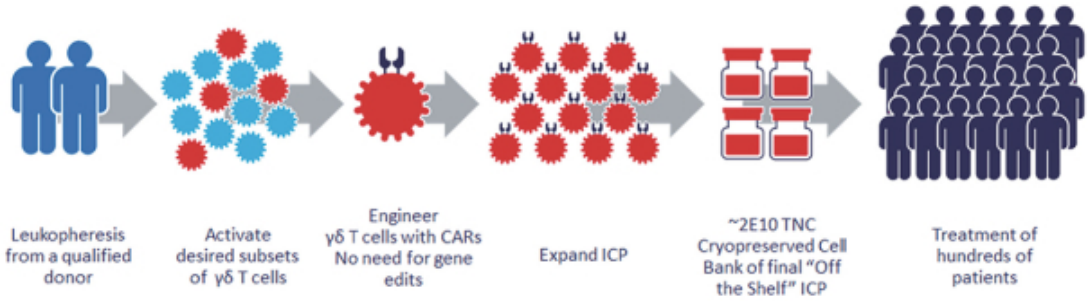


Figure 4. Production process for Adicet's CAR gamma delta T cell products

Adicet believes that its manufacturing process, including the generation of the antibodies and retroviral vectors, meets current Good Manufacturing Practices, i.e. is a cGMP-compliant process. Adicet expects to be able to produce tens to hundreds of doses from a single donor, greatly increasing the efficiency of manufacturing

compared to autologous alpha beta T cell therapies. The company has chosen to partner with a number of contract manufacturing organizations in the United States and Europe to access specific capabilities to ensure that the manufacturing process is highly scalable, and fully cGMP-compliant.

Preclinical data

To estimate the tumor killing potential of Vd1 gamma delta T cells even before tumor-specific CARs are introduced, the Adicet team uses the Polyfunctional Strength Index, or PSI. The PSI is a measure of the cytokine production activity associated with immune cells. It is derived by multiplying the number of cytokines secreted per cell by the amount of each cytokine to identify the most potent immunotherapies. This metric has shown that the immune cells of patients who respond to CAR-T cell therapies have significantly higher PSI scores. In the responders, 20% to 25% of T cells were found to be polyfunctional. The major cytokines produced were cytotoxic and inflammatory cytokines including IFNg; macrophage inflammatory protein 1-alpha, or MIP-1a; interleukin 8, or IL-8; and granzyme B. *Ex vivo* stimulation of patient-isolated T cells with interleukin 15, or IL-15, further differentiated the PSI scores of the responders versus non-responders.

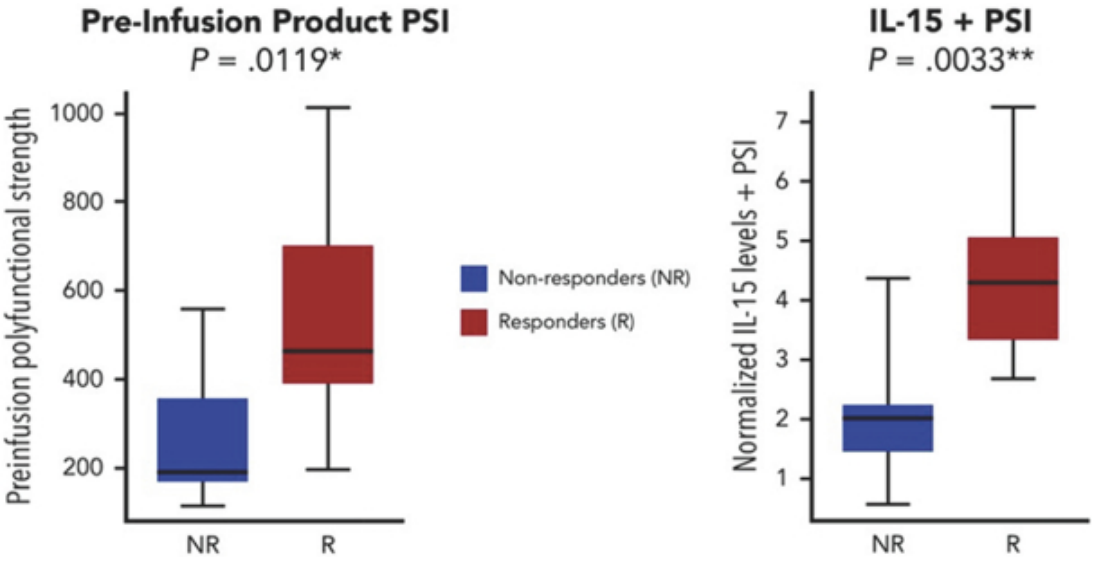


Figure 5. Pre-infusion PSI of CAR-T cells stimulated with CD19 with high PSI is associated with clinical response.

Adicet believes that this result holds great promise for the application of the company's selected cell population, the tumor-induced PSI scores of Vd1 gamma delta T cells produced by Adicet's proprietary manufacturing process are approximately three times higher than those of unstimulated cells.

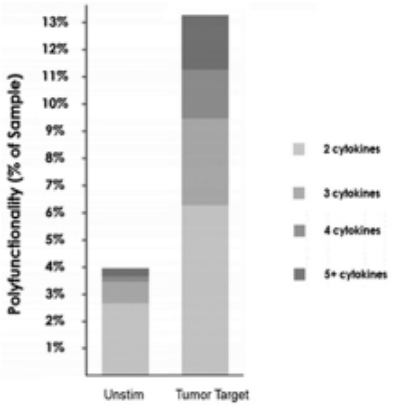


Figure 6. Adicet's Vd1 gamma delta T cells demonstrate high tumor-stimulated PSI scores

ADI-001, an anti-CD20 CAR gamma delta T-cell therapy

ADI-001 is an allogeneic Vd1 gamma delta T cell product candidate containing an anti-CD20 CAR. Adicet is developing ADI-001 for the treatment of NHL. Adicet intends to file an IND application with the FDA and, subject to the FDA regulatory process for review of INDs, initiate clinical development of ADI-001 by the end of 2020 or early 2021. Interim data from this trial is anticipated to be available in mid-2021.

B cell NHL overview

NHL is the most common cancer of the lymphatic system. An estimated 77,240 new cases are expected to be diagnosed in the United States in 2020, according to the web site of the U.S. National Institutes of Health. According to the cancer.net web site maintained by the American Society for Clinical Oncology, approximately 90% of NHL patients in western countries have B cell lymphomas of various types and diffuse large B cell lymphoma, or DLBCL, is the most common and aggressive type of NHL, accounting for 30% of NHL. The second most common type is follicular lymphoma, or FL, which occurs in 20% of NHL patients. Mantle cell lymphoma, or MCL, is diagnosed in 5% to 7% of NHL cases.

Although B cell NHLs represent a heterogeneous set of lymphomas, many cell surface antigens are shared among them, including CD19 and CD20. First line therapy for patients with aggressive B cell NHLs, such as DLBCL, is chemotherapy in combination with radiation or rituximab, an antibody that targets CD20. According to the rituximab label as published on the FDA web site, the addition of rituximab to chemotherapy results in an approximately 10% to 15% overall increase in survival at one year compared to chemotherapy alone with almost no increase in toxicity. According to an article published by K.T. Godder et al. in the journal *Bone Marrow Transplantation* in 2007, up to 50% of patients become refractory or relapse after treatment. Of those, according to an article published by Andrew R. Rezvani and David G. Maloney in the journal *Best Practice & Research Clinical Haematology* in 2011, approximately 60% percent are resistant to rituximab upon relapse. Subsequent chemotherapy-based therapies typically have limited efficacy in these patients and, at that point, they become candidates for treatment with allogeneic HSCT or anti-CD19 CAR-T cell therapy. Approximately 35% of patients treated with anti-CD19 CAR-T cell therapies relapse within one year, according to the label for Kymriah® published on the Novartis web site.

Adicet's solution, ADI-001

ADI-001 is a gamma delta T cell product candidate that targets malignant B-cells via an anti-CD20 CAR and via the gamma delta T cell endogenous receptors, which the company is developing as an allogeneic immunocellular therapy for the treatment of B-cell NHL. ADI-001 is created from Vd1 gamma delta T cells isolated from healthy donors. It is manufactured in bulk under cGMP-compliant conditions and is intended to be supplied as an immediately available off-the-shelf anti-CD20 CAR-T cell therapy. Adicet intends to file an IND and, subject to the FDA regulatory process for review of INDs, initiate clinical testing of ADI-001 by the end of 2020 or early 2021.

ADI-001 contains an anti-CD20 CAR that has a proprietary antigen-binding domain that recognizes a region of CD20 distinct from that recognized by rituximab. Similar to other CAR-Ts cells including the one used to create Kymriah®, the Adicet CAR-T cells contain the clinically validated costimulatory domain from 4-1BB and the CD3z.

Preclinical data

All preclinical experiments were conducting using anti-CD20 CAR-modified gamma delta T cells, a research version of ADI-001. Adicet evaluated the *in vitro* potency of its anti-CD20 CAR gamma delta T cells using human-derived laboratory cell lines, known as Raji and Daudi human Burkitt's lymphoma cell lines, which are known to express high levels of CD20. Mixing the tumor cells with the anti-CD20 CAR gamma delta T cells resulted in apoptosis, or cell death, of the tumor cells after four hours. Increasing the ratio of the number of anti-CD20 CAR gamma delta T cells to tumor cells resulted in a higher percentage of dying tumor cells. Similar potency in the killing of target cells by anti CD20 CAR gamma delta T cells was observed in both Mino cells, a human mantle cell lymphoma line that expresses high levels of CD20; and WILL-2 cells, cells derived from a rituximab-resistant patient with B cell lymphoma that expresses low levels of CD20. These results suggest that anti-CD20 CAR gamma delta cells can be highly efficient at recognizing and eliminating tumor cells that express any level of CD20. In all the cases, Adicet's gamma delta T cells that did not have anti-CD20 CAR expression also caused tumor cell death due to innate cytotoxic receptors.

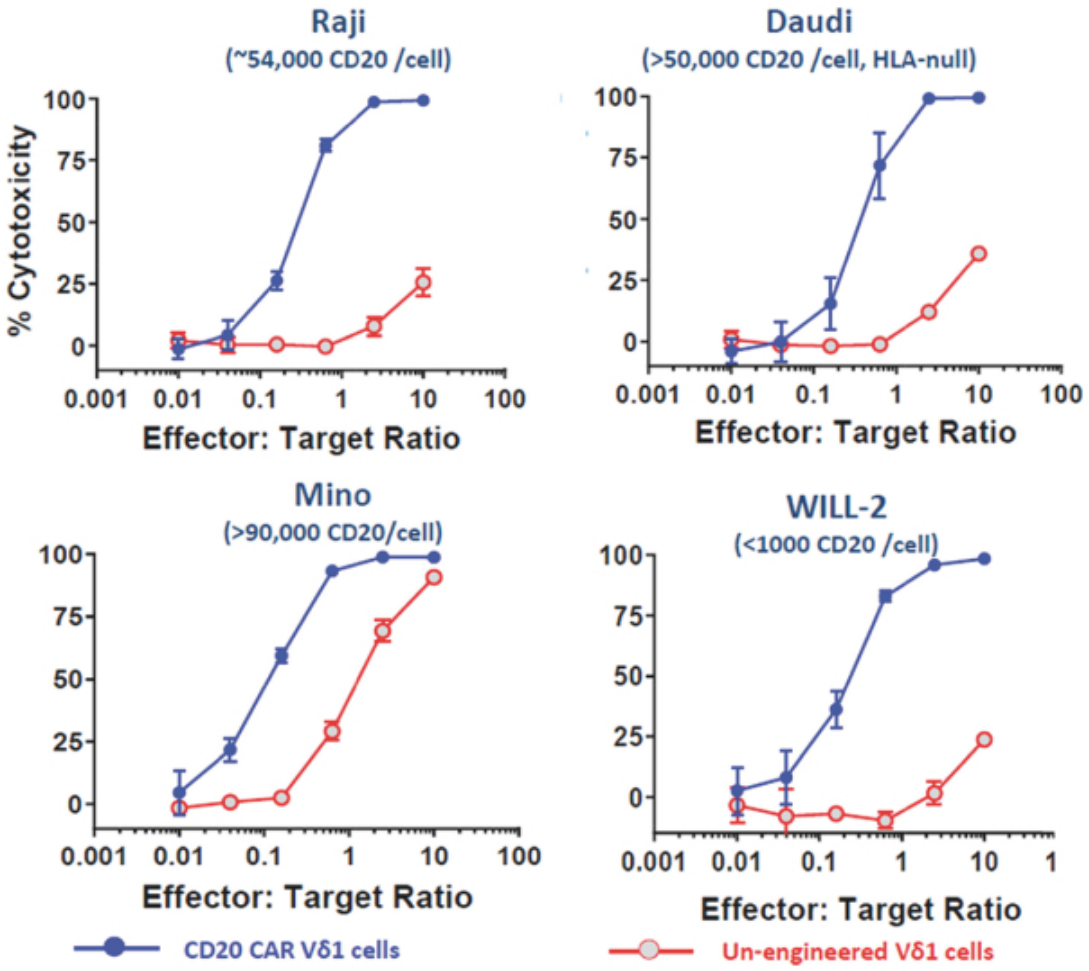


Figure 7. Anti-CD20 CAR gamma delta T cells demonstrated potent cell killing activity across multiple human tumor cell lines

Adicet has tested the antitumor activity of the company's anti-CD20 CAR gamma delta T cells in multiple tumor models in immunocompromised mice including Raji tumor models, a Mino tumor model and a Granta tumor model derived from a mantle cell tumor. Five to seven days after tumors were implanted into these mice, anti-CD20 CAR gamma delta T cells were administered as a single intravenous dose. Human recombinant IL-2 was administered three times a week for the duration of the study to stimulate the gamma delta T cells. In all cases, treatment using the company's anti-CD20 CAR gamma delta T cells was able to arrest tumor growth.

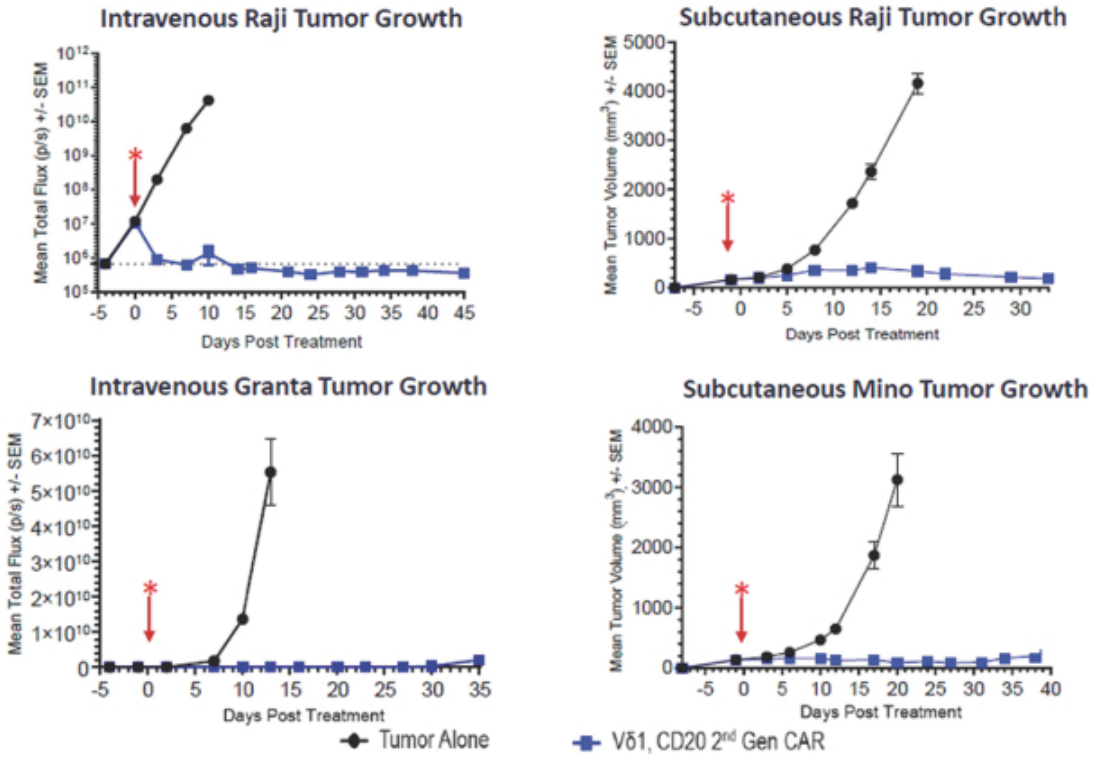


Figure 8. Anti-CD20 CAR gamma delta T cells inhibited tumor growth in multiple animal models

Treatment of Raji tumors in mice with anti-CD20 CAR gamma delta T cells resulted in the complete elimination of tumors in four out of six mice. Sixty days after the original — and only – dose of anti-CD20 CAR gamma delta T cells, the four mice with complete responses were re-challenged with Raji tumor cells. Growth of these newly introduced tumors continued to be suppressed at least until the end of the experiment at day 100. Adicet believes that these results suggest that the Adicet gamma delta cells had a long persistence *in vivo* and remain active. Other preclinical experiments have shown that they can undergo up to twenty cell doublings and can have antitumor activity that can extend to six months in animal models.

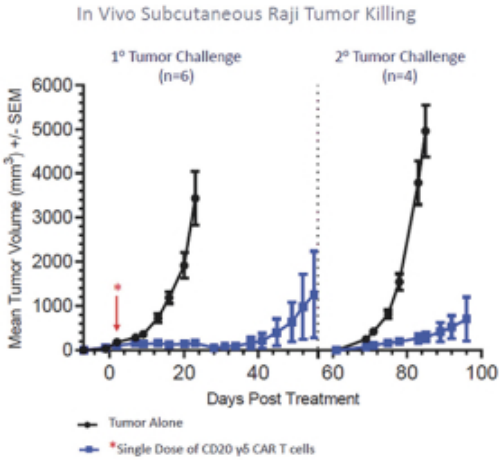


Figure 9. Gamma delta T cells retained their antitumor activity for at least 90 days in a Raji tumor model. Four of the six mice in the primary tumor challenge exhibited complete responses, and these four mice were given a second tumor challenge without additional gamma delta CAR T cells.

The Adicet team performed a direct analysis of the ability of Adicet's gamma delta CAR-T cells to migrate and proliferate in tumors using a fluorescent dye technology to examine cell division. Gamma delta CAR-T cells were treated with a fluorescent dye that attaches to cellular proteins. As these fluorescent cells divided, the molecules modified with the fluorescent dye were split among the mother and daughter cells. This resulted in a reduction in the average fluorescence signal per cell. Quantification of the amount of fluorescence per cell was then used as a surrogate for the number of divisions that a cell has undergone.

Using this assay, the Adicet team observed that, within six days, the company's CAR gamma delta T cells had undergone significant cell divisions in tumors with little replication in blood, spleen, bone marrow or liver. By contrast, in a similar experiment using CAR alpha beta T cells, it was observed that replication occurred in all tissues examined. Adicet believes that this selective replication in tumors by CAR gamma delta T cells, compared to CAR alpha beta T cells, may contribute to increased antitumor efficacy and a lower risk of developing life-threatening systemic immune responses such as cytokine release syndrome.

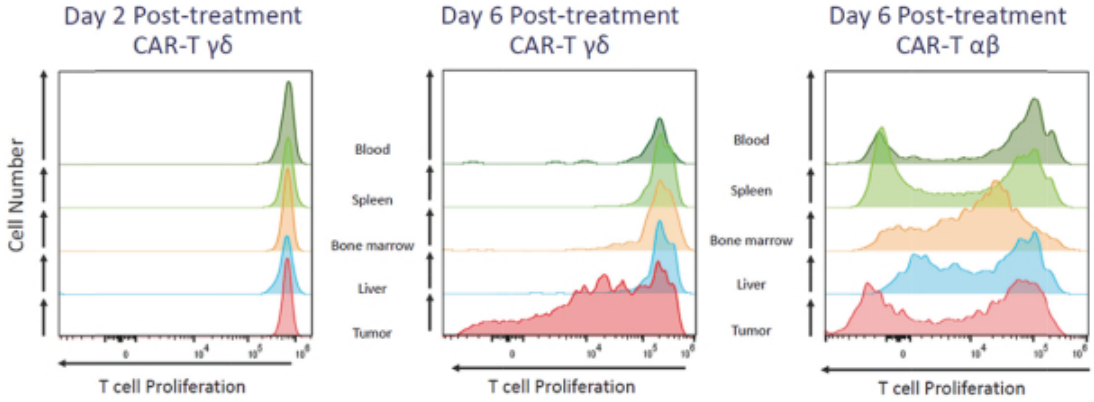


Figure 10. Proliferation of CAR gamma delta T cells was primarily localized in tumors, while the proliferation of CAR alpha beta T cells was observed in all tissues examined.

Interleukin 15, or IL-15, is a cytokine that preferentially stimulates T cell and NK cell activation, proliferation and cytolytic activity. These functional activities of IL-15 translate to enhanced antitumor responses in multiple tumor models. IL-15 is closely related to a cytokine that is a known activator of immune responses, IL-2. Both cytokines have the potential to stimulate gamma delta T cells. IL-15 plays a more important role in maintaining T cell responses that are long-lasting and show high affinity for cancer cell targets, while IL-2 has a more significant role in activating cytotoxic responses.

The antitumor activity of the company's anti-CD20 CAR gamma delta T cells was tested in SRG-15 mice. These are mice that lack much of their mouse immune system but that do express human IL-15. In these studies, potent antitumor activity against Raji tumors in was observed. Furthermore, this activity was not accompanied by the development of GvHD. In contrast, mice treated with anti-CD20 CAR alpha beta T cells had antitumor responses, but subsequently experienced increased mortality due to the development of GvHD.

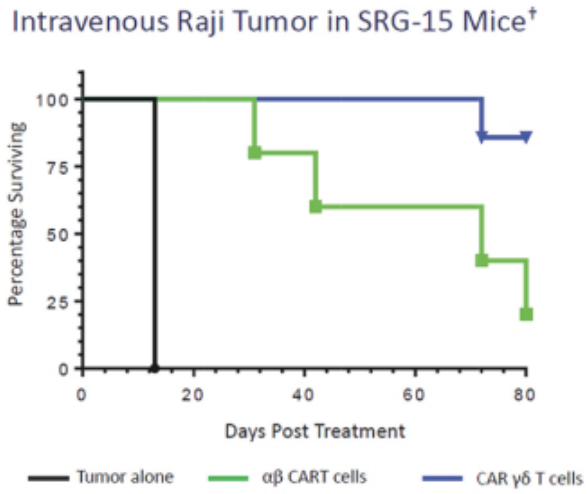


Figure 11. Anti-CD20 CAR gamma delta T cells do not induce GvHD, whereas treatment with anti-CD20 CAR alpha beta cells caused GvHD that led to increased mortality

ADI-001 clinical plans

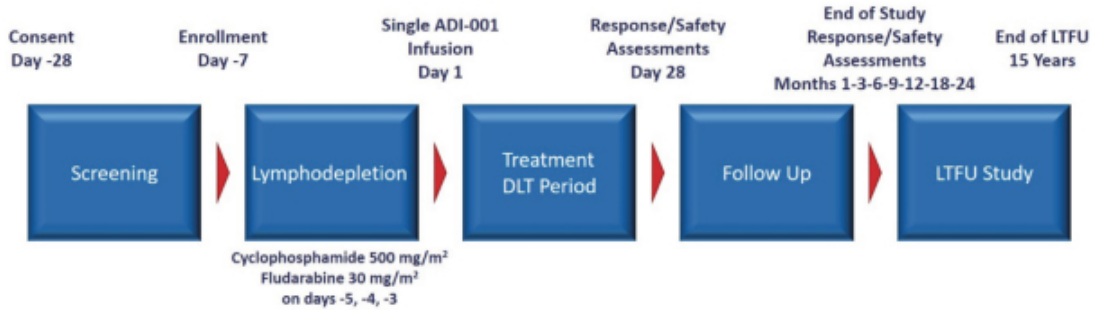
Adicet intends to file an IND for ADI-001 and, subject to the FDA regulatory process for review of INDs, initiate a Phase 1 clinical trial in adults with refractory B cell malignancies by the end of 2020 or early 2021. Part 1 of this trial will be a dose escalation trial with the primary objectives of defining the incidence of dose-limiting toxicities and the selection of a recommended Phase 2 dose to be delivered as a single administration. The company anticipates enrolling twelve patients in this dose-escalation phase. Secondary endpoints in this trial will include monitoring the levels and persistence of ADI-001, immunogenicity and efficacy. The company also plan to monitor changes in serum cytokine and chemokine levels, CD20 tumor antigen expression and blood cell composition.

The company intends to enroll patients with relapsed or refractory B cell malignancies including DBLCL, MCL and FL. Included in this trial will be patients that were not able to receive approved autologous CAR-T cell therapies due to medical, technical, logistical or financial reasons, as well as patients who relapsed after receiving autologous CAR-T cell therapies.

Patients enrolled in the trial will undergo chemotherapy-based lymphodepletion for three days followed by ADI-001 dosing by infusion on day five. Patients will be evaluated at four weeks, twelve weeks and then every three months for the first year and at months 18 and 24 after treatment. Once a recommended dose has been

selected, up to 36 patients will be enrolled in indication-specific dose expansion cohorts: DLBCL, MCL, and one for all other B cell malignancies. Select patients experiencing clinical benefit with ADI-001 may be eligible for retreatment.

Part 2 of this trial will investigate the potential of IL-2 therapy to boost the efficacy and durability of ADI-001. Treatment with IL-2 is supported by preclinical data that the company has generated demonstrating that IL-2 improves the antitumor activity of the company's gamma delta T cells both *in vitro* and *in vivo*. Treatment of HSCT patients with IL-2 has also been shown to stimulate the proliferation of gamma delta T cells in the clinic.



ADI-002, an anti-GPC3 CAR gamma delta T-cell therapy

ADI-002 is a gamma delta T cell containing a CAR that is specific for glypican 3 protein, or GPC3, a protein that is highly expressed on the surface of multiple solid tumors including hepatocellular carcinoma, or HCC, gastric cancer, and squamous cell carcinoma of the lung, or SCCL. Adicet intends to file an IND and, subject to the FDA regulatory process for review of INDs, initiate a Phase 1 clinical trial of ADI-002 in 2021.

HCC disease background

Hepatocellular carcinoma, or HCC, is the most prevalent form of liver cancer. The risk of HCC development is increased by a number of environmental and lifestyle factors such as hepatitis B and hepatitis C virus, alcohol drinking, tobacco smoking, aflatoxin exposure, obesity and diabetes. These factors lead to wide disparities in disease incidence across geographies. According to a 2013 publication by Sahil Mittal and Hashem B. El-Serag in the *Journal of Clinical Gastroenterology*, in the United States, the incidence is approximately six per 100,000 per year, while in sub-Saharan Africa and Eastern Asia the incidence is over 20 per 100,000 per year.

Patients diagnosed with HCC generally have a poor prognosis. The majority of patients are diagnosed with advanced disease and they have a five-year survival rate of approximately 11%, according to cancer.net, the web site of the American Society of Clinical Oncology. Patients are initially treated with combinations of cytotoxic drugs or radiation. In some cases, they may also receive targeted therapies including kinase inhibitors such as lenvatinib, marketed as Lenvima® by Eisai; and sorafenib, marketed as Nexavar® by Bayer and subsequently cabozantinib, marketed as Cabometyx® by Exelixis. These therapies, however, have significant toxicities and limited clinical benefit with progression free survival of less than eight months. Checkpoint immunotherapies such as pembrolizumab and nivolumab have demonstrated some efficacy in HCC, although response rates are less than 20% according to the label for pembrolizumab, marketed by Merck as Keytruda®. The combination of both nivolumab and ipilimumab, despite increased toxicities, increased this response rate to 33%. Adicet believes these results demonstrate that there is significant unmet need in HCC and that there is potential to treat HCC with immunotherapy.

GPC3, a tumor-associated antigen

Glypican-3, or GPC3, is a tumor-associated antigen that is expressed in many tumors but in almost no other normal tissues other than embryonic liver and kidney or placenta.

Glypican 3 Expression in Tumors*

Tumor Entity	No. of Cases	No. (%) Staining	
		Negative	Positive
Hepatocellular carcinoma	44	15 (34)	29 (66)
Squamous cell carcinoma of the lung	50	23 (46)	27 (54)
Liposarcoma	29	14 (48)	15 (52)
Testicular nonseminomatous germ cell tumor	62	30 (48)	32 (52)
Cervical intraepithelial neoplasia (grade 3)	29	17 (59)	12 (41)
Malignant melanoma	48	34 (71)	14 (29)
Adenoma of the adrenal gland	15	11 (73)	4 (27)
Schwannoma	46	34 (74)	12 (26)
Malignant fibrous histiocytoma	29	22 (76)	7 (24)
Adenocarcinoma of the stomach (intestinal subtype)	45	36 (80)	9 (20)
Chromophobe renal cell carcinoma	15	12 (80)	3 (20)
Invasive lobular carcinoma of the breast	46	37 (80)	9 (20)
Medullary carcinoma of the breast	30	25 (83)	5 (17)
Squamous cell carcinoma of the larynx	49	41 (84)	8 (16)
Small cell carcinoma of the lung	49	41 (84)	8 (16)
Invasive transitional cell carcinoma of the urinary bladder	43	36 (84)	7 (16)
Mucinous carcinoma of the breast	26	22 (85)	4 (15)
Squamous cell carcinoma of the cervix	41	35 (85)	6 (15)

Figure 12. Screening of a panel of over 4,000 tumor samples found that GPC3 is expressed in numerous cancers. Baumhoer et al., Am J Clin Pathol 2008;129:899-906.

In a trial conducted by David Ho at the University of Hong Kong and colleagues and published in the journal *PLOS One* in 2012, high levels of GPC3 are detected by immunohistochemistry in a large proportion of HCC tumor tissue samples, but no GPC3 can be detected in adjacent normal cells.

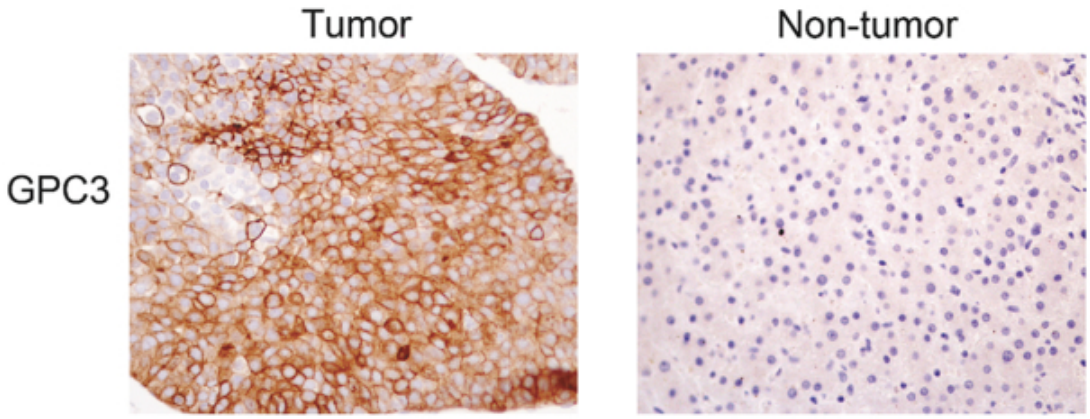


Figure 13. Immunohistochemistry detected strong signals of GPC3 in liver tumor tissue, but negative staining for GPC3 was detected in the adjacent non-tumorous tissue. Adapted from Ho et al., PLoS One. 2012;7(5).

Adicet's solution, ADI-002

ADI-002 is an anti-GPC3 CAR gamma delta T cell product candidate that Adicet is developing for the treatment of solid tumors. The company believes that modification of Vg1 gamma delta T cells, which have an inherent tumor homing ability, with a CAR that is specific for GPC3, will result in a therapeutic product able to have potent antitumor activity in patients suffering from multiple solid tumors. Subject to the FDA regulatory process for review of INDs, Adicet intends to initiate clinical development in HCC in 2021.

To enhance the proliferative ability and durability of the company's anti-GPC3 CAR gamma delta T cells, Adicet engineered these cells to express soluble IL-15. The company anticipates that the tumor homing ability of gamma delta T cells will result in expression of IL-15 predominantly in tumors. In combination with the inherent secretion of factors such as interferon gamma from activated gamma delta T cells, the secretion of IL-15 is anticipated to lead to reversal of immunosuppressive effects in the tumor microenvironment and direct stimulation of the gamma delta T cells.

Adicet demonstrated in *in vitro* assays that the company's anti-GPC3 CAR gamma delta T cells have potent and GPC3-antigen-dependent cell killing activity. When Adicet's anti-GPC3 CAR-T cells were added to HepG2 cells, a cell line expressing GPC3 that was derived from a patient with HCC, an increase in tumor cell killing was observed. Gamma delta T cells prepared without the addition of the company's anti-GPC3 CAR were still able to kill the HepG2 cells, only with less potency at 18 hours. The company believes that this CAR-independent killing activity was driven by innate receptors on the company's gamma delta T cells and that this innate antitumor activity may provide meaningful antitumor clinical activity in cases in which tumors may lose the expression of the targeted GPC3 antigen. Loss of tumor-expressed antigens represents a significant mechanism of escape from antitumor activities from other immunotherapies such as anti-CD19 CAR-T cell therapies. The ability to continue to have antitumor activity driven by the innate immune cell properties of the company's gamma delta T cells is a distinct advantage compared to alpha beta T cells, which lack this capability. Adicet's gamma delta T cells had no cell killing activity when added to RAT2 normal fibroblasts that do not express GPC3.

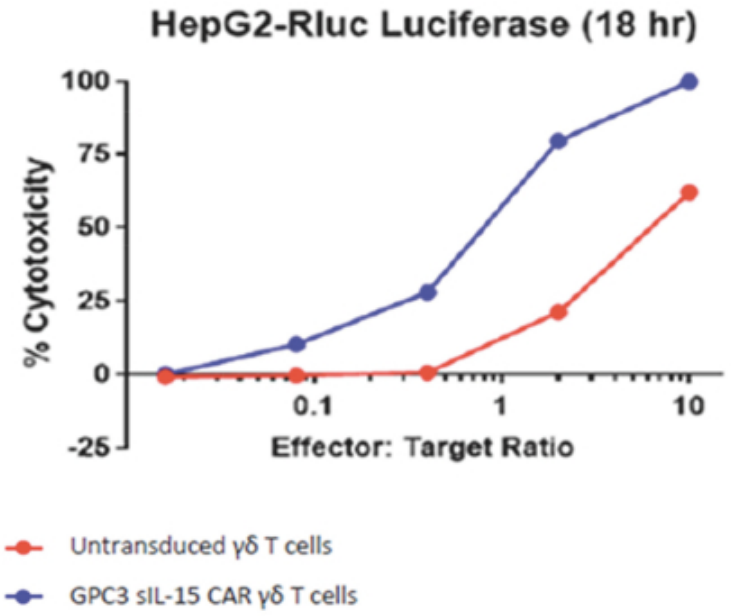


Figure 14. Expression of an anti-GPC3 CAR in gamma delta T cells led to potentiation of killing of HepG2 hepatocellular carcinoma cell line

Anti-GPC3 CAR gamma delta T cells had dose-dependent antitumor activity in HepG2 tumors in immunodeficient mice. HepG2 tumor cells were inoculated into immunocompromised mice and allowed to grow to a volume of 200 mm^3 over a period of approximately eight days. A single dose of anti-GPC3 CAR gamma delta T cells was then administered and tumor growth at day 37 was assessed. High doses of anti-GPC3 gamma delta T cells led to complete suppression of tumor growth.

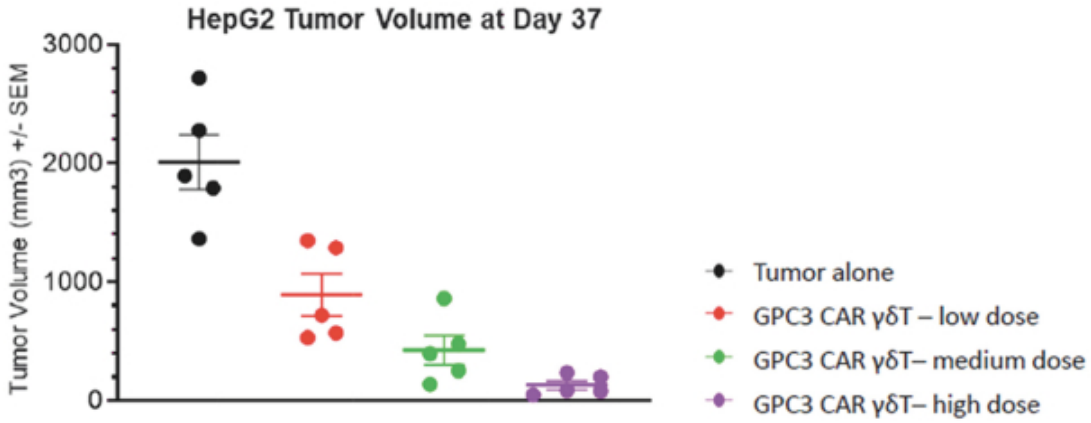


Figure 15. Dose-dependent inhibition of HepG2 tumor growth by anti-GPC3 gamma delta T cells

Future clinical candidates in solid tumors

In addition to the product candidates described above, the Adicet team anticipates many further opportunities for developing product candidates based on the company's gamma delta T cell technology. Adicet believes that the spectrum of indications that products such as CAR-T cell therapies have been able to address has been limited by two factors: the weak ability of alpha beta T cell-based therapies to penetrate solid tumors, and the scarcity of tumor-specific antigens on the cell surface that can be targeted by antibody-derived binding domains that are an essential component of the CAR constructs. Adicet believes that the tumor homing ability of its gamma delta T cell technology represents a potential solution to the solid tumor localization problem and its TRC-like, or TCRL, antibody technology can be used to identify and target tumor-specific antigens.

The tumor recognition challenge

Therapeutics such as antibodies and CARs recognize cell surface molecules. In HCC and select other tumors, there are proteins such as GPC3 which are selectively expressed on the surface of tumors cells that can be used as antigens for immune-targeted therapy. The lack of their expression on normal cells limits the potential of on-target, off-tumor systemic toxicities. Surface-expressed proteins that are strictly expressed only on tumor cells are, however, rare. In most cases surface expressed antigens such as CD19 and CD20 are expressed both on hematopoietic tumor and normal cells. Therapies that target CD19 or CD20 therefore result in killing of both tumor and normal cells. In hematological malignancies these therapies result in systemic depletion of normal B cells. However, this is mechanism-based toxicity can be managed in clinical practice. Challenges arise with antigens such as epidermal growth factor receptor, or EGFR, that is overexpressed on some types of tumor cells, but also expressed on normal epithelial cells elsewhere in the body. Dosing with anti-EGFR antibodies has led to significant dermatological and cardiac toxicities.

Intracellular proteins represent nearly half of the proteins found in human cells. These proteins provide an untapped reservoir of potential tumor-specific antigens that are inaccessible to traditional antibody-binding domains. Immune surveillance for these intracellular proteins is normally done by alpha beta T cells. These intracellular proteins are chopped up by a cell component known as the proteasome into short peptides between

eight and ten amino acids long. These short peptides are then presented to the T cells by the MHC. TCRs on the T cells are then able to recognize the complex of the peptide and the MHC, triggering creation of T-cell populations prepared to attack these specific sequences.

Gamma delta T cells have advantages compared to alpha beta T cells with regard to their potential as allogeneic therapies, their ability to localize to tumors and their retention of innate immune signaling pathways. However, to be most effective they need to be able to be engineered to attack specific tumors.

Adicet's solution, TCRLs

Adicet has developed an antibody platform that enables the discovery of TCR-like, or TCRL, antibodies that recognize peptides that are presented on the cell surface by specific MHC molecules. In effect, Adicet's TCRL antibodies have the same antigen recognition properties as TCRs but are highly specific for a single tumor antigen and MHC molecule. They do not recognize other MHC molecules or antigens that may be expressed by healthy cells.

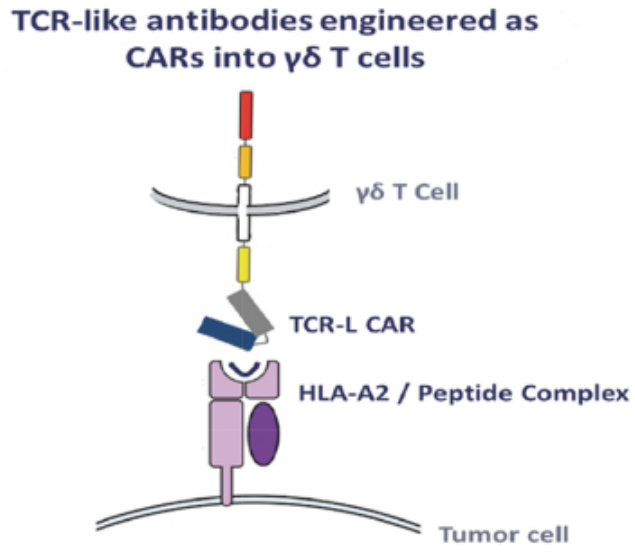


Figure 16. Schematic diagram of the interaction between the company's TCRL antibodies and tumor-specific peptides presented by the MHC

TCRLs are conventional antibodies with antigen binding domains that specifically recognize peptide-MHC complexes that can be used to create CARs. Introduction of these CARs into Adicet's gamma delta T cells enables them to target tumors expressing intracellular tumor antigens when these antigens are selectively presented by MHC on the surface of tumor cells. Gamma delta CAR-T cells generated using TCRLs open up the potential to bring immune cell therapy to tumors that lack tumor-specific surface antigens, a group that includes most solid tumors.

The TCRL discovery process starts by carrying out an analysis of the peptides expressed by MHC receptors in a panel of hundreds of tumor and normal tissues. In searching for candidate peptides, the company focuses on differentially expressed peptides that are broadly expressed in tumors but that are not found in normal tissues. Candidate peptides are then validated by expression analysis both in other tissues as well as in databases. Those peptides that, based on bioinformatic analysis, are predicted to have minimal cross-reactivity with peptides from normal cells are then further prioritized. This peptide discovery process leads, step-by-step, to the narrowing of

the list of potential candidates by approximately one thousand-fold. Once a tractable number of remaining candidates has been identified, a population that includes the most promising ones, antibodies are then created that are specific to the complex of an MHC receptor and the bound peptides. These antibodies mimic key aspects of tumor as recognized by the immune system. By creating CARs that incorporate these antigen-recognition templates in gamma delta T cell-based product candidates, the company creates a set of candidates designed to specifically attack tumors by virtue of their intracellular proteins.

Tyrosinase is a well-validated tumor-expressed antigen for which Adicet has developed TCRLs. The specificity for a mouse and a humanized version of one of these TCRLs was determined by comparing their binding affinity to that of a series of peptides that contained single amino acid changes. It was learned that changes to any of the internal eight amino acid positions to the amino acid alanine led to reductions in binding of 70% or greater. Substituting any amino acid in a non-anchor position resulted in substantial loss of binding, and indicates the high degree of specificity that the TCRL antibody has for the targeted MHC peptide complex.

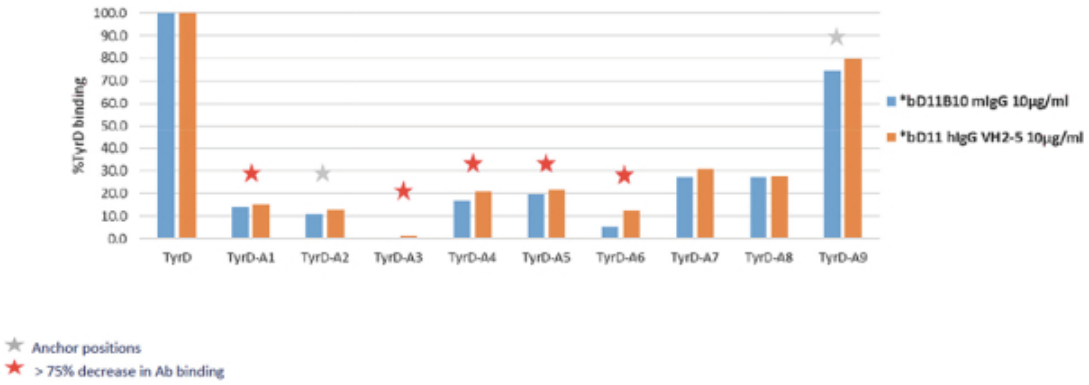


Figure 17. Single amino acid changes to the targeted peptide reduced binding by at least 70 percent

The antigen-binding domain from a tyrosinase TCRL was incorporated into a CAR and introduced into the company's gamma delta T cells to assess cell killing activity against tumor cell lines. These anti-Tyr CAR gamma delta T cells led to cell killing of WM266.4 human metastatic melanoma tumor cells, which are known to express tyrosinase. Anti-Tyr CAR gamma delta T cells, however, had no cell killing activity when tested against ten other cell lines from tumors such as colon, bladder and pancreatic cancers, B cell leukemia and retinoblastoma – all of which do not express tyrosinase. That observation points to a desirable level of specificity for the company's anti-Tyr CAR gamma delta T cells and to an important *in vitro* proof of concept.

Furthermore, these anti-Tyr CAR gamma delta T cells had potent antitumor activity in a WM266.4 tumor model leading to tumor shrinkage within five days of administration and a durable antitumor response through 27 days. Although the TCRL-based CAR that is generated binds to a MHC-peptide complex, it does not induce the GvHD that is seen with alpha beta T cells because it recognizes a single peptide that has been selected to be highly specific for tumor cells.

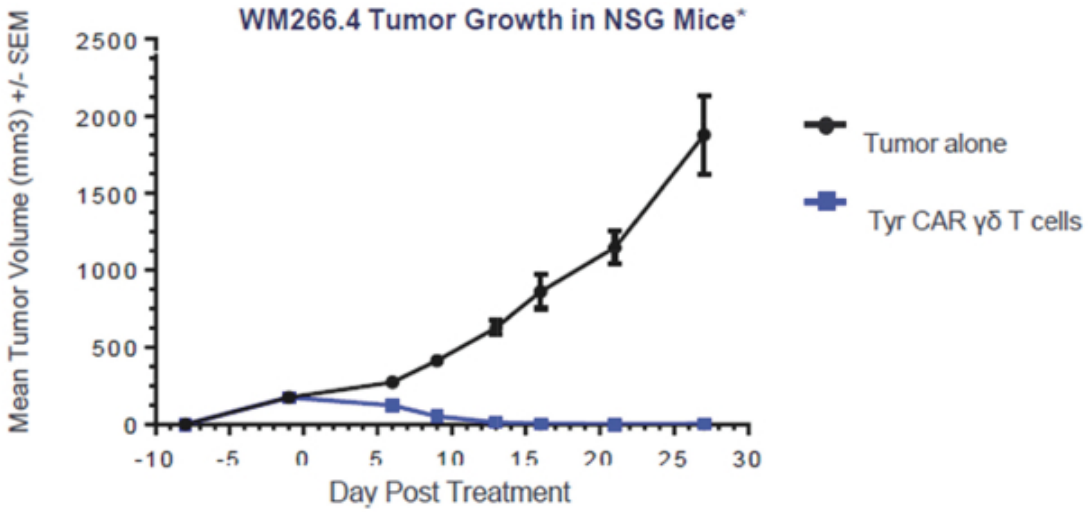


Figure 18. Anti-Tyr CAR gamma delta T cells showed potent antitumor activity in a WM266.4 melanoma model

Adicet has generated TCRLs against a number of solid tumor antigens which are being evaluating in animal models. Adicet intends to advance at least one candidate from these early stage programs into IND-enabling studies in 2021. Adicet believes that the combination of the company's gamma delta and TCRL technology provides the basis for a new generation of CAR-T cell therapies that have the potential to transform the treatment of solid tumors.

Adicet Intellectual Property

Adicet's gamma delta T cell-based product candidates and substantially all of Adicet's intellectual property have been developed by Adicet, with certain antigen binding domains derived from its collaboration with Regeneron. Additional intellectual portfolio assets were acquired via acquisition of Applied Immune Technologies Ltd. in 2016. Adicet strives to protect and enhance the proprietary technology, inventions and improvements that are commercially material to Adicet's business, including seeking, maintaining and defending Adicet's patent rights.

Adicet's policy is to develop and maintain protection of Adicet's proprietary position by, among other methods, filing or in-licensing U.S. and foreign patents and applications related to Adicet's technology, inventions, and improvements that are material to the development and implementation of Adicet's business. Adicet also relies on trademarks, trade secrets, know-how, continuing technological innovation, confidentiality agreements, and invention assignment agreements to develop and maintain Adicet's proprietary position.

Adicet's patent portfolio includes protection for Adicet's lead product candidates, ADI-001 and ADI-002, as well as Adicet's other research-stage candidates. As of the date of this proxy statement/prospectus/information statement, there are multiple patent families comprising three pending U.S. non-provisional applications and over 20 foreign patent applications pending in such jurisdictions as Australia, Canada, China, Europe, Japan, Russia, and South Africa with claims directed to reagents and related protocols for gamma delta T cell expansion and resulting compositions of matter encompassing both ADI-001 and ADI-002, which, if issued, are expected to expire between 2035 and 2037. As of the date of this proxy statement/prospectus/information statement, there are also two international patent applications, or PCT applications, with claims directed to CAR constructs and antigen binding domains relating to ADI-001 and ADI-002, as well as their methods of use for certain indications, preconditioning methods, and dosing regimens, where applications claiming the benefit of these PCT applications, if issued, would expire between 2038 and 2039. With respect to ADI-001, Adicet has a collaboration with Regeneron which grants Adicet access to certain proprietary antigen binding domains covered by Regeneron's patent rights, including in particular the antigen binding domain incorporated into ADI-001.

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

Adicet's commercial success depends in part on Adicet's ability to obtain and maintain proprietary protection for Adicet's product candidates, as well as novel discoveries, core technologies, and know-how, as well as its ability to operate without infringing on the proprietary rights of others and to prevent others from infringing Adicet's proprietary rights.

The patent positions of companies like Adicet are generally uncertain and involve complex legal, scientific and factual questions. In addition, the coverage claimed in a patent application can be significantly reduced before the patent is issued, and its scope can be reinterpreted after issuance. Consequently, Adicet does not know whether any of its product candidates will be protectable or remain protected by enforceable patents, or will be commercially useful in protecting Adicet's commercial products and methods of using and manufacturing the same. Adicet also cannot predict whether the patent applications it is currently pursuing will issue as patents in any particular jurisdiction or whether the claims of any issued patents will provide sufficient proprietary protection from competitors. Any patents that Adicet holds or controls may be challenged, circumvented or invalidated by third parties. In addition, while Adicet has confidence in Adicet's agreements and security measures, either may be breached, and Adicet may not have adequate remedies. Further, Adicet's trade secrets may otherwise become known or independently discovered by competitors.

Adicet has licensed various intellectual property and trade secrets to third parties for purposes of collaboration, product development and research and development.

Strategic Agreements

License and Collaboration Agreement with Regeneron

On July 29, 2016, Adicet entered into a license and collaboration agreement with Regeneron, which was amended in April 2019, with such amendment becoming effective in connection with Regeneron's investment in the company's Series B preferred stock private placement transaction in July 2019 (as amended, referred to as the "Regeneron Agreement").

Agreement Structure. The Regeneron Agreement has two principal components: (a) a research collaboration component under which the parties will research, develop, and commercialize next-generation engineered gamma delta immune cell therapeutics, or ICPs, namely engineered gamma delta immune cells with CARs and TCRs directed to disease-specific cell surface antigens, which includes the grant of certain licenses to intellectual property between the two parties, and (b) for a certain period following the effective date, a license to Adicet to use certain of Regeneron's proprietary mice to develop and commercialize ICPs generated by Adicet, with certain limitations relating to targets under the Regeneron Agreement.

Research Collaboration. Research activities under the collaboration are governed by research plans, which include the strategy, goals, activities, and responsibilities of the parties with respect to a target. Adicet is primarily responsible for generating, validating, and optimizing ICPs, developing processes for manufacture of ICPs, and certain preclinical and clinical manufacturing activities for ICP's; Regeneron's key responsibility is generating, validating, and optimizing CARs and TCRs that bind to the applicable target. The parties have formed a joint research committee to monitor and govern the research and development efforts during the research program term.

Rights to Research Targets. Under the terms of the five-year research collaboration, the parties will conduct research on mutually agreed upon targets. Regeneron may obtain exclusive rights for the targets that it chooses in accordance with the target selection mechanism set forth in the Regeneron Agreement, and Adicet similarly may obtain exclusive rights for targets it chooses in accordance with such target selection mechanism. Adicet has the right to develop and commercialize ICPs to the first collaboration target to come out of the research program. In connection with an IND submission, Regeneron has an option to exercise exclusive rights for ADI-002 and potentially for additional targets to be mutually agreed upon. For those targets it does not have an option to license, Regeneron has a right of first negotiation for up to two targets. Regeneron has the right to terminate the research program in its entirety (a) for convenience on six months prior written notice given at any time after December 31, 2019, or (b) following a change of control (as defined in the Regeneron Agreement) of Adicet. The parties mutually agreed to their first product declaration criteria for collaboration ICP, CD20, in 2018.

Rights to Adicet-Developed Targets. Regeneron has an exclusive license to use targeting moieties generated by Adicet by its use of Regeneron's proprietary mice to develop and commercialize non-ICPs.

Exclusivity. During the five-year target selection period, Adicet may not directly or indirectly research, develop, manufacture or commercialize an ICP, or grant a license to do the foregoing, except pursuant to the Regeneron Agreement. For so long as either party is researching or developing an ICP to a target under the research program, neither party may research, develop, manufacture or commercialize any other ICP to such target, or grant a license to do the foregoing. And for so long as a party is researching, developing or commercializing an ICP to target that is licensed to it (and royalty bearing) under the agreement, neither party may research, develop, manufacture or commercialize any other ICP to such target, or grant a license to permit another party to do the foregoing. These exclusivity obligations are limited to engineered gamma delta immune cells to targets reasonably considered to have therapeutic relevance in oncology. The Regeneron Agreement includes certain exceptions to the exclusivity obligations of the parties, including with respect to targets that are rejected by one party in the target selection process, as well as protections in the event of a change of control of a party where the acquirer has a competing program.

Co-Funding and Profit Sharing. Adicet has an option to co-fund specified portions of the future development costs for, and to co-promote, ICPs to a target for which Regeneron has exercised an option, and to participate in the profits for such target. Adicet has the right to exercise this right in various geographic regions, including on a worldwide basis. In the event Adicet exercises such right, the parties will share further development costs and revenues proportionally to their co-funding percentages.

Financial Terms. Adicet received a non-refundable upfront payment of $25.0 million from Regeneron upon execution of the Regeneron Agreement, and has received an aggregate of $10.0 million of additional payments for research funding from Regeneron as of March 31, 2020. In addition, Regeneron may have to pay Adicet additional amounts in the future consisting of (i) an aggregate amount of up to $20.0 million for timely achieving certain milestones, including milestones related to an IND filing for an ICP to the clinical candidate to the first collaboration target and for the selection of a clinical candidate to the second collaboration target, and (ii) up to an aggregate of $100.0 million of option exercise fees, in each case as specified in the Regeneron Agreement. Regeneron must also pay Adicet high single digit royalties as a percentage of net sales for ICPs to targets for which it has exclusive rights, and low single digit royalties as a percentage of net sales on any non-ICP product comprising a target generated by Adicet through the use of Regeneron's proprietary mice. Adicet must pay

Regeneron mid-single to low double digit of royalties as a percentage of net sales of ICPs to targets for which Adicet has exercised exclusive rights, and low to mid-single digit of royalties as a percentage of net sales of targeting moieties generated from Adicet's license to use Regeneron's proprietary mice. Royalties are payable until the longer of the expiration or invalidity of the licensed patent rights or a certain number of years from first commercial sale.

Other Terms. The Regeneron Agreement contains customary representations, warranties and covenants by Adicet and Regeneron and includes (i) an obligation of Adicet to use commercially reasonable efforts to develop and commercialize at least one product based on a collaboration ICP that is not an optioned collaboration ICP for each collaboration target and (ii) an obligation of Regeneron to use commercially reasonable efforts to develop and commercialize at least one product based on an optioned collaboration ICP for each collaboration target. Adicet and Regeneron are required to indemnify the other party against all losses and expenses related to breaches of its representations, warranties and covenants under the Regeneron Agreement.

Term and Termination. The term of the Regeneron Agreement expires, on a product by product basis, on the expiration of the obligation to pay royalties for such product. The Regeneron Agreement is subject to early termination by either party upon uncured material breach by the other party. The licenses to develop and commercialize an ICP to a target that one party has exclusively licensed may be terminated by such party for convenience.

Equity Investments. In connection with its collaboration, Regeneron and Adicet entered into a side letter pursuant to which, among other matters, Regeneron was granted certain stockholder rights and investment rights in connection with Adicet's next equity financing that met certain criteria and in connection with an initial public offering by Adicet. Regeneron exercised its investment right and purchased approximately $10.0 million of Adicet's Series B preferred stock in a private placement transaction in July 2019. The remaining obligations under the side letter agreement will terminate immediately prior to the effective time of the merger.

License Agreement with TRDF

Adicet and its wholly owned subsidiary, Adicet Bio Israel, Ltd. (formerly Applied Immune Technology Ltd.), are parties to an Amended and Restated License Agreement dated May 21, 2014, as was amended in June 2015 and January 2016, with Technion Research and Development Foundation Ltd., or TRDF, the technology transfer subsidiary of Technion – Israel Institute of Technology, or Technion. The license agreement provides Adicet with an exclusive, royalty-bearing, worldwide license, with a right to grant sublicenses, to make use of certain TRDF patents and know-how relating to moieties that recognize and bind to TCRLs, along with certain improvements and research results developed at TRDF and relating to either the licensed patents and know-how of TCRL, in each case for the purposes of research, development, and commercialization of specified products. Adicet further obtained joint ownership rights in improvements, developments, and inventions developed in the laboratory of a specified professor under certain conditions, including where Adicet provided specified amounts of funding for research specific to TCRL compounds. TRDF also grants Adicet an exclusive, worldwide, assignable, sublicensable license to TRDF's rights in such jointly owned improvements, developments, and inventions. Technion further agrees not to enforce against Adicet any TCRL-related technology owned by Technion but not licensed to Adicet under the agreement, and to require its licensees to agree to the same. Adicet is required to meet certain diligence obligations to preserve its exclusive licenses. Either Adicet or Technion may terminate the agreement or a specific license if the other party materially breaches its obligations under the agreement or with respect to a specific license granted under it, and fails to cure that breach. Adicet has the right to terminate the agreement at any time by providing notice to TRDF.

In return for the license, Adicet is required to pay TRDF, for a certain number of years after the first commercial sale of a product for which it owes royalties under the agreement, on a licensed-product-by-licensed-product basis, (i) certain royalties in the low single-digit percentages of all net sales by Adicet and any of its controlled affiliates, and (ii) the lesser of (a) a low single-digit percentage of net sales of Adicet's sublicensees, or (b) low

double-digit percentage of amounts received by Adicet or its controlled affiliates in the form of royalties on net sales from its sublicensees, subject to certain reductions. Furthermore, Adicet agreed to pay for all patent filing and maintenance expenses for the patents included in the licenses granted to Adicet by TRDF, with limited exceptions.

Under the agreement, TRDF reserves the right, for itself, alone or with other certain academic institutions, to utilize the licensed technology solely for educational and non-commercial research purposes.

The license agreement continues in full force and effect on a product-by-product and country-by-country basis until the expiration of all payment obligations for any licensed product as described above. Upon the expiration, Adicet will have a fully paid-up, worldwide, non-exclusive license (with the right to grant sublicenses) to develop, have developed, manufacture, have manufactured, use, market, offer for sale, sell, have sold, import, export, and otherwise transfer physical possession or title to products for which royalties would have otherwise been due under the agreement.

Manufacturing

Adicet is developing and enabling scalable and propriety cGMP-compliant manufacturing processes. Adicet has invested resources to optimize its manufacturing process and plans to continue to invest to continuously improve its production and supply chain capabilities over time.

Adicet manufactures cell-based immunotherapy products based on gamma delta T cells that are obtained from the blood of healthy donors who are unrelated to the patients that will be treated. These products are classed as allogeneic cell therapy products. Donor-derived blood is fractionated and the fractions containing gamma delta T cells are frozen prior to use in future manufacturing campaigns. Adicet believes that its freezing and storing of the donor blood products allows Adicet to efficiently schedule subsequent manufacturing steps. After obtaining blood products from healthy donors the manufacturing process begins with the activation of a subpopulation of gamma delta T cells using an antibody that is proprietary to Adicet. This antibody, in combination with other factors including the cytokine, IL-2, induces gamma delta T cells to proliferate, whereupon Adicet exposes the cells to a viral vector that transfers a gene sequence encoding a CAR, or other gene sequences, to the proliferating cells. This step is referred to as the transduction step. Following the transduction step gamma delta T cells are induced to proliferate further with IL-2 before an enrichment step that increases the proportion of gamma delta T cells, removes unwanted residual alpha beta T cells and results in the CAR-modified gamma delta T cells drug product. CAR-modified gamma delta T cell products are then frozen in single-use vials for long-term storage at cryogenic temperatures. These storage conditions are designed to ensure stability of the cell-based drug products for protracted periods of time. The storage in singe use vials is designed to simplify the handling and treatment administration. Just prior to administration of treatment, the vials will be thawed and then the contents infused into the patient. Adicet believes that the single manufacturing process it is developing will be able to be completed in approximately two weeks and will result in sufficient quantities of drug product to treat numerous patients.

To date, Adicet currently relies, and expects to continue to rely, on third parties for the manufacture of its product candidates and any products that it may develop. Adicet has chosen to partner with a number of contract manufacturing organizations in the United States and Europe to access specific capabilities to ensure that the manufacturing process is highly scalable, closed and fully cGMP-compliant. This strategy allows Adicet to maintain a more flexible infrastructure while focusing its expertise on developing its products. In addition to the quality management systems utilized by strategic manufacturing partners, Adicet has established a quality control and quality assurance program, which includes a set of standard operating procedures and specifications designed to ensure that Adicet’s products are manufactured in accordance with cGMPs, and other applicable domestic and foreign regulations.

For example, Adicet currently engages a single US-based third-party manufacturer to provide the active pharmaceutical ingredient for ADI-001. Adicet also utilizes separate third party contractors to manufacture

cGMP-compliant starting and critical materials that are used for the manufacturing of its product candidates, such as donor blood products, gamma delta T cell activating antibody and viral vectors that are used to deliver the applicable CAR gene into the T cells. Adicet believes all materials and components utilized in the production of the cell line, viral vector and final gamma delta T cell product are available from qualified suppliers and suitable for pivotal process development in readiness for registration and commercialization. Going forward, Adicet intends to continue to expand its manufacturing capability through agreements with leading cell therapy contract manufacturing organizations.

If any of Adicet's current manufacturers becomes unavailable to Adicet for any reason, Adicet believes that there are a number of potential replacements, although Adicet would likely incur some delay in identifying and qualifying such replacements. Adicet plans to continue to create a robust supply chain with redundant sources of supply comprised of both internal and external infrastructure.

Competition

The pharmaceutical and biotechnology industries are characterized by rapidly advancing technologies, intense competition and a strong emphasis on proprietary products. Adicet faces potential competition from many different sources, including existing and novel therapies developed by biopharmaceutical companies, academic research institutions, governmental agencies and public and private research institutions, in addition to standard of care treatments.

Novartis and Kite Pharma were the first to achieve FDA approval for autologous T cell therapies. In August 2017, Novartis obtained FDA approval to commercialize Kymriah®, for the treatment of children and young adults with B-cell ALL that is refractory or has relapsed at least twice. In May 2018, Kymriah® received FDA approval for adults with R/R large B-cell lymphoma. In October 2017, Kite Pharma obtained FDA approval to commercialize Yescarta®, the first CAR T cell product candidate for the treatment of adult patients with R/R large B-cell lymphoma.

Due to the promising therapeutic effect of T cell therapies in clinical trials, Adicet anticipates increasing competition from existing and new companies developing these therapies, as well as in the development of allogeneic T cell therapies generally. Potential T cell therapy competitors include, but are not limited to:

- *Allogeneic T cell therapy competition*: Atara Biotherapeutics, Inc., Allogene Therapeutics, Inc., Cellectis, S.A., Celyad S.A., CRISPR Therapeutics AG, Editas Medicine, Inc., Fate Therapeutics Inc., Gilead Sciences, Inc. (acquired Kite Pharma), Intellia Therapeutics, Inc., Poseida Therapeutics, Inc., Precision Biosciences, Inc., Immatics Biotechnologies GmbH, GammaDelta Therapeutics Limited, TC BioPharm Limited, Incysus Therapeutics, Inc. and Gadeta BV.
- *Autologous T cell therapy competition*: Adaptimmune Therapeutics PLC, Autolus Therapeutics plc, bluebird bio, Inc., Bristol-Myers Squibb Company, Gilead Sciences, Inc., Johnson & Johnson, Iovance Biotherapeutics, Inc., Mustang Bio, Inc., Novartis International AG, TCR² Therapeutics Inc. and Tmunity Therapeutics, Inc.

Although Adicet believes Adicet is currently unique in Adicet's development of proprietary processes for engineering and manufacturing gamma delta T cells expressing CARs due to what Adicet believes is the enormous promise of these cells, it is likely that additional competition may arise from existing companies currently focusing on development of alpha beta or gamma delta T-cell therapies, or from new entrants in the field.

Competition may also arise from non-cell based immune oncology platforms. For instance, Adicet may experience competition from companies, such as Amgen Inc., Bristol-Myers Squibb Company, F. Hoffmann-La Roche AG, Genmab A/S, GlaxoSmithKline plc, MacroGenics, Inc., Merus N.V., Regeneron Pharmaceuticals, Inc., and Xencor Inc., that are pursuing bispecific antibodies, which target both the cancer antigen and T-cell

receptor, thus bringing both cancer cells and T cells in close proximity to maximize the likelihood of an immune response to the cancer cells. Additionally, companies, such as Amgen Inc., AbbVie, Daiichi Sankyo Company, Limited, GlaxoSmithKline plc, ImmunoGen, Inc., Immunomedics, Inc., and Seattle Genetics, Inc., are pursuing antibody drug conjugates, which utilize the targeting ability of antibodies to deliver cell-killing agents directly to cancer cells.

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

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

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

Government Regulation and Product Approval

As a biopharmaceutical company that operates in the United States, Adicet is subject to extensive regulation. Adicet's cell products will be regulated as biologics. With this classification, commercial production of Adicet's products will need to occur in registered facilities in compliance with cGMP for biologics. The FDA categorizes human cell- or tissue-based products as either minimally manipulated or more than minimally manipulated, and has determined that more than minimally manipulated products require clinical trials to demonstrate product safety and efficacy and the submission of a Biologics License Application, or BLA, to the FDA for marketing authorization. Adicet's products are considered more than minimally manipulated and will require evaluation in clinical trials and the submission and approval of a BLA before Adicet can market them. Generally, before a new drug or biologic can be marketed, considerable data demonstrating its quality, safety and efficacy must be obtained, organized into a format specific for each regulatory authority, submitted for review and approved by the regulatory authority.

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

U.S. Product Development Process

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

- completion of nonclinical laboratory tests and key animal studies according to good laboratory practices, or GLPs, and applicable requirements for the humane use of laboratory animals or other applicable regulations;
- submission to the FDA of an IND application, which is subject to a waiting period of thirty (30) calendar days, must become effective before human clinical trials may begin;
- approval by an independent Institutional Review Board, or IRB, or ethics committee for each clinical site before the trial is commenced;
- performance of adequate and well-controlled human clinical trials according to the FDA's regulations commonly referred to as good clinical practices, or GCPs, and any additional requirements for the protection of human research patients and their health information, to establish the safety and efficacy of the proposed biological product for its intended use;
- submission to the FDA of a BLA for marketing approval that includes substantial evidence of safety, purity, and potency from results of nonclinical testing and clinical trials;
- satisfactory completion of an FDA Advisory Committee review, if applicable;
- satisfactory completion of an FDA inspection of the manufacturing facility or facilities where the biological product is produced to assess compliance with cGMP, to assure that the facilities, methods and controls are adequate to preserve the biological product's identity, strength, quality and purity and, if applicable, the FDA's current good tissue practices, or GTPs, for the use of human cellular and tissue products;
- potential FDA audit of the nonclinical study and clinical trial sites that generated the data in support of the BLA; and
- FDA review and approval, or licensure, of the BLA prior to any commercial marketing or sale of the biologic in the United States.

Before testing any biological product candidate, including Adicet's product candidates, in humans, the product candidate enters the preclinical testing stage. Preclinical tests, also referred to as nonclinical studies, include laboratory evaluations of product chemistry, toxicity and formulation, as well as animal studies to assess the potential safety and activity of the product candidate. The conduct of the key preclinical tests must comply with federal regulations and requirements including GLPs. An IND is a request for authorization from the FDA to administer an investigational product to humans and must become effective before human clinical trials may begin. The clinical trial sponsor must submit the results of the preclinical tests, together with manufacturing information, analytical data, any available clinical data or literature and a proposed clinical protocol, to the FDA as part of the IND. Some preclinical testing may continue even after the IND is submitted. The IND

automatically becomes effective thirty (30) days after receipt by the FDA, unless the FDA raises concerns or questions regarding the proposed clinical trials and requests additional information and or places the trial on a clinical hold within that 30-day time period. In such a case, the IND sponsor and the FDA must resolve any outstanding concerns before the clinical trial can begin. The FDA may also impose clinical holds on a biological product candidate at any time before or during clinical trials due to safety concerns or non-compliance. If the FDA imposes a clinical hold, trials may not recommence without FDA authorization and then only under terms authorized by the FDA. Accordingly, Adicet cannot be sure that submission of an IND will result in the FDA allowing clinical trials to begin, or that, once begun, issues will not arise that suspend or terminate such trials.

Clinical trials involve the administration of the biological product candidate to patients under the supervision of qualified investigators at independent clinical sites/hospitals, physicians not employed by or under the trial sponsor's control. Clinical trials are conducted under protocols detailing, among other things, the objectives of the clinical trial, dosing procedures, subject selection and exclusion criteria, and the parameters to be used to monitor subject safety, including stopping rules that assure a clinical trial will be stopped if certain adverse events should occur. Each protocol and any amendments to the protocol must be submitted to the FDA as part of the IND. Clinical trials must be conducted and monitored in accordance with the FDA's regulations comprising the GCP requirements, including the requirement that all research patients provide informed consent. Further, each clinical trial must be reviewed and approved by an independent IRB at or servicing each institution at which the clinical trial will be conducted. An IRB is charged with protecting the welfare and rights of trial participants and considers such items as whether the risks to individuals participating in the clinical trials are minimized and are reasonable in relation to anticipated benefits. The IRB also approves the form and content of the informed consent that must be signed by each clinical trial subject or his or her legal representative and must monitor the clinical trial until completed. Some studies also include oversight by an independent group of qualified experts organized by the clinical study sponsor, known as a data safety monitoring board, which provides authorization for whether or not a study may move forward at designated check points based on access to certain data from the study and may halt the clinical trial if it determines that there is an unacceptable safety risk for subjects or other grounds, such as no demonstration of efficacy. There are also requirements governing the reporting of ongoing clinical studies and clinical study results to public registries.

A sponsor who wishes to conduct a clinical trial outside of the United States may, but need not, obtain FDA authorization to conduct the clinical trial under an IND. If a foreign clinical trial is not conducted under an IND, the sponsor may submit data from the clinical trial to the FDA in support of a BLA. A clinical trial outside the United States may also be conducted under the authorization of similar regulatory authorities of the country/region. The FDA will accept a well-designed and well-conducted foreign clinical study not conducted under an IND if the study was conducted in accordance with GCP requirements, and the FDA is able to validate the data through an onsite inspection if deemed necessary.

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

- *Phase 1.* The biological product is typically introduced into healthy human subjects and tested for safety. However, in the case of some products for severe or life-threatening diseases, such as cancer or hematological malignancies that Adicet aspires to treat, initial human testing is routinely conducted directly in ill patients with the approval of relevant ethics committee(s) under the supervision of a licensed physician.
- *Phase 2.* The biological product is evaluated in a limited patient population to identify possible adverse effects and safety risks, to preliminarily evaluate the efficacy of the product for specific targeted diseases and to determine dosage tolerance, optimal dosage and dosing schedule.
- *Phase 3.* Clinical trials are undertaken to further evaluate dosage, clinical efficacy, potency, and safety in an expanded patient population at geographically dispersed clinical trial sites. These clinical trials are intended to establish the overall risk to benefit ratio of the product and provide an adequate basis for product labeling.

Post-approval clinical trials, sometimes referred to as Phase 4 clinical trials, may be conducted after initial marketing approval. These clinical trials are used to gain additional experience from the treatment of patients in the intended therapeutic indication, particularly for long-term safety follow-up. In case of an accelerated BLA approval based on limited clinical data, FDA may mandate a Phase 4 clinical trial prior to full approval. During all phases of clinical development, regulatory agencies require extensive monitoring and auditing of all clinical activities, clinical data, and clinical trial investigators. Annual progress reports detailing the results of the clinical trials must be submitted to the FDA. Written IND safety reports must be promptly submitted to the FDA, and the investigators for serious and unexpected adverse events, any findings from other studies, tests in laboratory animals or *in vitro* testing that suggest a significant risk for human patients, or any clinically important increase in the rate of a serious suspected adverse reaction over that listed in the protocol or investigator brochure. The sponsor must submit an IND safety report within fifteen (15) calendar days after the sponsor determines that the information qualifies for reporting. The sponsor also must notify the FDA of any unexpected fatal or life-threatening suspected adverse reaction within seven (7) calendar days after the sponsor's initial receipt of the information.

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

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

Further, as a result of the COVID-19 pandemic, the extent and length of which is uncertain, Adicet will be required to develop and implement additional clinical study policies and procedures designed to help protect study participants from the COVID-19 virus, which may include using telemedicine visits and remote monitoring of patients and clinical sites. Adicet will also need to ensure data from its clinical studies that may be disrupted as a result of the pandemic is collected pursuant to the study protocol and is consistent with GCPs, with any material protocol deviation reviewed and approved by the site IRB. Patients who may miss scheduled appointments, any interruption in study drug supply, or other consequence that may result in incomplete data being generated during a study as a result of the pandemic must be adequately documented and justified. For example, on March 18, 2020, the FDA issued a guidance on conducting clinical trials during the pandemic, which describe a number of considerations for sponsors of clinical trials impacted by the pandemic, including the requirement to include in the clinical study report (or as a separate document) contingency measures implemented to manage the study, and any disruption of the study as a result of COVID-19; a list of all study participants affected by COVID-19-related study disruption by unique subject identifier and by investigational site, and a description of how the individual's participation was altered; and analyses and corresponding discussions that address the impact of implemented contingency measures (e.g., participant discontinuation from investigational product and/or study, alternative procedures used to collect critical safety and/or efficacy data) on the safety and efficacy results reported for the study. As of June 16, 2020, the FDA continues to update and revise its guidance for ongoing clinical trials.

U.S. Review and Approval Processes

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

Under the Prescription Drug User Fee Act, or PDUFA, as amended, each BLA must be accompanied by a significant user fee. The FDA adjusts the PDUFA user fees on an annual basis. PDUFA also imposes an annual program fee for biological products. Fee waivers or reductions are available in certain circumstances, including a waiver of the application fee for the first application filed by a small business. Additionally, no user fees are assessed on BLAs for products designated as orphan drugs, unless the product also includes a non-orphan indication.

Within 60 or 74 days following submission of the application, the FDA reviews a BLA submitted to determine if it is substantially complete before the agency accepts it for filing. The FDA may refuse to file any BLA that it deems incomplete or not properly reviewable at the time of submission and may request additional information. In this event, the BLA must be resubmitted with the additional information. The resubmitted application also is subject to review before the FDA accepts it for filing. Under the goals and policies agreed to by the FDA under PDUFA, the FDA has 10 months from the filing date to complete its initial review of an original BLA and respond to the applicant, and six months from the filing date of an original BLA designated for priority review. The FDA does not always meet its PDUFA goal dates for standard and priority BLAs, and the review process is often extended by FDA requests for additional information or clarification.

Once the submission is accepted for filing, the FDA begins an in-depth substantive review of the BLA. The FDA reviews the BLA to determine, among other things, whether the proposed product is safe, potent, and/or effective for its intended use, and has an acceptable purity profile, and whether the product is being manufactured in accordance with cGMP to assure and preserve the product's identity, safety, strength, quality, potency and purity. The FDA may refer applications for novel biological products or biological products that present difficult questions of safety or efficacy to an advisory committee, typically a panel that includes clinicians and other experts, for review, evaluation and a recommendation as to whether the application should be approved and under what conditions. The FDA is not bound by the recommendations of an advisory committee, but it considers such recommendations carefully when making decisions.

During the biological product approval process, the FDA also will determine whether a Risk Evaluation and Mitigation Strategy, or REMS, is necessary to assure the safe use of the biological product. A REMS is a safety strategy to manage a known or potential serious risk associated with a medicine and to enable patients to have continued access to such medicines by managing their safe use, and could include medication guides, physician communication plans, or elements to assure safe use, such as restricted distribution methods, patient registries and other risk minimization tools. If the FDA concludes a REMS is needed, the sponsor of the BLA must submit a proposed REMS. The FDA will not approve a BLA without a REMS, if required. Both Kymriah® and Yescarta® were approved with a REMS.

Before approving a BLA, the FDA will inspect the facilities at which the product is manufactured. The FDA will not approve the product unless it determines that the manufacturing processes and facilities are in compliance with cGMP requirements and adequate to assure consistent production of the product within required specifications. For cellular immunotherapy products, the FDA also will not approve the product if the manufacturer is not in compliance with the cGTP, to the extent applicable. These are FDA regulations and guidance documents that in part govern the methods used in, and the facilities and controls used for, the manufacture of human cells, tissue, and cellular and tissue based products, or HCT/Ps, which are human cells or

tissue intended for implantation, transplant, infusion, or transfer into a human recipient. The primary intent of the GTP requirements is to ensure that cell and tissue based products are manufactured in a manner designed to prevent the introduction, transmission and spread of communicable disease. FDA regulations also require tissue establishments to register and list their HCT/Ps with the FDA and, when applicable, to evaluate donors through screening and testing. Additionally, before approving a BLA, the FDA will typically inspect one or more clinical sites to assure that the clinical trials were conducted in compliance with IND trial requirements and GCP requirements. To assure cGMP, GTP and GCP compliance, an applicant must incur significant expenditure of time, money and effort in the areas of training, record keeping, production, and quality control.

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

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

Pediatric Information

In addition, under the Pediatric Research Equity Act, or PREA, a BLA or supplement to a BLA must contain data to assess the safety and effectiveness of the product for the claimed indications in all relevant pediatric subpopulations and to support dosing and administration for each pediatric subpopulation for which the product is safe and effective. The FDA may grant deferrals for submission of data or full or partial waivers. A sponsor who is planning to submit a marketing application for a drug that includes a new active ingredient, new indication, new dosage form, new dosing regimen or new route of administration must submit an initial Pediatric Study Plan, or PSP, within sixty (60) days of an end-of-Phase 2 meeting or, if there is no such meeting, as early as practicable before the initiation of the Phase 3 or Phase 2/3 study. The initial PSP must include an outline of the pediatric study or studies that the sponsor plans to conduct, including study objectives and design, age groups, relevant endpoints and statistical approach, or a justification for not including such detailed information, and any request for a deferral of pediatric assessments or a full or partial waiver of the requirement to provide data from pediatric studies along with supporting information. The FDA and the sponsor must reach an agreement on the PSP. A sponsor can submit amendments to an agreed-upon initial PSP at any time if changes to the pediatric plan need to be considered based on data collected from preclinical studies, early phase clinical trials and/or other clinical development programs.

Orphan Drug Designation

Under the Orphan Drug Act, the FDA may grant orphan designation to a drug or biologic intended to treat a rare disease or condition, which is generally a disease or condition that affects fewer than 200,000 individuals in the United States, or more than 200,000 individuals in the United States and for which there is no reasonable expectation that the cost of developing and making available in the United States a drug or biologic for this type

of disease or condition will be recovered from sales in the United States for that drug or biologic. Orphan drug designation must be requested before submitting a BLA. After the FDA grants orphan drug designation, the generic identity of the therapeutic agent and its potential orphan use are disclosed publicly by the FDA. The orphan drug designation does not convey any advantage in, or shorten the duration of, the regulatory review or approval process.

If a product that has orphan drug designation subsequently receives the first FDA approval for the disease for which it has such designation, the product is entitled to orphan product exclusivity, which means that the FDA may not approve any other applications, including a full BLA, to market the same biologic for the same indication for seven years, except in limited circumstances, such as a showing of clinical superiority to the product with orphan drug exclusivity. Orphan drug exclusivity does not prevent FDA from approving a different drug or biologic for the same disease or condition, or the same drug or biologic for a different disease or condition. Among the other benefits of orphan drug designation are tax credits for certain research and a waiver of the BLA application user fee.

A designated orphan drug may not receive orphan drug exclusivity if it is approved for a use that is broader than the indication for which it received orphan designation. In addition, exclusive marketing rights in the United States may be lost if the FDA later determines that the request for designation was materially defective or if the manufacturer is unable to assure sufficient quantities of the product to meet the needs of patients with the rare disease or condition.

Expedited Development and Review Programs

The FDA has a fast track program that is intended to expedite or facilitate the process for reviewing new products that meet certain criteria. Specifically, new products are eligible for fast track designation if they are intended to treat a serious or life-threatening disease or condition and demonstrate the potential to address unmet medical needs for the disease or condition. Fast track designation applies to the combination of the product and the specific indication for which it is being studied. Unique to a fast track product, the FDA may consider for review sections of the BLA on a rolling basis before the complete application is submitted, if the sponsor provides a schedule for the submission of the sections of the BLA, the FDA agrees to accept sections of the BLA and determines that the schedule is acceptable, and the sponsor pays any required user fees upon submission of the first section of the BLA.

Any product submitted to the FDA for approval, including a product with a fast track designation, may also be eligible for other types of FDA programs intended to expedite development and review, such as priority review and accelerated approval. A product is eligible for priority review if it has the potential to provide safe and effective therapy where no satisfactory alternative therapy exists or a significant improvement in the treatment, diagnosis or prevention of a disease compared to marketed products. The FDA will attempt to direct additional resources to the evaluation of an application for a new product designated for priority review in an effort to facilitate the review. Additionally, a product may be eligible for accelerated approval. Products studied for their safety and effectiveness in treating serious or life-threatening diseases or conditions may receive accelerated approval upon a determination that the product has an effect on a surrogate endpoint that is reasonably likely to predict clinical benefit, or on a clinical endpoint that can be measured earlier than irreversible morbidity or mortality, that is reasonably likely to predict an effect on irreversible morbidity or mortality or other clinical benefit, taking into account the severity, rarity, or prevalence of the condition and the availability or lack of alternative treatments. As a condition of approval, the FDA may require that a sponsor of a drug or biological product receiving accelerated approval perform adequate and well-controlled post-marketing clinical studies. In addition, the FDA currently requires as a condition for accelerated approval pre-approval of promotional materials, which could adversely impact the timing of the commercial launch of the product.

Regenerative Medicine Advanced Therapy, or RMAT, designation was established by the FDA in 2017 to facilitate an efficient development program for, and expedite review of, any drug that meets the following

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

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

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

Post-Approval Requirements

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

Further, additional FDA limitations on approval or marketing could restrict the commercial promotion, distribution, prescription or dispensing of products. Product approvals may be withdrawn for non-compliance with regulatory standards or if problems occur following initial marketing. Newly discovered or developed safety or effectiveness data may require changes to a product's approved labeling, including the addition of new warnings and contraindications, and may also require the implementation of other risk management measures, including a REMS, or the conduct of post-marketing studies to assess a newly discovered safety issue.

In addition, quality control and manufacturing procedures must continue to conform to applicable manufacturing requirements after approval to ensure the adequate stability of the product. cGMP regulations require among other things, quality control and quality assurance as well as the corresponding maintenance of records and documentation and the obligation to investigate and correct any deviations from cGMP. Manufacturers and other entities involved in the manufacture and distribution of approved products are required to register their

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

Adicet relies, and expects to continue to rely, on third parties to produce clinical and commercial quantities of Adicet's products in accordance with cGMP regulations. These manufacturers must comply with cGMP regulations that require, among other things, quality control and quality assurance, the maintenance of records and documentation and the obligation to investigate and correct any deviations from cGMP. Manufacturers and other entities involved in the manufacture and distribution of approved biologics are required to register their establishments with the FDA and certain state agencies and are subject to periodic unannounced inspections by the FDA and certain state agencies for compliance with cGMP requirements and other laws.

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

U.S. Marketing Exclusivity

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

Depending upon the timing, duration and specifics of the FDA approval of the use of Adicet's product candidates, some of Adicet's U.S. patents, if granted, may be eligible for limited patent term extension under the Drug Price Competition and Patent Term Restoration Act of 1984, commonly referred to as the Hatch-Waxman Act. The Hatch-Waxman Act permits a patent restoration term of up to five years, as compensation for patent term lost during product development and the FDA regulatory review process. However, patent term restoration cannot extend the remaining term of a patent beyond a total of 14 years from the product's approval date. The patent term restoration period is generally one-half the time between the effective date of an IND and the submission date of a BLA plus the time between the submission date of a BLA and the approval of that application. Only one patent applicable to an approved product is eligible for the extension and the application for the extension must be submitted prior to the expiration of the patent. The U.S. Patent and Trademark Office, in consultation with the FDA, reviews and approves the application for any patent term extension or restoration. In the future, Adicet may intend to apply for restoration of patent term for one of Adicet's currently owned or licensed patents to add patent life beyond its current expiration date, depending on the expected length of the clinical trials and other factors involved in the filing of the relevant BLA.

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

Other U.S. Healthcare Laws and Compliance Requirements

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

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

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

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

The federal civil False Claims Act prohibits, among other things, any person or entity from knowingly presenting, or causing to be presented, a false claim for payment to, or approval by, the federal government or knowingly making, using, or causing to be made or used a false record or statement material to a false or fraudulent claim to the federal government. As a result of a modification made by the Fraud Enforcement and Recovery Act of 2009, a claim includes "any request or demand" for money or property presented to the U.S.

government. For example, pharmaceutical and other healthcare companies have been, and continue to be, investigated or prosecuted under these laws for allegedly providing free product to customers with the expectation that the customers would bill federal programs for the product and for causing false claims to be submitted because of the companies' marketing of the product for unapproved, and thus non-reimbursable, uses.

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

Also, many states have similar fraud and abuse statutes or regulations, such as state anti-kickback and false claims laws, which may be broader in scope and apply regardless of payor. These laws are enforced by various state agencies and through private actions. Some state laws require pharmaceutical companies to comply with the pharmaceutical industry's voluntary compliance guidelines and the relevant federal government compliance guidance, require drug manufacturers to report information related to payments and other transfers of value to physicians and other healthcare providers, and restrict marketing practices or require disclosure of marketing expenditures. In addition, certain state and local laws require the registration of pharmaceutical sales representatives.

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

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

In order to distribute products commercially, Adicet must comply with state laws that require the registration of manufacturers and wholesale distributors of drug and biological products in a state, including, in certain states, manufacturers and distributors who ship products into the state even if such manufacturers or distributors have no place of business within the state. Some states also impose requirements on manufacturers and distributors to establish the pedigree of product in the chain of distribution, including some states that require manufacturers and others to adopt new technology capable of tracking and tracing product as it moves through the distribution chain. Several states have enacted legislation requiring pharmaceutical and biotechnology companies to establish marketing compliance programs, file periodic reports with the state, make periodic public disclosures on sales, marketing, pricing, clinical trials and other activities, and/or register their sales representatives, as well as to

prohibit pharmacies and other healthcare entities from providing certain physician prescribing data to pharmaceutical and biotechnology companies for use in sales and marketing, and to prohibit certain other sales and marketing practices. All of Adicet's activities are potentially subject to federal and state consumer protection and unfair competition laws.

If Adicet's operations are found to be in violation of any of the federal and state healthcare laws described above or any other governmental regulations that apply to Adicet, Adicet may be subject to penalties, including without limitation, civil, criminal and administrative penalties, damages, fines, disgorgement, imprisonment, exclusion from participation in government programs, such as Medicare and Medicaid, refusal to allow Adicet to enter into government contracts, contractual damages, reputational harm, administrative burdens, diminished profits and future earnings, additional reporting requirements and/or oversight if Adicet becomes subject to a corporate integrity agreement or similar agreement to resolve allegations of non-compliance with these laws, and the curtailment or restructuring of Adicet's operations, any of which could adversely affect Adicet's ability to operate Adicet's business and Adicet's results of operations.

Coverage, Pricing and Reimbursement

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

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

The marketability of any product candidates for which Adicet receives regulatory approval for commercial sale may suffer if the government and third-party payors fail to provide adequate coverage and reimbursement. In addition, emphasis on managed care in the United States has increased and Adicet expects will continue to increase the pressure on healthcare pricing. Coverage policies and third-party reimbursement rates may change at

any time. Even if favorable coverage and reimbursement status is attained for one or more products for which Adicet receives regulatory approval, less favorable coverage policies and reimbursement rates may be implemented in the future.

Healthcare Reform

In the United States and some foreign jurisdictions, there have been, and continue to be, several legislative and regulatory changes and proposed changes regarding the healthcare system that could prevent or delay marketing approval of product candidates, restrict or regulate post-approval activities, and affect the ability to profitably sell product candidates for which marketing approval is obtained. Among policy makers and payors in the United States and elsewhere, there is significant interest in promoting changes in healthcare systems with the stated goals of containing healthcare costs, improving quality and/or expanding access. In the United States, the pharmaceutical industry has been a particular focus of these efforts and has been significantly affected by major legislative initiatives.

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

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

- established a Center for Medicare and Medicaid Innovation at CMS to test innovative payment and service delivery models to lower Medicare and Medicaid spending; and
- created a licensure framework for follow on biologic products.

There remain legal and political challenges to certain aspects of the Affordable Care Act. Since January 2017, the current U.S. President has signed two executive orders and other directives designed to delay, circumvent, or loosen certain requirements mandated by the Affordable Care Act. In December 2017, Congress repealed the tax penalty for an individual's failure to maintain Affordable Care Act-mandated health insurance, commonly known as the "individual mandate", as part of the Tax Cuts and Jobs Act of 2017 (Tax Act). In addition, the 2020 federal spending package permanently eliminated, effective January 1, 2020, the Affordable Care Act's mandated "Cadillac" tax on high-cost employer-sponsored health coverage and medical device tax and, effective January 1, 2021, also eliminates the health insurer tax.

The Bipartisan Budget Act of 2018, or BBA, among other things, amended the Affordable Care Act, effective January 1, 2019, to close the coverage gap in most Medicare drug plans, commonly referred to as the "donut hole". In December 2018, CMS published a final rule permitting further collections and payments to and from certain Affordable Care Act qualified health plans and health insurance issuers under the Affordable Care Act risk adjustment program in response to the outcome of federal district court litigation regarding the method CMS uses to determine this risk adjustment. On December 14, 2018, a Texas U.S. District Court Judge ruled that the Affordable Care Act is unconstitutional in its entirety because the "individual mandate" was repealed by Congress as part of the Tax Act. Additionally, on December 18, 2019, the U.S. Court of Appeals for the 5th Circuit upheld the District Court ruling that the individual mandate was unconstitutional and remanded the case back to the District Court to determine whether the remaining provisions of the Affordable Care Act are invalid as well. It is unclear how this decision, future decisions, subsequent appeals, and other efforts to repeal and replace the Affordable Care Act will impact the Affordable Care Act.

Further legislation or regulation could be passed that could harm Adicet's business, financial condition and results of operations. Other legislative changes have been proposed and adopted since the Affordable Care Act was enacted. For example, in August 2011, President Obama signed into law the Budget Control Act of 2011, which, among other things, created the Joint Select Committee on Deficit Reduction to recommend to Congress proposals in spending reductions. The Joint Select Committee on Deficit Reduction did not achieve a targeted deficit reduction of at least $1.2 trillion for fiscal years 2012 through 2021, triggering the legislation's automatic reduction to several government programs. This includes aggregate reductions to Medicare payments to providers of up to 2% per fiscal year, which went into effect beginning on April 1, 2013 and will stay in effect through 2029 unless additional Congressional action is taken. The Middle Class Tax Relief and Job Creation Act of 2012 required that CMS reduce the Medicare clinical laboratory fee schedule by 2% in 2013, which served as a base for 2014 and subsequent years. In addition, effective January 1, 2014, CMS also began bundling the Medicare payments for certain laboratory tests ordered while a patient received services in a hospital outpatient setting. In January 2013, the American Taxpayer Relief Act of 2012 was signed into law, which, among other things, further reduced Medicare payments to several types of providers, including hospitals, imaging centers and cancer treatment centers, and increased the statute of limitations period for the government to recover overpayments to providers from three to five years.

Additionally, there has been increasing legislative and enforcement interest in the United States with respect to specialty drug pricing practices. Specifically, there have been several recent U.S. Congressional inquiries and federal and state legislative activity designed to, among other things, bring more transparency to drug pricing, reduce the cost of prescription drugs under Medicare, review the relationship between pricing and manufacturer patient programs, and reform government program reimbursement methodologies for drugs.

At the federal level, the U.S. President's administration's budget proposal for fiscal year 2020 contains further drug price control measures that could be enacted during the budget process or in other future legislation, including, for example, measures to permit Medicare Part D plans to negotiate the price of certain drugs under

Medicare Part B, to allow some states to negotiate drug prices under Medicaid, and to eliminate cost sharing for generic drugs for low-income patients. Moreover, the U.S. Presidential administration's budget proposal for the fiscal year 2021 includes a $135 billion allowance to support legislative proposals seeking to reduce drug prices, increase competition, lower out-of-pocket drug costs for patients, and increase patient access to lower-cost generic and biosimilar drugs. For example, on September 25, 2019, the Senate Finance Committee introduced the Prescription Drug Pricing Reduction Action of 2019, a bill intended to reduce Medicare and Medicaid prescription drug prices. The proposed legislation would restructure the Part D benefit, modify payment methodologies for certain drugs, and impose an inflation cap on drug price increases. An even more restrictive bill, the Lower Drug Costs Now Act of 2019, was introduced in the House of Representatives on September 19, 2019, and would require the HHS to directly negotiate drug prices with manufacturers. The Lower Drugs Costs Now Act of 2019 has passed out of the House and was delivered to the Senate in December 2019. However, it is unclear whether either of these bills will make it through both chambers and be signed into law, and if either is enacted, what effect it would have on Adicet's business. Additionally, Congress and the current U.S. President's administration released a "Blueprint" to lower drug prices and reduce out of pocket costs of drugs that contains additional proposals to increase manufacturer competition, increase the negotiating power of certain federal healthcare programs, incentivize manufacturers to lower the list price of their products and reduce the out of pocket costs of drug products paid by consumers. HHS has solicited feedback on some of these measures and has implemented others under its existing authority. For example, in May 2019, CMS issued a final rule to allow Medicare Advantage plans the option to use step therapy for Part B drugs beginning January 1, 2020. This final rule codified CMS's policy change that was effective January 1, 2019. While some of these and other measures may require additional authorization to become effective, Congress and the U.S. President's administration have each indicated that it will continue to seek new legislative and/or administrative measures to control drug costs.

Individual states in the United States have also increasingly passed legislation and implemented regulations designed to control pharmaceutical product pricing, including price or patient reimbursement constraints, discounts, restrictions on certain product access and marketing cost disclosure and transparency measures, and, in some cases, designed to encourage importation from other countries and bulk purchasing. Individual states in the United States have also been increasingly passing legislation and implementing regulations designed to control pharmaceutical and biological product pricing, including price or patient reimbursement constraints, discounts, restrictions on certain product access and marketing cost disclosure and transparency measures, and, in some cases, designed to encourage importation from other countries and bulk purchasing.

Adicet anticipates that these and other healthcare reform efforts will continue to result in additional downward pressure on coverage and the price that Adicet receives for any approved product, and could materially harm Adicet's business. Any reduction in reimbursement from Medicare and other government programs may result in a similar reduction in payments from private payors. The implementation of cost containment measures or other healthcare reforms may prevent Adicet from being able to generate revenue, attain profitability, or commercialize Adicet's products. Such reforms could have an adverse effect on anticipated revenue from product candidates that Adicet may successfully develop and for which Adicet may obtain regulatory approval and may affect Adicet's overall financial condition and ability to develop product candidates.

The Foreign Corrupt Practices Act

The FCPA prohibits any U.S. individual or business from offering, paying, promising to pay, or authorizing payment of money or anything of value, to any person, while knowing that all or a portion of such money or thing of value will be offered, given or promised, directly or indirectly, to any foreign official, political party or candidate to influence the foreign official in his or her official capacity, induce the foreign official to do or omit to do an act in violation of his or her lawful duty, or to secure any improper advantage in order to assist the individual or business in obtaining or retaining business.

The FCPA also obligates companies whose securities are listed in the United States to comply with certain accounting provisions requiring the company to maintain books and records that accurately and fairly reflect all

transactions of the corporation, including international subsidiaries, and to devise and maintain an adequate system of internal accounting controls. Compliance with the FCPA is expensive and difficult, particularly in countries in which corruption is a recognized problem. In addition, the FCPA presents particular challenges in the pharmaceutical industry, because, in many countries, hospitals are owned and operated by the government, and doctors and other hospital employees are considered foreign officials for the purposes of the statute. Certain payments made in connection with clinical trials and other work have been deemed to be improper payments to government officials and have led to FCPA enforcement actions. Various laws, regulations and executive orders also restrict the use and dissemination outside of the United States, or the sharing with certain non-U.S. nationals, of information classified for national security purposes, as well as certain products and technical data relating to those products.

Accordingly, if Adicet expands its presence outside of the United States, it will need to dedicate additional resources to complying with the laws and regulations in each jurisdiction in which it plans to operate. Therefore, this may preclude Adicet from developing, manufacturing, or selling certain products and product candidates outside of the United States, which could limit Adicet's growth potential and increase its development costs.

Packaging and Distribution in the United States

If Adicet's products are made available to authorized users of the Federal Supply Schedule of the General Services Administration, additional laws and requirements apply. Products must meet applicable child-resistant packaging requirements under the U.S. Poison Prevention Packaging Act. Manufacturing, sales, promotion and other activities also are potentially subject to federal and state consumer protection and unfair competition laws.

The distribution of pharmaceutical products is subject to additional requirements and regulations, including extensive record-keeping, licensing, storage and security requirements intended to prevent the unauthorized sale of pharmaceutical products. The failure to comply with any of these laws or regulatory requirements subjects firms to possible legal or regulatory action. Depending on the circumstances, failure to meet applicable regulatory requirements can result in criminal prosecution, fines or other penalties, injunctions, exclusion from federal healthcare programs, requests for recall, seizure of products, total or partial suspension of production, denial or withdrawal of product approvals, or refusal to allow a firm to enter into supply contracts, including government contracts. Any action against Adicet for violation of these laws, even if Adicet successfully defends against it, could cause Adicet to incur significant legal expenses and divert Adicet's management's attention from the operation of its business. Prohibitions or restrictions on sales or withdrawal of future products marketed by Adicet could materially affect its business in an adverse way.

Changes in regulations, statutes or the interpretation of existing regulations could impact Adicet's business in the future by requiring, for example: (i) changes to Adicet's manufacturing arrangements; (ii) additions or modifications to product labeling; (iii) the recall or discontinuation of Adicet's products; or (iv) additional record-keeping requirements. If any such changes were to be imposed, they could adversely affect the operation of Adicet's business.

Additional Regulation

In addition to the foregoing, state and federal laws regarding environmental protection and hazardous substances, including the Occupational Safety and Health Act, the Resource Conservancy and Recovery Act and the Toxic Substances Control Act, affect Adicet's business. These and other laws govern Adicet's use, handling and disposal of various biological, chemical and radioactive substances used in, and wastes generated by, Adicet's operations.

Even if Adicet contracts with third parties for the disposal of these materials and waste products, Adicet cannot completely eliminate the risk of contamination or injury resulting from these materials. If Adicet's operations result in contamination of the environment or expose individuals to hazardous substances, Adicet could be liable

for damages and governmental fines, and any liability could exceed Adicet's resources. Adicet also could incur significant costs associated with civil or criminal fines and penalties for failure to comply with such laws and regulations. Adicet maintains workers' compensation insurance to cover costs and expenses it may incur due to injuries to its employees, but this insurance may not provide adequate coverage against potential liabilities. However, Adicet does not maintain insurance for environmental liability or toxic tort claims that may be asserted against it. In addition, Adicet may incur substantial costs in order to comply with current or future environmental, health and safety laws and regulations. Current or future environmental laws and regulations may impair Adicet's research, development or production efforts. In addition, failure to comply with these laws and regulations may result in substantial fines, penalties or other sanctions.

Adicet believes that Adicet is in material compliance with applicable environmental laws and that continued compliance therewith will not have a material adverse effect on Adicet's business. Adicet cannot predict, however, how changes in these laws may affect Adicet's future operations.

Europe / Rest of World Government Regulation

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

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

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

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

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

European Union General Data Protection Regulation

In addition to EU regulations related to the approval and commercialization of Adicet's products, Adicet may be subject to the EU's General Data Protection Regulation, or GDPR. The GDPR imposes stringent requirements for controllers and processors of personal data of persons in the EU, including, for example, more robust disclosures to individuals and a strengthened individual data rights regime, shortened timelines for data breach notifications, limitations on retention of information, increased requirements pertaining to special categories of

data, such as health data, and additional obligations when Adicet contracts with third-party processors in connection with the processing of the personal data. The GDPR also imposes strict rules on the transfer of personal data out of the European Union to the United States and other third countries. In addition, the GDPR provides that EU member states may make their own further laws and regulations limiting the processing of personal data, including genetic, biometric or health data.

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

California Consumer Privacy Act

California recently enacted legislation, effective January 1, 2020, that has been dubbed the first "GDPR-like" law in the United States. Known as the California Consumer Privacy Act, or CCPA, it creates new individual privacy rights for consumers (as that word is broadly defined in the law) and places increased privacy and security obligations on entities handling personal data of consumers or households. The CCPA requires covered companies to provide new disclosures to California consumers, provides such consumers new ways to opt-out of certain sales of personal information, and allows for a new cause of action for data breaches. As Adicet's business progresses, the CCPA may impact (possibly significantly) Adicet's business activities and exemplifies the vulnerability of Adicet's business to the evolving regulatory environment related to personal data and protected health information.

Corporate Information

Adicet was formed as a Delaware corporation on November 26, 2014.

Employees

As of June 16, 2020, Adicet had 68 full-time employees, 1 part-time employee, and 17 consultants. None of Adicet's employees are represented by labor unions or covered by collective bargaining agreements. Adicet considers Adicet's relationship with Adicet's employees to be good.

Facilities

Adicet's corporate headquarters are located at 200 Constitution Drive, Menlo Park, California 94025. In October 2018, Adicet entered into a new lease for office and laboratory space in Redwood City, California. Adicet expects to complete occupancy in the new facility in second half of 2021.

Legal proceedings

As of the date of this proxy statement/prospectus/information statement, Adicet is not subject to any material legal proceedings.

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

The following discussion and analysis of financial condition and results of operations should be read together with the financial statements of resTORbio beginning on page F-1 of this proxy statement/prospectus/information statement and the consolidated financial statements of resTORbio and accompanying notes appearing elsewhere in this proxy statement/prospectus/information statement. This discussion of the resTORbio financial condition and results of operations contains certain statements that are not strictly historical and are "forward-looking" statements within the meaning of the Private Securities Litigation Reform Act of 1995 and involve a high degree of risk and uncertainty. Actual results may differ materially from those projected in the forward-looking statements due to other risks and uncertainties that exist in the resTORbio operations, development efforts and business environment, including those set forth in the sections entitled "Forward-Looking Statements" on page 150 and "Risk Factors – Risks Related to resTORbio" beginning on page 32 of this proxy statement/prospectus/information statement, the other risks and uncertainties described in the section entitled "Risk Factors" on page 25 of this proxy statement/prospectus/information statement and the other risks and uncertainties described elsewhere in this proxy statement/prospectus/information statement. All forward-looking statements included in this proxy statement/prospectus/information statement are based on information available to resTORbio as of the date hereof, and resTORbio assumes no obligation to update any such forward-looking statement, except as required by law.

Recent Developments

The recent outbreak of COVID-19 was labeled a global pandemic by the World Health Organization in March 2020 and has led to material and adverse impacts on the U.S. and global economies and created widespread uncertainty. In response to the COVID-19 pandemic, in the first quarter of 2020, resTORbio transitioned its workforce to a remote working model and restricted employee travel. Although resTORbio has not experienced significant disruption in its operations as a result of the COVID-19 pandemic, in April 2020, resTORbio announced that it postponed enrollment in the fifth cohort of its RTB101 trial as a consequence of the COVID-19 level 4 alert in New Zealand, where all non-essential services have been closed and people have been instructed to stay home. As a result, resTORbio terminated this trial in April 2020. resTORbio can provide no assurance that its ability to conduct successful trials on the timing and scale previously anticipated will begin to resolve in the near term, nor can it provide any assurance that delays in timing will not result in permanent loss. Further, resTORbio can provide no assurance as to the timing of the peak of the pandemic and its ultimate impact on the U.S. and global economy and on its business. In addition, the COVID-19 impact has had and is likely to continue to have adverse effects on resTORbio's third-party business partners. resTORbio expects that the effect of the COVID-19 pandemic will not be fully reflected in its results of operations and overall financial performance until future periods. resTORbio will continue to actively monitor the situation and may take further actions that alter its business operations as may be required by federal, state or local authorities or that resTORbio determines are in the best interests of its employees, partners, and stockholders.

Overview

resTORbio is a clinical-stage biopharmaceutical company developing innovative medicines that target the biology of aging to prevent or treat age-related diseases with the potential to extend healthy lifespan. resTORbio's lead program selectively inhibits the target of rapamycin complex 1, or TORC1, an evolutionarily conserved pathway that contributes to the age-related decline in function of multiple organ systems. resTORbio's lead product candidate, RTB101, is an oral, selective, and potent inhibitor of TORC1. RTB101 inhibits the phosphorylation of multiple targets downstream of TORC1. Inhibition of TORC1 has been observed to extend lifespan and healthspan in aging preclinical species and to enhance immune, neurologic and cardiac functions, suggesting potential benefits in several aging-related diseases. In May 2020, resTORbio initiated a randomized, double-blind, placebo-controlled trial to determine if prophylaxis with RTB101 as compared to placebo reduces the severity of laboratory-confirmed COVID-19 in adults age 65 years or older who reside in a nursing home

with one or more residents or staff who have laboratory-confirmed COVID-19. The primary endpoint for the study is the percentage of subjects who develop laboratory-confirmed COVID-19 with protocol-defined progressive symptoms or are hospitalized or die beginning at randomization through week 4. Approximately 550 subjects are expected to enroll in the study. Subjects will be randomized 1:1 to RTB101 10 mg once daily or matching placebo once daily. The study will be conducted in collaboration with investigators at Brown University's Schools of Medicine and Public Health.

RTB101 was previously in development for preventing clinically symptomatic respiratory illness in adults age 65 and older. resTORbio previously completed Phase 2b and Phase 3 studies that were randomized, double-blind, placebo-controlled clinical trials that assessed whether 16 weeks of once daily RTB101 treatment reduced the incidence of laboratory-confirmed respiratory tract infections (the Phase 2b primary endpoint) or the incidence of clinically symptomatic respiratory illness (the Phase 3 primary endpoint) in older adults during winter cold and flu season. The Phase 2b study enrolled 652 adults, 65 years of age and older, at increased risk of respiratory tract infection-related morbidity and mortality. The Phase 3 study enrolled 1,024 adults, 65 years of age and older, who did not smoke and did not have chronic obstructive pulmonary disease. Although the Phase 2b and Phase 3 trials of RTB101 to reduce the incidence of illness associated with respiratory tract infections (RTIs) in older adults were not designed or powered to assess the incidence and severity of coronavirus infections specifically, a trend toward a decrease in the incidence and severity of coronavirus infections was observed in both trials in older adults who were given RTB101 10 mg once daily as compared to placebo. Specifically, there were seven coronavirus infections observed in subjects who received RTB101 10 mg daily in the Phase 2b study, compared to 15 in the placebo group, and 18 coronavirus infections in the RTB101 group in the Phase 3 study compared to 23 in the placebo group. Trends were also observed toward a decrease in the percentage of subjects with severe coronavirus RTI symptoms and the time to alleviation of moderate and severe coronavirus RTI symptoms in the RTB101 group compared to placebo. In April 2020, resTORbio announced that it postponed enrollment in the fifth cohort as a consequence of the COVID-19 level 4 alert in New Zealand, where all non-essential services have been closed and people have been instructed to stay home. Enrollment of four of the five planned once-weekly dosing arms of RTB101 300 mg, sirolimus 2 mg, RTB101 300 mg in combination with sirolimus 2 mg, and RTB101 300 mg in combination with sirolimus 4 mg has been completed. resTORbio plans to analyze the data from the four completed dosing arms and data from the four completed cohorts is expected by mid-2020. Notwithstanding the foregoing, on April 30, 2020, resTORbio elected to terminate the study and have no plans to dose patients in the fifth dosing arm.

In February 2020, resTORbio retained JMP Securities LLC as a financial advisor to assist in its evaluation of a broad range of strategic alternatives to enhance stockholder value, including additional capital raising transactions, an acquisition, merger, business combination, licensing and/or other strategic transaction involving resTORbio.

After a comprehensive review of strategic alternatives, on April 28, 2020, resTORbio entered into the merger agreement with Adicet and the merger subsidiary, pursuant to which, if all of the conditions to closing are satisfied or waived, Adicet will become a wholly owned subsidiary of resTORbio. The merger agreement was approved by the members of resTORbio's Board and the Board resolved to recommend approval of the merger agreement to its stockholders. Consummation of the merger is subject to certain closing conditions, a number of which are not within resTORbio's control. Certain of resTORbio stockholders who collectively own approximately 24% of the outstanding shares of resTORbio's common stock have entered into voting agreements, pursuant to which they have agreed, among other things, and subject to the terms and conditions of the agreements, to vote in favor of the merger.

Subject to the terms of the merger agreement, at the effective time of the merger each share of resTORbio's common stock issued and outstanding immediately prior to the effective time shall be entitled to one contractual contingent value right issued by resTORbio subject to and in accordance with the terms and conditions of a CVR agreement. The transaction is expected to close in the second half of 2020. For more information on the CVR agreement, please see the section entitled "*Agreements Related to the Merger—Contingent Value Rights Agreement*" on page 223 of this proxy statement/prospectus/information statement.

From its inception, resTORbio has devoted substantially all of its efforts to business planning, engaging regulatory, manufacturing and other technical consultants, planning and executing clinical trials and raising capital. resTORbio's future operations are highly dependent on the success of the merger with Adicet and the success of pre-clinical and clinical development and commercialization's of Adicet products.

Novartis License Agreement

On March 23, 2017, resTORbio entered into a license agreement with Novartis, pursuant to which resTORbio was granted an exclusive, field-restricted, worldwide license to certain intellectual property rights owned or controlled by Novartis, including patents, patent applications, proprietary information, know-how and other intellectual property, to develop, commercialize and sell one or more therapeutic products comprising RTB101 or RTB101 and everolimus in a fixed dose combination. Under the license agreement, resTORbio has been licensed a patent portfolio of ten patent families directed to composition of matter of RTB101 and its salts, formulations of everolimus and methods of using RTB101 and everolimus to enhance the immune response among others. The exclusive field for RTB101 under the license agreement is for the treatment, prevention and diagnosis of diseases and other conditions in all indications in humans and animals.

As consideration for the license, resTORbio issued Novartis Institutes for Biomedical Research, Inc., or NIBR, 2,587,992 shares of its Series A Preferred Stock.

The agreement may be terminated by either party upon a material breach of obligation by the other party that is not cured with 60 days after written notice. resTORbio may terminate the agreement in its entirety or on a product-by-product or country-by-country basis with or without cause with 60 days' prior written notice.

Novartis may terminate the portion of the agreement related to everolimus if resTORbio fails to use commercially reasonable efforts to research, develop and commercialize a product utilizing everolimus for a period of three years. Novartis may terminate the license agreement upon resTORbio's bankruptcy, insolvency, dissolution or winding up.

As additional consideration for the license, resTORbio is required to pay up to an aggregate of $4.3 million upon the satisfaction of clinical milestones, up to an aggregate of $24 million upon the satisfaction of regulatory milestones for the first indication approved, and up to an aggregate of $18 million upon the satisfaction of regulatory milestones for the second indication approved. In addition, resTORbio is required to pay up to an aggregate of $125 million upon the satisfaction of commercial milestones, based on the amount of annual net sales. resTORbio is also required to pay tiered royalties ranging from a mid-single digit percentage to a low-teen digit percentage on annual net sales of products. These royalty obligations last on a product-by-product and country-by-country basis until the latest of (i) the expiration of the last valid claim of a Novartis patent covering a subject product, (ii) the expiration of any regulatory exclusivity for the subject product in a country, or (iii) the 10th anniversary of the first commercial sale in the country, and are subject to a reduction after the expiration of the last valid claim of a Novartis patent or the introduction of a generic equivalent of a product in a country.

Milestone payments to Novartis are recorded as research and development expenses in resTORbio's consolidated statements of operations and comprehensive loss once achievement of each associated milestone has occurred or the achievement is considered probable. In May 2017, resTORbio initiated a Phase 2b clinical trial for a first indication, triggering the first milestone payment under the agreement. Accordingly, resTORbio paid the related $0.3 million payment in May 2017. In May 2019, resTORbio initiated a Phase 3 clinical trial for the first indication, triggering a milestone payment of $2.5 million under the agreement. As of March 31, 2020, none of the remaining clinical milestones, regulatory milestones, sales milestones, or royalties had been reached or were probable of achievement. The remaining clinical milestones are the initiation of the Phase 2 and Phase 3 clinical trials for the second indication. resTORbio also enters into contracts in the normal course of business with various third parties for preclinical research studies, clinical trials, testing and other services. These contracts generally provide for termination upon notice, and therefore resTORbio believes that its noncancelable obligations under these agreements are not material.

Financial Operations Overview

Revenue

resTORbio has not generated any revenue from the sale of its products, and resTORbio does not expect to generate any revenue unless and until it obtains regulatory approval of and commercialize RTB101, alone or in combination with a rapalog, such as everolimus or sirolimus.

Operating Expenses

Research and Development

Research and development expenses consist primarily of costs incurred for the development of resTORbio's product candidates, which include:

- personnel costs, which include salaries, benefits and stock-based compensation expenses;
- expenses incurred under agreements with consultants, third-party contract organizations and investigative clinical trial sites that conduct research and development activities on its behalf;
- costs related to production of preclinical and clinical materials, including fees paid to contract manufacturers;
- laboratory and vendor expenses related to the execution of preclinical studies and clinical trials; and
- lab supplies and equipment used for internal research and development activities.

resTORbio has not provided program costs since inception because historically it has not tracked or recorded its research and development expenses on a program-by-program basis. resTORbio uses its personnel and infrastructure resources across multiple research and development programs directed toward developing its TORC1 program and for identifying and developing product candidates. resTORbio manages certain activities such as contract research and manufacturing of RTB101 alone or in combination with a rapalog, such as everolimus or sirolimus, and its discovery programs through its third-party vendors, and does not track the costs of these activities on a program-by-program basis.

resTORbio expenses all research and development costs in the periods in which they are incurred. Costs for certain development activities are recognized based on an evaluation of the progress to completion of specific tasks using information and data provided to resTORbio by its vendors and third-party service providers.

resTORbio expects its research and development expenses to decrease substantially for the foreseeable future as it is no longer developing RTB101 for the prevention of clinically symptomatic respiratory illness in adults age 65 and older and for the treatment of Parkinson's disease. resTORbio will continue to invest in research and development activities related to developing its product candidates, however at a much lower expense rate. The process of conducting the necessary clinical research to obtain regulatory approval is costly and time-consuming, and the successful development of resTORbio's product candidates is highly uncertain. As a result, resTORbio is unable to determine the duration and completion costs of its research and development projects or when and to what extent resTORbio will generate revenue from the commercialization and sale of any of its product candidates.

Because of the numerous risks and uncertainties associated with product development, resTORbio cannot determine with certainty the duration and completion costs of the current or future preclinical studies and clinical trials or if, when, or to what extent it will generate revenues from the commercialization and sale of resTORbio's product candidates. resTORbio may never succeed in achieving regulatory approval for its product candidates. The duration, costs and timing of preclinical studies and clinical trials and development of resTORbio's product candidates will depend on a variety of factors, including:

- successful completion of preclinical studies and Investigational New Drug-enabling studies;

- successful enrollment in, and completion of, clinical trials;
- receipt of regulatory approvals from applicable regulatory authorities;
- establishing commercial manufacturing capabilities or making arrangements with third-party manufacturers;
- obtaining and maintaining patent and trade secret protection and non-patent exclusivity;
- launching commercial sales of resTORbio's product candidates, if and when approved, whether alone or in collaboration with others;
- acceptance of resTORbio's product candidates, if and when approved, by patients, the medical community and third-party payors;
- effectively competing with other therapies and treatment options;
- a continued acceptable safety profile following approval;
- enforcing and defending intellectual property and proprietary rights and claims;
- the impact of any business interruptions to resTORbio's operations or to those of its clinical sites, manufacturers, suppliers, or other vendors resulting from the COVID-19 outbreak or similar public health crisis; and
- achieving desirable medicinal properties for the intended indications.

A change in the outcome of any of these factors could mean a significant change in the costs and timing associated with the development of resTORbio's current and future preclinical and clinical product candidates. For example, if the FDA, or another regulatory authority were to require resTORbio to conduct clinical trials beyond those that resTORbio currently anticipates will be required for the completion of clinical development, or if resTORbio experiences significant delays in execution of or enrollment in any of its preclinical studies or clinical trials, it could be required to expend significant additional financial resources and time on the completion of preclinical and clinical development.

General and Administrative

General and administrative expenses consist primarily of personnel costs, costs related to maintenance and filing of intellectual property, depreciation expense and other expenses for outside professional services, including legal, human resources, audit and accounting services. Personnel costs consist of salaries, benefits and stock-based compensation expense. resTORbio expects its general and administrative expenses to increase for the foreseeable future due to anticipated increases related to its potential merger with Adicet and as a result of operating as a public company, including expenses related to compliance with the rules and regulations of the Securities and Exchange Commission, The Nasdaq Global Select Market, additional insurance expenses, investor relations activities and other administration and professional services.

Other Income, Net

Other income, net, consists primarily of interest earned on cash, cash equivalents and marketable securities.

Critical Accounting Polices and Estimates

resTORbio's management's discussion and analysis of its financial condition and results of operations is based on its consolidated financial statements, which have been prepared in accordance with United States generally accepted accounting principles, or U.S. GAAP. The preparation of these consolidated financial statements requires resTORbio to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the consolidated financial statements, as well

as the expenses incurred during the reporting periods. resTORbio's estimates are based on its historical experience and on various other factors that it believes are reasonable under the circumstances, the results of which form the basis for making judgments about the carrying value of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates under different assumptions or conditions. resTORbio believes that the accounting policies discussed below are critical to understanding its historical and future performance, as these policies relate to the more significant areas involving management's judgments and estimates.

Accrued Research and Development Costs

resTORbio accrues for estimated costs of research and development activities conducted by third-party service providers, which include the conduct of preclinical studies, clinical trials, and contract manufacturing activities. resTORbio records the estimated costs of research and development activities based upon the estimated amount of services provided, and include these costs in accrued liabilities in its consolidated balance sheets and within research and development expenses in its consolidated statements of operations and comprehensive loss. These costs are a significant component of resTORbio's research and development expenses. resTORbio estimates the amount of work completed by third-party service providers through discussions with internal personnel and external service providers as to the progress or stage of completion of the services and the agreed-upon fee to be paid for such services. The majority of resTORbio's service providers invoice in arrears for services performed, on a pre-determined schedule or when contractual milestones are met; however, some require advanced payments. resTORbio makes significant judgments and estimates in determining the accrued balance in each reporting period based on the facts and circumstances known at that time. As actual costs become known, resTORbio adjusts its accrued estimates. Although resTORbio does not expect its estimates to be materially different from amounts actually incurred, resTORbio's understanding of the status and timing of services performed, the number of patients enrolled and the rate of patient enrollment may vary from its estimates and could result in resTORbio reporting amounts that are too high or too low in any particular period. resTORbio's accrued expenses are dependent, in part, upon the receipt of timely and accurate reporting from CROs, CMOs and other third-party service providers. To date, there have been no material differences between estimated costs of research and development activities accrued by resTORbio each reporting period and amounts actually incurred.

Research and Development Costs

Research and development costs are expensed as incurred and consist of personnel costs, lab supplies and other costs, as well as fees paid to third parties to conduct research and development activities on resTORbio's behalf.

Amounts incurred in connection with license agreements are also included in research and development expenses. resTORbio records payments made to outside vendors for services performed or goods being delivered for use in research and development activities as either prepaid expenses or accrued expenses, depending on the timing of when services are performed or goods are delivered.

Stock-Based Compensation Expense

resTORbio recognizes equity-based compensation expense for awards of equity instruments to employees and non-employees based on the grant date fair value of those awards in accordance with the Financial Accounting Standards Board, or FASB, Accounting Standards Codification, or ASC, Topic 718, *Stock Compensation*, or ASC 718. ASC 718 requires all equity-based compensation awards to employees and non-employee directors, including grants of restricted stock, restricted stock units, and stock options, to be recognized as expense in the consolidated statements of operations and comprehensive loss based on their grant date fair values. resTORbio estimates the fair value of stock options using the Black-Scholes option pricing model. resTORbio uses the value of its common stock to determine the fair value of restricted stock and restricted stock units.

resTORbio accounts for restricted stock and common stock options issued to non-employees under FASB ASC Topic 505-50, *Equity-Based Payments to Non-Employees*, or ASC 505-50. As such, the value of such awards is

periodically remeasured and income or expense is recognized over their vesting terms. Compensation cost related to awards with service-based vesting schedules is recognized using the straight-line method. resTORbio determines the fair value of the restricted stock and common stock granted to non-employees as either the fair value of the consideration received or the fair value of the equity instruments issued.

The Black-Scholes option pricing model requires the input of certain subjective assumptions, including (i) the expected volatility, (ii) the expected term of the award, (iii) the risk-free interest rate and (iv) the expected dividend yield. Due to the lack of company-specific historical and implied volatility data, resTORbio has based its estimate of expected volatility on the historical volatility of a group of similar companies that are publicly traded. The historical volatility is calculated based on a period of time commensurate with the expected term assumption. The group of representative companies has characteristics similar to resTORbio, including stage of product development and focus on the life science industry. resTORbio uses the simplified method, which is the average of the final vesting tranche date and the contractual term, to calculate the expected term for options granted to employees as it does not have sufficient historical exercise data to provide a reasonable basis upon which to estimate the expected term. For options granted to non-employees, resTORbio utilizes the contractual term of the arrangement as the basis for the expected term assumption. The risk-free interest rate is based on a treasury instrument whose term is consistent with the expected term of the stock options. resTORbio uses an assumed dividend yield of zero as it has never paid dividends and have no current plans to pay any dividends on its common stock.

The following table presents the assumptions used to estimate the fair value of options granted:

	Three Months Ended March 31,		Year Ended December 31,	
	2020	2019	2019	2018
Employees:				
Fair value of common stock	N/A	$ 8.53 - $8.90	$ 1.27 - $10.66	$8.57 - $15.45
Expected term (in years)	N/A	6.1	5.5 - 6.1	5.8 - 6.2
Expected volatility	N/A	93.7% - 94.8%	92.0% - 104.9%	75.9% - 90.6%
Risk-free interest rate	N/A	2.5% - 2.6%	1.4% - 2.6%	2.4% - 3.1%
Expected dividend yield	N/A	0.0%	0.0%	0.0%
Non-employees:				
Fair value of common stock	$ 0.96 - $1.07	$ 6.82 - $8.61	$ 1.23 - $10.26	$8.62 - $15.45
Expected term (in years)	7.2 - 9.0	8.2 - 10.0	7.4 - 10.0	8.4 - 10.0
Expected volatility	99.6% - 101.7%	91.3% - 94.9%	89.7% - 99.5%	78.0% - 91.2%
Risk-free interest rate	0.6% - 0.9%	2.4% - 2.6%	1.7% - 2.8%	2.7% - 3.1%
Expected dividend yield	0.0%	0.0%	0.0%	0.0%

For the three months ended March 31, 2020 and 2019, stock-based compensation was $1.0 million and $0.7 million, respectively. For the years ended December 31, 2019 and 2018, stock-based compensation expense was $3.7 million and $2.8 million, respectively. As of March 31, 2020, resTORbio had $8.3 million of total unrecognized stock-based compensation expense, which it expects to recognize over a weighted-average period of 2.71 years.

Results of Operations

Comparison of the Three Months Ended March 31, 2020 and 2019

	Three Months Ended March 31,	
	2020	2019
Operating expenses:		
Research and development	$ 4,841	$ 8,852
General and administrative	2,539	2,839
Total operating expenses	7,380	11,691
Loss from operations	(7,380)	(11,691)
Other income, net	349	631
Loss before income taxes	(7,031)	(11,060)
Income tax expense	7	9
Net loss	$(7,038)	$(11,069)

Research and Development

Research and development expenses decreased to $4.8 million for the three months ended March 31, 2020, and were primarily attributable to $0.4 million of costs from third-party contract organizations and investigative clinical trial sites related to clinical trials $2.2 million of costs related to preclinical studies and the production of preclinical and clinical materials, $0.4 million of costs related to external consulting incurred to supplement resTORbio's research and development personnel, and $1.8 million of personnel costs, including stock-based compensation. Research and development expenses were $8.9 million for the three months ended March 31, 2019, and were primarily attributable to $4.5 million of costs from third-party contract organizations and investigative clinical trial sites related to clinical trials $2.3 million of costs related to preclinical studies and the production of preclinical and clinical materials, $0.3 million of costs related to external consulting incurred to supplement resTORbio's research and development personnel, and $1.8 million of personnel costs, including stock-based compensation.

General and Administrative

General and administrative expenses decreased to $2.5 million for the three months ended March 31, 2020, and were primarily attributable to $1.4 million of personnel, including stock-based compensation, and $1.1 million of professional services fees, including costs related to intellectual property, legal and filing costs, accounting costs, insurance, and external consulting costs incurred to supplement resTORbio's personnel. General and administrative expenses were $2.8 million for the three months ended March 31, 2019, and were primarily attributable to $1.4 million of personnel, including stock-based compensation, and $1.4 million of professional services fees, including costs related to intellectual property, legal and filing costs, accounting costs, insurance, and external consulting costs incurred to supplement resTORbio's personnel.

Other Income, Net

Other income, net was $0.3 million for the three months ended March 31, 2020, and primarily consisted of interest income. Other income, net was $0.6 million for the three months ended March 31, 2019, and primarily consisted of interest income.

Comparison of the Years Ended December 31, 2019 and 2018

	Year Ended December 31,	
	2019	2018
	(In thousands)	
Operating expenses:		
Research and development	$ 73,634	$ 31,065
General and administrative	11,823	8,640
Total operating expenses	85,457	39,705
Loss from operations	(85,457)	(39,705)
Other income, net	2,754	2,117
Loss before income taxes	(82,703)	(37,588)
Income tax expense	(36)	(26)
Net loss	$(82,739)	$(37,614)

Research and Development

Research and development expenses increased to $73.6 million for the year ended December 31, 2019, and were primarily attributable to $51.2 million of costs from third-party contract organizations and investigative clinical trial sites related to clinical trials, including $49.4 million for the clinically symptomatic respiratory infection indication and $1.8 million for the ongoing Phase 1b/2a for PD, $9.4 million of costs related to preclinical studies and the production of preclinical and clinical materials, $2.0 million of costs related to external consulting incurred to supplement resTORbio's research and development personnel costs, and $8.5 million of personnel costs, including stock-based compensation. In addition, in May 2019, resTORbio initiated a Phase 3 clinical trial for the first indication, triggering a milestone payment of $2.5 million under its license agreement with NIBR. Research and development expenses were $31.1 million for the year ended December 31, 2018, and were primarily attributable to $18.0 million of costs from third-party contract organizations and investigative clinical trial sites related to clinical trials, including the Phase 2b clinical trial for respiratory tract infections, $7.4 million of costs related to preclinical studies and the production of preclinical and clinical materials, $1.2 million of costs related to external consulting incurred to supplement resTORbio's research and development personnel costs, and $4.5 million of personnel costs, including stock-based compensation.

General and Administrative

General and administrative expenses increased to $11.8 million for the year ended December 31, 2019, and were primarily attributable to $6.3 million of personnel costs, including stock-based compensation, and $5.5 million of professional services fees, including costs related to intellectual property, legal and filing costs, accounting costs, insurance, and external consulting costs incurred to supplement resTORbio's personnel. General and administrative expenses were $8.6 million for the year ended December 31, 2018, and were primarily attributable to $5.2 million of personnel costs, including stock-based compensation, and $3.4 million of professional services fees, including costs related to intellectual property, legal and filing costs, accounting costs, insurance, and external consulting costs incurred to supplement resTORbio's personnel.

Other Income, Net

Other income, net was $2.8 million for the year ended December 31, 2019, and primarily consisted of interest income of $2.8 million. Other income, net was $2.1 million for the year ended December 31, 2018, and primarily consisted of interest income of $2.1 million.

Liquidity, Capital Resources and Plan of Operations

Since inception, resTORbio has not generated any revenue from any sources, including from product sales, and have incurred significant operating losses and negative cash flows from its operations. resTORbio has funded its operations to date primarily with proceeds from the sale of shares of its common stock and the sale of shares of its redeemable convertible preferred stock. As of March 31, 2020, resTORbio had $76.3 million in cash, cash equivalents and marketable securities and an accumulated deficit of $161.2 million.

In November 2019, resTORbio announced that top line data from the PROTECTOR 1 Phase 3 study, evaluating the safety and efficacy of RTB101 in preventing clinically symptomatic respiratory illness in adults age 65 and older, did not meet its primary endpoint and resTORbio has stopped the development of RTB101 for clinically symptomatic respiratory illness.

In February 2020, resTORbio retained JMP Securities LLC as a financial advisor to assist in its evaluation of a broad range of strategic alternatives to enhance stockholder value, including additional capital raising transactions, an acquisition, merger, business combination, licensing and/or other strategic transaction involving resTORbio.

On April 28, 2020, resTORbio entered into the merger agreement with Adicet and the merger subsidiary pursuant to which, subject to the satisfaction or waiver of the conditions therein, Adicet will merge with and into the merger subsidiary, with Adicet continuing as the surviving company and a wholly owned subsidiary of resTORbio. The merger agreement was approved by the members of the resTORbio Board, and the resTORbio Board resolved to recommend approval of the merger agreement to the resTORbio stockholders.

The Company's future operations are highly dependent on the success of the merger with Adicet.

The following table summarizes resTORbio's cash flows for the periods indicated:

	Three Months Ended March 31,	
	2020	2019
Net cash used in operating activities	$(15,041)	$(12,049)
Net cash provided by (used) in investing activities	42,500	(34,628)
Net cash (used in) provided by financing activities	(1)	46,816
Net increase in cash, cash equivalents and restricted cash	$ 27,458	$ 139

Cash Flows from Operating Activities

Cash used in operating activities for the three months ended March 31, 2020 was $15.0 million, consisting of a net loss of $7.0 million adjusted for noncash items including stock-based compensation expense of $1.0 million and accretion on marketable securities of $0.1 million. The change in resTORbio's net operating assets and liabilities for the three months ended March 31, 2020 were primarily due to a decrease in accounts payable and accrued liabilities of $9.6 million due to decreased clinical activities and a decrease in prepaid expenses and other current assets of $0.5 million due to a reduction in prepayments for resTORbio's research and development activities. Cash used in operating activities for the three months ended March 31, 2019 was $12.0 million, consisting of a net loss of $11.1 million adjusted for noncash items including stock-based compensation expense of $0.7 million and accretion on marketable securities of $0.2 million. The change in resTORbio's net operating assets and liabilities for the three months ended March 31, 2019 were primarily due to a decrease in accounts payable and accrued liabilities of $1.3 million primarily due to decreased clinical activities and an increase in prepaid expenses and other current assets of $0.1 million due to prepayments for resTORbio's research and development activities.

Cash Flows from Investing Activities

Cash provided by investing activities for the three months ended March 31, 2020 was $42.5 million and consisted of maturities of marketable securities. Cash used in investing activities for the three months ended March 31, 2019 was $34.6 million and consisted of $77.1 million for the purchases of marketable securities, partially offset by $42.5 million from maturities of marketable securities.

Cash Flows from Financing Activities

Cash used by financing activities for the three months ended March 31, 2020 was $1,000. Cash provided by financing activities for the three months ended March 31, 2019 was $46.8 million, net of issuance costs, from the proceeds from the public offering completed in March 2019.

In March 2017, resTORbio entered into a license Agreement with Novartis. Please see the section entitled *"resTORbio Management's Discussion and Analysis of Financial Condition and Results of Operations—Overview—Novartis License Agreement"* beginning on page 316 of this proxy statement/prospectus/information statement. In May 2017, resTORbio initiated a Phase 2b clinical trial for a first indication, triggering the first milestone payment under the agreement. Accordingly, resTORbio paid the related $0.3 million payment in May 2017. In May 2019, resTORbio initiated a Phase 3 clinical trial for the first indication, triggering another milestone payment of $2.5 million under the agreement. As of March 31, 2020, none of the remaining clinical milestones, regulatory milestones, sales milestones, or royalties is probable.

resTORbio enters into contracts in the normal course of business with CROs and CMOs to assist in the performance of its research and development activities and other services and products for operating purposes. These contracts generally provide for termination upon notice, and therefore are cancelable contracts and not included in the table of contractual obligations and commitments.

The following table summarizes resTORbio's cash flows for the periods indicated:

	Year Ended December 31,	
	2019	2018
	(In thousands)	
Net cash used in operating activities	$(73,682)	$ (35,450)
Net cash used in investing activities	44,126	(100,716)
Net cash provided by financing activities	56,449	89,943
Net increase (decrease) in cash, cash equivalents and restricted cash	$ 26,893	$ (46,223)

Cash Flows from Operating Activities

Cash used in operating activities for the year ended December 31, 2019 was $73.7 million, consisting of a net loss of $82.7 million adjusted for noncash items including stock-based compensation expense of $3.7 million and accretion on marketable securities of $1.0 million. The change in resTORbio's net operating assets and liabilities for the year ended December 31, 2019 were due primarily to an increase in accounts payable and accrued liabilities of $6.5 million primarily due to increased clinical activities, which were partially offset by an increase in prepaid expenses and other current assets of $0.3 million due to prepayments for resTORbio's research and development activities. Cash used in operating activities for the year ended December 31, 2018 was $35.5 million, consisting of a net loss of $37.6 million adjusted for noncash items including stock-based compensation expense of $2.8 million and accretion on marketable securities of $0.7 million. The change in resTORbio's net operating assets and liabilities for the year ended December 31, 2018 were due primarily to an increase in accounts payable and accrued liabilities of $0.6 million primarily due to increased clinical activities, which were partially offset by an increase in prepaid expenses and other current assets of $0.6 million due to prepayments for resTORbio's research and development activities.

Cash Flows from Investing Activities

Cash provided by investing activities for the year ended December 31, 2019 was $44.1 million and consisted of maturities of marketable securities of $141.5 million, partially offset by purchases of marketable securities of $97.1 million and purchases of property and equipment of $0.3 million. Cash used in investing activities for the year ended December 31, 2018 was $100.7 million and consisted of $107.9 million for the purchases of marketable securities and $0.3 million for the purchases of property and equipment, partially offset by $7.5 million from the maturities of marketable securities.

Cash Flows from Financing Activities

Cash provided by financing activities for the year ended December 31, 2019 was $56.4 million and consisted of $49.7 million, net of issuance costs, from the proceeds from the public offering completed in March and April 2019 and $6.7 million, net of issuance costs, from the proceeds from the at-the-market offering. Cash provided by financing activities for the year ended December 31, 2018 was $89.9 million from the proceeds from the IPO, net of issuance costs paid in 2018.

Contractual Obligations and Other Commitments

Tabular disclosure of contractual obligations is not applicable as resTORbio is electing scaled disclosure requirements available to smaller reporting companies.

Net Operating Loss Carryforwards

As of December 31, 2019, resTORbio had federal net operating loss carryforwards of $127.0 million, of which $14.0 million will begin to expire in 2036 and $113.0 million can be carried forward indefinitely. As of December 31, 2019, resTORbio had state net operating loss carryforwards of $130.8 million, which will begin to expire in various amounts in 2036. As of December 31, 2019, resTORbio also had federal research and development tax credit carryforwards of $3.8 million, which begin to expire in 2037. These net operating loss and tax credit carryforwards could expire unused and be unavailable to offset future income tax liabilities. In addition, in general, under Sections 382 and 383 of the Code, a corporation that undergoes an "ownership change" is subject to limitations on its ability to utilize its pre-change net operating losses or tax credits, or NOLs or credits, to offset future taxable income or taxes. For these purposes, an ownership change generally occurs where the aggregate stock ownership of one or more stockholders or groups of stockholders who owns at least 5% of a corporation's stock increases its ownership by more than 50 percentage points over its lowest ownership percentage within a specified testing period. resTORbio's existing NOLs or credits may be subject to limitations arising from previous ownership changes, and if resTORbio undergoes an ownership change in connection with or after the merger, its ability to utilize NOLs or credits could be further limited by Sections 382 and 383 of the Code. In addition, future changes in resTORbio's stock ownership, many of which are outside of its control, could result in an ownership change under Sections 382 and 383 of the Code. resTORbio's NOLs or credits may also be impaired under state law. Accordingly, resTORbio may not be able to utilize a material portion of its NOLs or credits. resTORbio has not completed a study to determine whether its public offerings, private placements and other transactions that have occurred over the past three years may have triggered an ownership change limitation. If resTORbio determines that an ownership change has occurred and its ability to use its historical NOLs or credits is materially limited, it would harm resTORbio's future operating results by effectively increasing its future tax obligations. resTORbio has not performed an ownership change analysis.

Furthermore, resTORbio's ability to utilize its NOLs or credits is conditioned upon its attaining profitability and generating U. S. federal and state taxable income. resTORbio has incurred significant net losses since its inception and anticipates that it will continue to incur significant losses for the foreseeable future; and therefore, resTORbio does not know whether or when it will generate the U.S. federal or state taxable income necessary to utilize its NOL or credit carryforwards that are subject to limitation by Sections 382 and 383 of the Code.

Off-Balance Sheet Arrangements

resTORbio has not entered into any off-balance sheet arrangements and does not have any holdings in variable interest entities.

JOBS Act Accounting Election

In addition to being a smaller reporting company, resTORbio is an "emerging growth company," as defined in the Jumpstart Our Business Startups Act of 2012, or the JOBS Act. As an emerging growth company, resTORbio may take advantage of specified reduced disclosure and other requirements that are otherwise applicable generally to public companies. resTORbio would cease to be an emerging growth company on the date that is the earliest of: (i) the last day of the fiscal year in which it has total annual gross revenues of $1.07 billion or more; (ii) December 31, 2023; (iii) the date on which it has issued more than $1.0 billion in nonconvertible debt during the previous three years; or (iv) the date on which it is deemed to be a large accelerated filer under the rules of the SEC.

Recently Issued and Adopted Accounting Pronouncements

See Note 2, *Summary of Significant Accounting Policies*, in the Notes to resTORbio's Consolidated Financial included elsewhere in this proxy statement/prospectus/information statement for a description of recent accounting pronouncements and resTORbio's expectation of their impact, if any, on its results of operations and financial conditions.

Quantitative and Qualitative Disclosures About Market Risk

resTORbio is exposed to market risk related to changes in interest rates. As of March 31, 2020, resTORbio had cash, cash equivalents and marketable securities of $76.3 million, primarily comprised of money market mutual funds consisting of U.S. government-backed securities. Its primary exposure to market risk is interest rate sensitivity, which is affected by changes in the general level of U.S. interest rates, particularly because resTORbio's investments are in short-term securities. resTORbio's available for sale securities are subject to interest rate risk and will fall in value if market interest rates increase. Due to the short-term duration of its investment portfolio and the low risk profile of its investments, an immediate 100 basis point change in interest rates would not have a material effect on the fair market value of resTORbio's portfolio.

resTORbio contracts with CROs and contract manufacturers globally. resTORbio may be subject to fluctuations in foreign currency rates in connection with certain of these agreements. Transactions denominated in currencies other than the United States dollar are recorded based on exchange rates at the time such transactions arise. While resTORbio has not engaged in the hedging of its foreign currency transactions to date, it is evaluating the costs and benefits of initiating such a program and may in the future hedge selected significant transactions denominated in currencies other than the U.S. dollar as resTORbio expands its international operation and its risk grows. As of March 31, 2020, substantially all of resTORbio's total liabilities were denominated in the United States dollar.

Inflation generally affects resTORbio by increasing the cost of labor. resTORbio does not believe that inflation had a material effect on resTORbio's business, financial condition or results of operations during the three months ended March 31, 2020.

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

The following discussion and analysis of Adicet's financial condition and results of operations should be read in conjunction with Adicet's financial statements, accompanying notes and other financial information appearing elsewhere in this proxy statement/prospectus/information statement. This "Management's Discussion and Analysis of Financial Condition and Results of Operations of Adicet" contains forward-looking statements that involve risks and uncertainties. Adicet's actual results may differ materially from those anticipated in these forward-looking statements as a result of certain factors. Please see "Forward-Looking Statements" for additional factors relating to such statements and see "Risk Factors—Risks Related to Adicet" for a discussion of certain risk factors applicable to Adicet's business, financial condition and results of operations. Operating results are not necessarily indicative of results that may occur in future periods. In this "Management's Discussion and Analysis of Financial Condition and Results of Operations of Adicet", unless the context implies otherwise, the use of "Adicet", and the "company" refer to Adicet Bio, Inc.

Overview

Adicet is a biotechnology company that is advancing a new generation of chimeric antigen receptor (CAR)-modified-T cell therapies in oncology and other indications. Adicet's approach is based on gamma delta T cells, an immune cell population that the company believes has potentially significant advantages over alpha beta T cells, which are the basis of standard CAR-T cell therapies. Adicet believes that it is at the forefront to take tumor targeting gamma delta CAR-T cell product candidates into IND-enabling studies and clinical trials for specific tumor types. Adicet is developing proprietary processes for engineering and manufacturing product candidates based on gamma delta T cells from the blood of healthy donors, resulting in high yields of cells with efficacious tumor-killing activity in preclinical experiments. The ability to administer product candidates based on gamma delta T cells to patients without inducing a graft versus host immune response means that Adicet's products can potentially be produced as off-the-shelf therapies. This is in contrast to products based on alpha beta T cells, which either must be manufactured for each patient from his or her own T cells or which require significant gene editing to manufacture allogeneic therapies, that is, therapies that are based on T cells derived from donors that are unrelated to the patient. Based on what Adicet believes in the enormous promise of these cells and associated modifications, Adicet is initially developing product candidates in oncology, both for hematological malignancies and for solid tumor indications. Due to certain unique properties of gamma delta T cells, Adicet believes that its product candidates will have an inherent capacity to recognize and kill circulating tumor cells and to infiltrate and kill solid tumors, the cause of over 90% of all cancer deaths as estimated by the American Cancer Society in 2020. Subject to the FDA regulatory approval process of INDs, Adicet intends to file an IND application with the FDA and, if approved, initiate clinical development of ADI-001, its lead product candidate, in non-Hodgkin lymphoma by the end of 2020 or early 2021. Adicet anticipates filing an IND application with the FDA and, if approved, initiating clinical development of ADI-002, Adicet's first solid tumor product candidate, in 2021.

ADI-001 is a gamma delta T cell product candidate into which Adicet introduced a CAR that specifically recognizes CD20, a highly expressed surface protein found on the majority of non-Hodgkin lymphomas, or NHLs. Adicet is developing a highly efficient and robust process to activate, engineer and manufacture product candidates derived from peripheral blood cells of healthy donors. Adicet believes that ADI-001 has the potential to benefit the majority of patients that have NHL while also providing clinical validation of Adicet's gamma delta T cell platform technology. In addition to potentially providing access to immunocellular therapies to a broader set of patients with hematological malignancies, Adicet believes that its platform technology is well-positioned to bring these therapies to patients with solid tumors. ADI-002 is a product candidate containing a CAR directed against Glypican-3, or GPC3, a tumor antigen that is highly expressed in hepatocellular carcinoma, or HCC, and other tumors such as gastric cancer and squamous cell carcinoma of the lung. ADI-002 has dose-dependent antitumor activity in animal models.

Adicet's solid tumor efforts are further complemented by the company's proprietary T cell receptor-like antibody, or TCRL, technology, a monoclonal antibody technology which enables the generation of CARs that

recognize tumor antigens inside tumor cells, also known as intracellular proteins. Adicet believes that the ability to selectively bind to tumor antigens derived specifically from intracellular proteins is a critical advantage to immunocellular therapy due to the scarcity of tumor-specific surfaceantigens on solid tumors. Adicet's approach to generating CARs for some product candidates takes advantage of this ability.

Since Adicet's formation in November 2014, the company has incurred significant operating losses. Adicet's net losses were $4.5 million and $4.1 million for the three months ended March 31, 2020 and 2019, respectively and $28.1 million and $9.3 million for the years ended December 31, 2019 and 2018, respectively. As of March 31, 2020, Adicet had an accumulated deficit of $74.1 million.

Adicet expects to continue to incur significant expenses with ongoing activities, operating as a public company, and as the company:

- Continues to advance Adicet's product candidates through preclinical and clinical development, seeks regulatory approval, and prepares for and, if approved, proceeds to commercialization;
- Acquires, discovers, validates and develops additional product candidates;
- Obtains, maintains, protects and enforces its intellectual property portfolio;
- Implements operational, financial and management systems; and
- Attracts, hires and retains additional administrative, clinical, regulatory and scientific personnel.

As a result, Adicet will need additional financing to support its continuing operations. Adicet does not have any products approved for sale and has not generated any product revenue since inception. From inception, Adicet has funded its operations through a collaboration and licensing arrangement, as well as through the private placement of equity securities. In July, August and September 2019, Adicet raised aggregate net proceeds of approximately $74.8 million from the sale of shares of Series B redeemable convertible preferred stock. Adicet's ability to generate product revenue will depend on the successful development, regulatory approval and eventual commercialization of one or more of its product candidates. Until such time as Adicet can generate significant revenue from product sales, if ever, the company expects to finance its operations through the sale of equity, debt financings, collaborative or other arrangements with corporate or other sources of financing. Adequate funding may not be available to Adicet on acceptable terms, or at all. If Adicet fails to raise capital or enter into such agreements as and when needed, the company may have to significantly delay, scale back or discontinue the development and commercialization of its product candidates.

Adicet plans to continue to use third-party service providers, including costs for contract manufacturing organizations ("CMOs") and costs for contract research organizations ("CROs"), to carry out its preclinical and clinical development and to manufacture and supply the materials to be used during the development of its product candidates.

On April 28, 2020, Adicet entered into an agreement and plan of merger with resTORbio, Inc., a Delaware corporation ("resTORbio"), and Project Oasis Merger Sub, Inc., a Delaware corporation and a direct, wholly owned subsidiary of resTORbio ("Merger Sub"), pursuant to which, subject to the satisfaction or waiver of the conditions therein, Merger Sub will merge with and into Adicet, with Adicet surviving as a wholly owned subsidiary of resTORbio. The merger remains subject to certain conditions, including the approval of resTORbio stockholders. Upon closing of the merger, resTORbio will be renamed "Adicet Bio, Inc."

Immediately after the merger, Adicet's security holders as of immediately prior to the effective time of the merger expect to own approximately 75% of the fully-diluted common stock of the combined company and resTORbio security holders as of immediately prior to the effective time of the merger expect to own approximately 25% of the fully-diluted common stock of the combined company (in each case excluding equity incentives available for grant). The relative percentage ownership of the combined company as specified by the exchange ratio described below was derived using a stipulated value of Adicet in the merger agreement of approximately $220.0 million and of resTORbio in the merger agreement of approximately $73.3 million.

Subject to the terms and conditions set forth in the merger agreement, each share of Adicet's common stock and redeemable convertible preferred stock issued and outstanding immediately prior to the effective time of the merger (excluding any shares that are held in treasury and any dissenting shares held by stockholders who have exercised and perfected appraisal rights) will be converted into the right to receive approximately 0.8559 shares of resTORbio common stock, subject to adjustment to account for the reverse stock split. This exchange ratio is an estimate only and is based upon resTORbio's and Adicet's capitalization as of June 16, 2020. The final exchange ratio will be determined pursuant to a formula described in more detail in the merger agreement.

Recent Developments

Impact of COVID-19 Pandemic

In December 2019, a novel strain of coronavirus, COVID-19, was reported in China. Since then, COVID-19 has spread globally. The spread of COVID-19 from China to other countries has resulted in the World Health Organization, or WHO, declaring the outbreak of COVID-19 as a "pandemic," or a worldwide spread of a new disease, on March 11, 2020. Many countries around the world have imposed quarantines and restrictions on travel and mass gatherings to slow the spread of the virus and have closed non-essential businesses.

As local jurisdictions continue to put restrictions in place, Adicet's ability to continue to operate its business may also be limited. Such events may result in a period of business, supply and drug product manufacturing disruption, and in reduced operations, any of which could materially affect Adicet's business, financial condition and results of operations. In response to the COVID-19 pandemic, Adicet implemented remote working and thus far has not experienced a significant disruption or delay in its operations as it relates to the clinical development of its drug candidates. However, Adicet anticipates that the impact of the COVID-19 pandemic may create difficulties in its clinical trials for a variety of reasons, including future regulations regarding, or the inability or unwillingness of patients to, travel to participate in clinical trials, or to participate in clinical trials that are administered in medical facilities that also treat COVID-19, potential delays in the FDA's review and approval processes and/or shortages of medical supplies that may force medical professionals to focus on non-clinical procedures, including treatment of COVID-19. The duration and ultimate impact of the COVID-19 pandemic on clinical trials generally, and on Adicet's trials particularly, is unknown at this time.

In addition, the spread of COVID-19, which has caused a broad impact globally, may materially affect Adicet economically. While the potential economic impact brought by, and the duration of, COVID-19 may be difficult to assess or predict, a widespread pandemic could result in significant disruption of global financial markets, reducing Adicet's ability to access capital, which could in the future negatively affect its liquidity. In addition, a recession or market correction resulting from the spread of COVID-19 could materially affect Adicet's business. Possible effects may also include absenteeism in Adicet's labor workforce, unavailability of products and supplies used in operations, and a decline in value of assets held by Adicet, including inventories, property and equipment, and marketable debt securities.

Loan Agreement

On April 28, 2020, Adicet entered into a Loan and Security Agreement with Pacific Western Bank for a term loan not exceeding $12.0 million (referred to as the "Loan Agreement") to finance leasehold improvements for its new corporate headquarters in Redwood City, California, with an interest rate equal to the greater of 0.25% above the Prime Rate (as defined in the Loan Agreement) or 5.00%. In connection with the entrance into the Loan Agreement, Adicet issued Pacific Western Bank a warrant to purchase shares of its Series B redeemable convertible preferred stock (described below) at an exercise price of $1.4034 per share. Such warrant is initially exercisable for 42,753 shares of Adicet's Series B redeemable convertible preferred stock and shall be exercisable for an additional number of shares of its Series B redeemable convertible preferred stock equal to 1.00% of the aggregate original principal amount of all term loans made pursuant to the Loan Agreement (up to an aggregate maximum of 128,259 shares). The Loan Agreement contains a variety of affirmative and negative

covenants, including required financial reporting, limitations on certain dispositions of assets, limitations on the incurrence of additional debt and other requirements. As of the date of this proxy statement/prospectus/information statement, Adicet was in compliance with such covenants and had no indebtedness outstanding under the Loan Agreement.

Financial Operations Overview

Revenue

Adicet has no products approved for commercial sale and does not expect to generate revenue from product sales unless and until it successfully completes development and obtains regulatory approval for its product candidates, which the company expects will not be for at least several years, if ever. Adicet's revenues to date are generated from the Regeneron Agreement. The primary purpose of the Regeneron Agreement is to establish a strategic relationship to identify and validate appropriate targets and work together to develop a pipeline of engineered immune cell products (referred to as "Collaboration ICPs") for the selected targets. The Regeneron Agreement includes the following: (i) licenses to Adicet's technology, (ii) research and development services, (iii) services or obligations in connection with participation in the research committee, (iv) information sharing, and (v) manufacturing services to manufacture of Collaboration ICPs for the research programs. The Regeneron Agreement provides Regeneron an option to obtain an exclusive, royalty-bearing development and commercial license under Adicet's intellectual property to develop and commercialize the optioned Collaboration ICPs ready for an IND submission.

Adicet received a non-refundable upfront payment of $25.0 million from Regeneron upon execution of the Regeneron Agreement and has received an aggregate of $10.0 million of additional payments for research funding from Regeneron as of March 31, 2020. In addition, Regeneron may have to pay Adicet additional amounts in the future consisting of (i) an aggregate amount of up to $20.0 million for timely achieving certain milestones, including milestones related to an IND filing for an ICP to the clinical candidate to the first collaboration target and for the selection of a clinical candidate to the second collaboration target and (ii) up to an aggregate of $100.0 million of option exercise fees, in each case as specified in the Regeneron Agreement. Regeneron must also pay Adicet high single digit royalties as a percentage of net sales for ICPs to targets for which it has exclusive rights and low single digit royalties as a percentage of net sales on any non-ICP product comprising a target generated by its through the use of Regeneron's proprietary mice. Adicet must pay Regeneron mid-single to low double digit royalties as a percentage of net sales of ICPs to targets for which it has exercised exclusive rights, and low to mid-single digit royalties as a percentage of net sales of targeting moieties generated from its license to use Regeneron's proprietary mice. Royalties are payable until the longer of the expiration or invalidity of the licensed patent rights or a certain number of years from first commercial sale.

Adicet uses a cost-based input method to measure proportional performance and to calculate the corresponding amount of revenue to recognize under the Regeneron Agreement. In applying the cost-based input method of revenue recognition, Adicet uses actual costs incurred relative to budgeted costs to fulfill the combined performance obligation. Revenue is recognized based on actual costs incurred as a percentage of total budgeted costs as Adicet completes its performance obligations over the research term of five years. A cost-based input method of revenue recognition requires Adicet to estimate costs to complete its performance obligations, which requires significant judgment to evaluate assumptions related to cost estimates. The cumulative effect of revisions to estimated costs to complete Adicet's performance obligations is recorded in the period in which changes are identified and amounts can be reasonably estimated.

Operating Expenses

Research and Development Expenses

Research and development expenses, which consist primarily of costs incurred in connection with the development of Adicet's product candidates, are expensed as incurred. Research and development expenses consist primarily of:

- employee related costs, including salaries, benefits and stock-based compensation expenses for research and development employees;
- costs incurred under agreements with consultants, CMOs, and CROs;
- lab materials, supplies, and maintenance of equipment used for research and development activities; and
- allocated facility-related costs, such as rent, utilities, insurance, repairs and maintenance, depreciation and amortization, information technology costs and general support services.

Adicet does not allocate its costs by product candidate, as a significant amount of research and development expenses are not tracked by product candidate, and Adicet believes the allocation of such costs would be arbitrary and would not provide a meaningful assessment as it has used its employee and infrastructure resources across multiple product candidate research and development programs.

Adicet is focusing substantially all of its resources on the development of its product candidates. At this time, Adicet cannot reasonably estimate or know the nature, timing and estimated costs of the efforts that will be necessary to complete the development of its product candidates. Adicet is also unable to predict when, if ever, material net cash inflows will commence from sales of its product candidates. The duration, costs, and timing of clinical trials and development of Adicet's product candidates will depend on a variety of factors, including:

- the scope, rate of progress and expense of clinical trials and other research and development activities;
- clinical trial results;
- uncertainties in clinical trial enrollment rate or design;
- significant and changing government regulation;
- the timing and receipt of any regulatory approvals;
- the FDA's or other regulatory authority's influence on clinical trial design;
- establishing commercial manufacturing capabilities or making arrangements with third-party manufacturers;
- commercializing product candidates, if and when approved, whether alone or in collaboration with others;
- obtaining and maintaining patent and trade secret protection and regulatory exclusivity for product candidates;
- continued applicable safety profiles of the products following approval; and
- retention of key research and development personnel.

A change in the outcome of any of these variables with respect to the development of a product candidate could significantly change the costs, timing and viability associated with the development of that product candidate. For example, if the FDA, or another regulatory authority, were to require Adicet to conduct clinical trials beyond those that it currently anticipates will be required for the completion of clinical development of a product candidate, or if the company experiences significant delays in enrollment in any of its clinical trials, it could be

required to expend significant additional financial resources and time on the completion of clinical development. Furthermore, Adicet is unable to predict when or if its product candidates will receive regulatory approval with any certainty.

Adicet intends to file an IND application with the FDA and, subject to the FDA regulatory process for review of INDs, initiate clinical development of ADI-001, its lead product candidate, in non-Hodgkin lymphoma by the end of 2020 or early 2021. Adicet anticipates filing an IND application with the FDA and, if approved, initiate clinical development of ADI-002, Adicet's first solid tumor product candidate, in 2021.

Adicet is focusing substantially all of its resources on the development of its product candidates. Adicet expects its research and development expenses to increase substantially during the next few years, as it seeks to initiate clinical trials for its product candidates, complete its clinical program, pursue regulatory approval of its product candidates and prepare for a possible commercial launch. Predicting the timing or the cost to complete its clinical program or validation of its commercial manufacturing and supply processes is difficult and delays may occur because of many factors, including factors outside of Adicet's control. For example, if the FDA or other regulatory authorities were to require Adicet to conduct clinical trials beyond those that it currently anticipates, or if it experiences significant delays in enrollment in any of its clinical trials, Adicet could be required to expend significant additional financial resources and time on the completion of clinical development. Furthermore, Adicet is unable to predict when or if its product candidates will receive regulatory approval with any certainty.

General and Administrative Expenses

General and administrative expenses consist principally of payroll and personnel expenses, including salaries and bonuses, benefits and stock-based compensation expenses, professional fees for legal, consulting, accounting and tax services, allocated overhead expenses, including rent, equipment, depreciation, information technology costs and utilities, and other general operating expenses not otherwise classified as research and development expenses.

Adicet anticipates that its general and administrative expenses will increase for the foreseeable future due to anticipated expenses related to the merger and as a result of operating as a public company, including expenses related to personnel costs, expanded infrastructure and higher consulting, legal and accounting services costs associated with complying with the applicable Nasdaq and SEC requirements, investor relations costs and director and officer insurance premiums.

Interest Income

Interest income consists primarily of interest income earned on Adicet's cash and cash equivalents and marketable debt securities.

Other Income, Net

Other income, net primarily consists of changes in the fair value of redeemable convertible preferred stock tranche liability and changes in the fair value of redeemable convertible preferred stock warrant liability.

Results of Operations

Comparison of the Three Months Ended March 31, 2020 and 2019

The following table summarizes Adicet's results of operations for the periods indicated (in thousands, except percentages):

	Three Months Ended March 31,			
	2020	2019	Change	% Change
Revenue	$ 2,000	$ 2,769	$ (769)	(28%)
Operating expenses				
Research and development	7,033	5,010	2,023	40%
General and administrative	2,524	2,129	395	19%
Total operating expenses	9,557	7,139	2,418	34%
Loss from operations	(7,557)	(4,370)	(3,187)	73%
Interest income	322	146	176	121%
Other income, net	70	93	(23)	(25%)
Loss before income tax benefit	(7,165)	(4,131)	(3,034)	73%
Income tax benefit	(2,679)	—	(2,679)	*%
Net loss	$(4,486)	$(4,131)	$ (355)	9%

* Not meaningful

Revenue

Revenue decreased by $0.8 million, or 28%, from the three months ended March 31, 2019 to the three months ended March 31, 2020 resulting from the decrease in revenue recognized under the Regeneron Agreement. The decrease in revenue recognized under the Regeneron Agreement for the three months ended March 31, 2020 was primarily due to the following reasons:

- In April 2019, Adicet executed an amendment to the Regeneron Agreement, according to which the future research program fees that were due on the third and fourth anniversaries of the Regeneron Agreement were replaced with payments based on achievement of certain development and regulatory milestones. After the amendment, these payments were accounted for as variable consideration and excluded from the transaction price due to substantial uncertainties related to achieving the milestones and, as a result, earning such payments. This resulted in a decrease in the cumulative revenue recognized under the Regeneron Agreement.
- Additionally, the total estimated costs of research and development expenses to fulfill the obligations under the Regeneron Agreement have increased due to updated estimated CMO and CRO costs, including additional costs for adding second source providers. This also resulted in a decrease in the cumulative revenue amount recognized under the Regeneron Agreement.

Research and development

	Three months Ended March 31,	
	2020	2019
Payroll and personnel expenses(1)	$ 3,278	$ 2,461
Costs incurred under agreements with consultants, CMOs, and CROs	$ 2,003	$ 565
Lab materials, supplies, and maintenance of equipment used for research and development activities	$ 998	$ 1,379
Other research and development expenses(2)	$ 754	$ 605
Total research and development expenses	$ 7,033	$ 5,010

(1) Employee related costs, including salaries, benefits and stock-based compensation expenses for research and development employees.
(2) Allocated facility-related costs, such as rent, utilities, insurance, repairs and maintenance, depreciation and amortization, information technology costs and general support services

Research and development expenses increased by $2.0 million, or 40%, from the three months ended March 31, 2019 to the three months ended March 31, 2020. The increase in research and development expenses was primarily due to an increase of $1.4 million in fees paid to CROs and CMOs due to increased manufacture and preclinical development, an increase of $0.8 million in payroll and personnel expenses, including salaries, benefits and stock-based compensation expenses due to increases in headcount of employees involved in research and development activities, and an increase of $0.1 million in allocated facility-related costs and other general support services offset by a decrease of $0.4 million in laboratory materials, supplies, and maintenance of equipment used for research and development activities.

General and administrative

General and administrative expenses increased by $0.4 million, or 19%, from the three months ended March 31, 2019 to the three months ended March 31, 2020. The increase in general and administrative expenses was primarily due to an increase of $0.4 million of professional fees for legal, consulting, accounting, tax and other services, an increase of $0.2 million in depreciation, rent, travel and other expenses, and a decrease of $0.2 million of payroll and personnel expenses, including salaries, benefits and stock-based compensation expenses due to substantial termination of operations in Israel during 2019 and a decrease of recruiting expenses for employees involved in general and administrative activities.

Interest income

Interest income increased by $0.2 million, or 121%, from the three months ended March 31, 2019 to the three months ended March 31, 2020, which was primarily attributable to interest income from the increase in cash and cash equivalents and marketable debt securities as a result of the proceeds received from the sale of shares of Series B redeemable convertible preferred stock in the third quarter of 2019.

Other income, net

Other income, net decreased by less than $0.1 million, or 25%, from the three months ended March 31, 2019 to the three months ended March 31, 2020, which was primarily due to decreases in other income resulting from the change in fair value of redeemable convertible preferred stock tranche liability and from the change in fair value of redeemable convertible preferred stock warrant liability.

Income tax benefit

Income tax benefit increased by $2.7 million from the three months ended March 31, 2019 to the three months ended March 31, 2020. The income tax benefit during the three months ended March 31, 2020 was a result of the recognition of a net operating loss carryback under the Coronavirus Aid, Relief, and Economic Security Act (“CARES Act”) which was enacted on March 27, 2020 in response to the COVID-19 pandemic and which generated a refund of income taxes paid by Adicet for the year ended December 31, 2017. Adicet records the effect of an enacted change in a tax law in the period that includes the enactment date in accordance with Accounting Standards Codification (“ASC”) 740, *Income Taxes*.

The tax relief measures under the CARES Act for businesses include a five-year net operating loss carryback, suspension of annual deduction limitation of 80% of taxable income from net operating losses generated in a tax year beginning after December 31, 2017, changes in the deductibility of interest, acceleration of alternative minimum tax credit refunds, payroll tax relief, and a technical correction to allow accelerated deductions for qualified improvement property.

Comparison of the Years Ended December 31, 2019 and 2018

The following table summarizes Adicet's results of operations for the periods indicated (in thousands, except percentages):

	Year Ended December 31,			
	2019	2018	Change	% Change
Revenue	$ 995	$ 8,181	$ (7,186)	(88%)
Operating expenses				
Research and development	23,691	14,717	8,974	61%
General and administrative	8,692	8,428	264	3%
Total operating expenses	32,383	23,145	9,238	40%
Loss from operations	(31,388)	(14,964)	(16,424)	110%
Interest income	938	543	395	73%
Other income, net	2,331	4,533	(2,202)	(49%)
Loss before income tax expense (benefit)	(28,119)	(9,888)	(18,231)	184%
Income tax expense (benefit)	19	(589)	608	(103%)
Net loss	$(28,138)	$ (9,299)	$(18,839)	203%

Revenue

Revenue decreased by $7.2 million, or 88%, from the year ended December 31, 2018 to the year ended December 31, 2019 resulting from the decrease in revenue recognized under the Regeneron Agreement.

The decrease in revenue recognized under the Regeneron Agreement during the year ended December 31, 2019 was primarily due to the following reasons:

- In April 2019, Adicet executed an amendment to the Regeneron Agreement according to which future research program fees that were due on the third and fourth anniversaries of the Regeneron Agreement were replaced with the payments based on achievement of certain development and regulatory milestones. After the amendment, these payments were accounted for as variable consideration and excluded from the transaction price due to substantial uncertainties related to achieving the milestones and, as a result, earning with such payments. This resulted in a decrease in the cumulative revenue recognized under the Regeneron Agreement (see critical accounting policy on revenue recognition below).
- Additionally, the total estimated costs of research and development expenses to fulfill the obligations under the Regeneron Agreement have increased in 2019 due to updated estimated CMO and CRO costs, including additional costs for adding second source providers. This also resulted in a decrease in the cumulative revenue amount recognized under the Regeneron Agreement.

Research and development

	Year Ended December 31,	
	2019	2018
Payroll and personnel expenses(1)	$ 10,104	$ 7,449
Costs incurred under agreements with consultants, CMOs, and CROs	$ 5,982	$ 1,054
Lab materials, supplies, and maintenance of equipment used for research and development activities	$ 4,961	$ 3,857
Other research and development expenses(2)	$ 2,644	$ 2,357
Total research and development expenses	$ 23,691	$ 14,717

(1) Employee related costs, including salaries, benefits and stock-based compensation expenses for research and development employees.
(2) Allocated facility-related costs, such as rent, utilities, insurance, repairs and maintenance, depreciation and amortization, information technology costs and general support services

Research and development expenses increased by $9.0 million, or 61%, from the year ended December 31, 2018 to the year ended December 31, 2019. The increase in research and development expenses was primarily due to an increase of $4.9 million in fees paid to CROs and CMOs due to initiating and ramping up manufacturing and preclinical development activities related to Adicet's first product candidate, an increase of $2.7 million in payroll and personnel expenses, including salaries, benefits and stock-based compensation expenses due to increases in headcount of employees involved in research and development activities and an increase of $1.1 million in laboratory materials, supplies, and maintenance of equipment used for research and development activities, and an increase of $0.3 million in facility-related costs and other general support services.

General and administrative

General and administrative expenses increased by $0.3 million, or 3%, from the year ended December 31, 2018 to the year ended December 31, 2019. The increase in general and administrative expenses was primarily due to an increase of $0.7 million of professional fees for legal, consulting, accounting, tax and other services, an increase of $0.4 million in depreciation, rent, travel and other expenses, and a decrease of $0.8 million of payroll and personnel expenses, including salaries, benefits and stock-based compensation expenses largely due to a decrease in stock-based compensation expenses resulting from accounting for forfeitures of unvested stock options of terminated employees during the year that was partly offset by increases in headcount at the senior management level.

Interest income

Interest income increased by $0.4 million, or 73%, from the year ended December 31, 2018 to the year ended December 31, 2019, which was primarily attributable to interest income from an increase in cash and cash equivalents and marketable debt securities as a result of the proceeds received from the sale of shares of Series B redeemable convertible preferred stock in the third quarter of 2019.

Other income, net

Other income, net decreased by $2.2 million, or 49%, from the year ended December 31, 2018 to the year ended December 31, 2019, which was primarily due to a decrease in other income resulting from the change in fair value of redeemable convertible preferred stock tranche liability by $2.5 million, partially offset by an increase in other expense resulting from the change in fair value of redeemable convertible preferred stock warrant liability of $0.3 million.

Income tax expense (benefit)

Income tax expense increased by $0.6 million from the year ended December 31, 2018 to the year ended December 31, 2019 which was primarily due to the New York state net operating loss carryback from the period ending December 31, 2018 which generated a refund of income taxes paid for the year ended December 31, 2017.

Liquidity and Capital Resources

Sources of Liquidity

Since Adicet's formation in 2014, the company has funded its operations with an aggregate of $116.3 million in gross cash proceeds from the sale of redeemable convertible preferred stock and an aggregate of $35.0 million received to date from Regeneron under the Regeneron Agreement. As of March 31, 2020, Adicet had cash, cash equivalents and marketable debt securities of $64.4 million.

Redeemable Convertible Preferred Stock

Series A Redeemable Convertible Preferred Stock

In August 2015, Adicet entered into a Series A redeemable convertible preferred stock purchase agreement (referred to as the "Purchase Agreement") with an investor (referred to as the "Investor") to issue and sell 12,187,500 shares of its Series A redeemable convertible preferred stock at $1.20 per share (referred to as the "Series A Purchase Price") for total gross proceeds of $14.6 million. The Purchase Agreement also provided for the issuance and sale to the Investor of an additional 12,812,500 shares of Series A redeemable convertible preferred stock at the Series A Purchase Price upon achieving certain milestone conditions (referred to as the "Milestone Closing"). Further, from and after the occurrence of the Milestone Closing, at any time prior to the earliest to occur of (A) the two year anniversary of the Milestone Closing, (B) a liquidation or deemed liquidation or (C) an initial public offering by Adicet, the Investor had an option to purchase up to an additional 8,333,334 shares of Series A redeemable convertible preferred stock at the Series A Purchase Price (referred to as the "Additional Closing").

In January 2016, Adicet amended the Purchase Agreement (referred to as the "the Amended Purchase Agreement") with certain purchasers, including the Investor, to issue and sell an additional 9,015,425 shares of its Series A redeemable convertible preferred stock at the Series A Purchase Price for total gross proceeds of $10.8 million. The Amended Purchase Agreement was entered in contemplation of Adicet's acquisition of Applied Immune Technologies, Ltd. (referred to as "AIT") that closed on the same day and as part of the purchase consideration, Adicet issued 6,400,879 Series A redeemable convertible preferred stock shares to the former shareholders of AIT.

Per the terms of the Amended Purchase Agreement, the number of shares of Series A redeemable convertible preferred stock to be issued and sold at the Milestone Closing and Additional Closing was reduced to 9,020,833 shares and 5,875,000 shares, respectively. In November 2018, Adicet issued 9,020,833 shares of Series A redeemable convertible preferred stock at $1.20 per share for gross proceeds of $10.8 million in connection with the Milestone Closing. In July 2019, as part of the Series B redeemable convertible preferred stock purchase agreement (as described below), the Additional Closing liability was canceled for no consideration.

Adicet also issued 411,892 and 67,656 shares of its Series A redeemable convertible preferred stock in connection with an amendment of a license agreement in February 2016 and February 2019, respectively.

In January 2016 and February 2016, Adicet issued 629,633 shares of its Series A-1 redeemable convertible preferred stock and 2,428,688 shares of Series A-2 redeemable convertible preferred stock as part of the purchase consideration for AIT.

Series B Redeemable Convertible Preferred Stock

In July 2019, Adicet issued 37,765,426 shares of Series B redeemable convertible preferred stock at $1.4034 per share for gross proceeds of $53.0 million.

In August 2019, Adicet issued 4,987,885 shares of Series B redeemable convertible preferred stock at $1.4034 per share for gross proceeds of $7.0 million.

In September 2019, Adicet issued 14,251,104 of Series B redeemable convertible preferred stock at $1.4034 per share for gross proceeds of $20.0 million.

As part of the Series B redeemable convertible preferred stock purchase agreement by and among Adicet and certain investors, including the Investor, the Investor's option to purchase additional shares of Series A redeemable convertible preferred stock at the Series A Purchase Price was cancelled for no consideration.

In connection with Series B redeemable convertible preferred stock financing transactions, Adicet issued to its financial advisor warrants to purchase 1,781,387 shares of its Series B redeemable convertible preferred stock at an exercise price of at $1.4034 per share. These warrants will terminate at the earlier of the seven year anniversary from the issuance date and a liquidation of the company.

Loan Agreement

On April 28, 2020, Adicet entered into a Loan and Security Agreement with Pacific Western Bank (the "Bank") for a term loan not exceeding $12.0 million (referred to as the "Loan Agreement") to finance leasehold improvements for its new corporate headquarters in Redwood City, California, with an interest rate equal to the greater of 0.25% above the Prime Rate (as defined in the Loan Agreement) or 5.00%. In connection with the entrance into the Loan Agreement, Adicet issued the Bank warrant to purchase shares of its Series B redeemable convertible preferred stock at an exercise price of $1.4034 per share. Such warrant is initially exercisable for 42,753 shares of Adicet's Series B redeemable convertible preferred stock and shall be exercisable for an additional number of shares of its Series B redeemable convertible preferred stock equal to 1.00% of the aggregate original principal amount of all term loans made pursuant to the Loan Agreement (up to an aggregate maximum of 128,259 shares). The Loan Agreement contains a variety of affirmative and negative covenants, including required financial reporting, limitations on certain dispositions of assets, limitations on the incurrence of additional debt and other requirements. As of the date of this proxy statement/prospectus/ information statement, Adicet was in compliance with such covenants and had no indebtedness outstanding under the Loan Agreement.

Future Funding Requirements

Adicet has incurred losses of $4.5 million and $4.1 million for the three months ended March 31, 2020 and 2019, respectively, and $28.1 million and $9.3 million for the years ended December 31, 2019 and 2018, respectively. As of March 31, 2020, Adicet had an accumulated deficit of $74.1 million.

As of March 31, 2020, Adicet had cash, cash equivalents and marketable debt securities of $64.4 million. Adicet believes that its cash, cash equivalents and marketable debt securities will not be sufficient for it to continue as a going concern for at least one year from the issuance date of Adicet's consolidated financial statements as of and for the year ended December 31, 2019 and Adicet's condensed consolidated financial statements as of and for the quarter ended March 31, 2020 included elsewhere in this proxy statement/prospectus/information statement. Adicet believes that this raises substantial doubt about its ability to continue as a going concern. As a result, Adicet will be required to raise additional capital, however, there can be no assurance as to whether additional financing will be available on terms acceptable to the company, if at all. If sufficient funds on acceptable terms are not available when needed, Adicet could be required to significantly reduce its operating expenses and delay, reduce the scope of, or eliminate one or more of its development programs. Failure to manage discretionary spending or raise additional financing, as needed, may adversely impact Adicet's ability to achieve its intended business objectives and have an adverse effect on its results of operations and future prospects.

Adicet's consolidated financial statements as of and for the year ended December 31, 2019 and condensed consolidated financial statements as of and for the quarter ended March 31, 2020 have been prepared assuming that it will continue as a going concern, which contemplates the realization of assets and the settlement of liabilities and commitments in the normal course of business. Adicet's consolidated financial statements as of and for the year ended December 31, 2019 and Adicet's condensed consolidated financial statements as of and for the quarter ended March 31, 2020 do not reflect any adjustments relating to the recoverability and reclassifications of assets and liabilities that might be necessary if Adicet is unable to continue as a going concern.

All of Adicet's revenue to date is generated from the Regeneron Agreement, which is a collaboration and license agreement. Adicet does not expect to generate any significant product revenue until it obtains regulatory approval of and commercialize any of Adicet's product candidates or enter into additional collaborative agreements with third parties, and it does not know when, or if, either will occur. Adicet expects to continue to incur significant losses for the foreseeable future, and it expects the losses to increase as the company continues the development of, and seek regulatory approvals for, its product candidates and begin to commercialize any approved products. Adicet is subject to all of the risks typically related to the development of new product candidates, and it may encounter unforeseen expenses, difficulties, complications, delays and other unknown factors that may adversely affect its business.

Adicet will continue to require additional capital to develop its product candidates and fund operations for the foreseeable future. Adicet may seek to raise capital through private or public equity or debt financings, collaborative or other arrangements with corporate sources, or through other sources of financing. Adicet anticipates that it will need to raise substantial additional capital, the requirements for which will depend on many factors, including:

- the scope, timing, rate of progress and costs of Adicet's drug discovery efforts, preclinical development activities, laboratory testing and clinical trials for Adicet's product candidates;
- the number and scope of clinical programs Adicet decides to pursue;
- the cost, timing and outcome of preparing for and undergoing regulatory review of Adicet's product candidates;
- the scope and costs of development and commercial manufacturing activities;
- the cost and timing associated with commercializing Adicet's product candidates, if they receive marketing approval;
- the extent to which Adicet acquires or in-license other product candidates and technologies;
- the costs of preparing, filing and prosecuting patent applications, maintaining and enforcing Adicet's intellectual property rights and defending intellectual property-related claims;
- Adicet's ability to establish and maintain collaborations on favorable terms, if at all;
- Adicet's efforts to enhance operational systems and its ability to attract, hire and retain qualified personnel, including personnel to support the development of Adicet's product candidates and, ultimately, the sale of its products, following FDA approval;
- Adicet's implementation of operational, financial and management systems;
- the impact of the COVID-19 pandemic on U.S. and global economic conditions that may impact Adicet's ability to access capital on terms anticipated, or at all; and
- after the consummation of the merger, the costs associated with being a public company.

A change in the outcome of any of these or other variables with respect to the development of any of Adicet's product candidates could significantly change the costs and timing associated with the development of that product candidate. Furthermore, Adicet's operating plans may change in the future, and it will continue to require additional capital to meet operational needs and capital requirements associated with such operating plans.

Adequate funding may not be available to Adicet on acceptable terms or at all. Adicet's failure to raise capital as and when needed could have a negative impact on its financial condition and Adicet's ability to pursue its business strategies. If Adicet is unable to raise additional funds when needed, it may be required to delay, reduce, or terminate some or all of Adicet's development programs and clinical trials or it may also be required to sell or license to others rights to Adicet's product candidates in certain territories or indications that it would prefer to develop and commercialize itself. If Adicet is required to enter into collaborations and other arrangements to supplement its funds, Adicet may have to give up certain rights that limit its ability to develop and commercialize Adicet's product candidates or may have other terms that are not favorable to it or its stockholders, which could materially affect Adicet's business and financial condition.

See the section of this proxy statement/prospectus/information statement titled "*Risk Factors—Risks Related to Adicet*" for additional risks associated with Adicet's substantial capital requirements.

Summary Statement of Cash Flows

The following table sets forth the primary sources and uses of Adicet's cash, cash equivalents, and restricted cash for each of the periods presented below (in thousands):

	Three Months Ended March 31,		Year Ended December 31,	
	2020	2019	2019	2018
Net cash (used in) provided by:				
Operating activities	$(8,352)	$(7,635)	$(27,882)	$(18,180)
Investing activities	4,445	369	(47,931)	(16,058)
Financing activities	42	9	76,945	11,046
Net (decrease) increase in cash, cash equivalents and restricted cash	$(3,865)	$(7,257)	$ 1,132	$(23,192)

Cash Flows from Operating Activities

Net cash used in operating activities was $8.4 million for the three months ended March 31, 2020. Cash used in operating activities was primarily due to the use of funds in Adicet's operations to develop its product candidates resulting in a net loss of $4.5 million, adjusted for an increase in prepaid expenses and other current assets of $3.0 million, and a decrease in contract liabilities of $2.0 million, partially offset by non-cash charges for depreciation expense of $0.3 million, stock-based compensation expense of $0.3 million, an increase in accounts payable of $0.3 million and an increase in accrued and other current liabilities of $0.6 million. The increase in prepaid expenses and other current assets and increases in accounts payable and accrued and other liabilities resulted from the timing of payments to Adicet's service providers.

Net cash used in operating activities was $7.6 million for the three months ended March 31, 2019. Cash used in operating activities was primarily due to the use of funds in Adicet's operations to develop its product candidates resulting in a net loss of $4.1 million, adjusted for a decrease in contract liabilities of $2.8 million, and a decrease in accrued and other current liabilities of $1.3 million, partially offset by depreciation expense of $0.3 million and stock-based compensation expense of $0.3 million. The increase in prepaid expenses and other current assets and decrease in accounts payable and accrued and other current liabilities resulted from the timing of payments to Adicet's service providers.

Net cash used in operating activities was $27.9 million for the year ended December 31, 2019. Cash used in operating activities was primarily due to the use of funds in Adicet's operations to develop its product candidates resulting in a net loss of $28.1 million, adjusted for a change in fair value of redeemable convertible preferred stock tranche liability and TRDF liability of $2.0 million, a change in fair value of redeemable convertible preferred stock warrant liability of $0.3 million, a decrease in contract liabilities of $1.0 million, and a decrease

in accrued and other current liabilities of $0.4 million, partially offset by depreciation expense of $1.2 million, stock-based compensation expense of $1.2 million, a decrease in prepaid expenses and other current assets of $1.4 million, and an increase in accounts payable of $0.5 million. The decrease in prepaid expenses and other current assets, decrease in accrued and other current liabilities, and increase in accounts payable resulted from the timing of payments to Adicet's service providers.

Net cash used in operating activities was $18.2 million for the year ended December 31, 2018. Cash used in operating activities was primarily due to the use of funds in Adicet's operations to develop its product candidates resulting in a net loss of $9.3 million, adjusted for a non-cash change in fair value of redeemable convertible preferred stock tranche liability and TRDF liability of $4.5 million, a decrease in contract liabilities of $3.2 million, an increase in prepaid expenses and other current assets of $2.8 million, a decrease in accrued and other current liabilities of $1.3 million, a decrease in accounts payable of $0.3 million, and an increase in other non-current assets of $0.3 million, partially offset by non-cash depreciation expense of $1.2 million and stock-based compensation expense of $2.5 million. The increase in prepaid expenses and other current assets and decreases in accounts payable and accrued and other current liabilities resulted from the timing of payments to Adicet's service providers.

Cash Flows from Investing Activities

Net cash provided by investing activities was $4.4 million for the three months ended March 31, 2020, which consisted of proceeds from maturities of marketable debt securities of $10.4 million, partially offset by purchases of marketable debt securities of $5.7 million and purchases of property and equipment of $0.3 million.

Net cash provided by investing activities was $0.4 million for the three months ended March 31, 2019, which consisted of proceeds from maturities of marketable debt securities of $3.0 million, partially offset by purchases of marketable debt securities of $2.4 million and purchases of property and equipment of $0.2 million.

Net cash used in investing activities was $47.9 million for the year ended December 31, 2019, which related to purchases of marketable debt securities of $76.1 million and purchases of property and equipment of $1.1 million, partially offset by proceeds from maturities of marketable debt securities of $29.1 million.

Net cash used in investing activities was $16.1 million for the year ended December 31, 2018, which related to purchases of marketable debt securities of $15.2 million and purchases of property and equipment of $0.9 million.

Cash Flows from Financing Activities

Net cash provided by financing activities was less than $0.1 million for the three months ended March 31, 2020, due to cash proceeds of less than $0.1 million from exercise of stock options.

Net cash provided by financing activities was less than $0.1 million for the three months ended March 31, 2019, primarily due to cash proceeds from the exercise of stock options.

Net cash provided by financing activities was $76.9 million for the year ended December 31, 2019, primarily due to net proceeds from the sale of Series B redeemable convertible preferred stock.

Net cash provided by financing activities was $11.0 million for the year ended December 31, 2018, due to net proceeds from the sale of Series A redeemable convertible preferred stock of $10.8 million and cash proceeds of $0.2 million from exercise of stock options.

Contractual Obligations and Commitments

The following table summarizes Adicet's contractual obligations as of December 31, 2019 (in thousands):

	Payments Due by Period				
	Less than 1 year	1 to 3 years	3 to 5 years	More than 5 years	Total
Operating lease obligations[1]	$ 2,721	$6,460	$5,680	$ 16,328	$31,189

(1) Adicet leases its office facility in Menlo Park, California under a non-cancellable operating leases with an expiration date of March 31, 2022 (subject to any optional extension),which lease was amended on September 30, 2019 to include additional office space, with an expiration date of March 31, 2021 (subject to any optional extension). On October 28, 2018, Adicet executed a non-cancelable lease agreement for a new office and laboratory facility in Redwood City that has not yet commenced with an expiration date of February 28, 2030. The minimum lease payments above do not include any related common area maintenance charges or real estate taxes.

Adicet enters into contracts in the normal course of business with CROs and CMOs for preclinical and clinical studies and testing, manufacture and supply of its preclinical materials and other services and products used for operating purposes. These contracts generally provide for termination following a certain period after notice, and therefore, Adicet believes that its non-cancelable obligations under these agreements are not material.

Critical Accounting Policies, Significant Judgments and Use of Estimates

Adicet's financial statements have been prepared in accordance with U.S. generally accepted accounting principles, ("U.S. GAAP"). The preparation of these financial statements requires Adicet to make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the date of the financial statements and the reported expenses incurred during the reporting periods. Adicet's estimates are based on its historical experience and on various other factors that Adicet believes are reasonable under the circumstances, the results of which form the basis for making judgments about the carrying value of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates under different assumptions or conditions. Adicet believes that the accounting policies discussed below are critical to understanding its historical and future performance, as these policies relate to the more significant areas involving management's judgments and estimates. For more detail on Adicet's critical accounting policies, see Note 2 "*Summary of Significant Accounting Policies*" to Adicet's audited financial statements included elsewhere in this proxy statement/prospectus/information statement.

Revenue Recognition

Adicet's revenues are derived through the Regeneron Agreement and are accounted for in accordance with Accounting Standards Codification ("ASC") 606. The terms of the Regeneron Agreement include (1) a research license, (2) a collaboration invention license, (3) a trademark license, (4) research and development services during the research term, (5) manufacturing services to manufacture collaboration ICPs for the research programs, (6) participation in the joint research committee, and (7) information sharing during the research term. Adicet considered that the licenses granted under the Regeneron Agreement are not capable of being distinct and are not distinct from the research and development and manufacturing services within the context of the Regeneron Agreement, because 1) such licenses are for the research and development effort during the research term, unless Regeneron exercises its option under the Regeneron Agreement, 2) the research and development services significantly increase the utility of such licenses, and 3) research and development services require collaboration ICPs being manufactured. Specifically, the licenses granted by Adicet can only provide benefit to Regeneron in combination with the research and development and manufacturing services provided by Adicet, to discover the collaboration ICPs. Similarly, the participation in the joint research committee and information sharing are not capable of being distinct and are not distinct from the research and development and manufacturing services within the context of the agreement, because the participation in the joint research committee is for monitoring and governing of the research and development efforts and the information sharing is for sharing results of such research and development efforts. Therefore, Adicet concluded all of the above promises are combined into a single performance obligation.

Adicet received a non-refundable upfront payment of $25.0 million from Regeneron upon execution of the Regeneron Agreement, and has received an aggregate of $10.0 million of additional payments for research funding from Regeneron as of March 31, 2020. In addition, Regeneron may have to pay Adicet additional amounts in the

future consisting of (i) an aggregate amount of up to $20.0 million for timely achieving certain milestones, including milestones related to an IND filing for an ICP to the clinical candidate to the first collaboration target and for the selection of a clinical candidate to the second collaboration target, and (ii) up to an aggregate of $100.0 million of option exercise fees, in each case as specified in the Regeneron Agreement. Regeneron must also pay Adicet high single digit royalties as a percentage of net sales for ICPs to targets for which it has exclusive rights, and low single digit royalties as a percentage of net sales on any non-ICP product comprising a target generated by Adicet through the use of Regeneron's proprietary mice. Adicet must pay Regeneron mid-single to low double digit of royalties as a percentage of net sales of ICPs to targets for which Adicet has exercised exclusive rights, and low to mid-single digit of royalties as a percentage of net sales of targeting moieties generated from Adicet's license to use Regeneron's proprietary mice. Royalties are payable until the longer of the expiration or invalidity of the licensed patent rights or a certain number of years from first commercial sale.

Adicet also evaluated whether the option provided to Regeneron represents a material right that would require separate deferral and recognition. The option exercise will provide Regeneron with a development and commercial license to develop and commercialize the optioned collaboration ICPs. Adicet concluded that the $25.0 million upfront payment to it was not negotiated to provide incremental discount for the future option fees payable upon Regeneron's exercise of the option.

Regeneron could decide not to exercise the option at its own discretion. The exercise of the option by Regeneron is not certain and is dependent on many factors, such as progress made on the specific option-eligible collaboration ICP, Regeneron's overall assessment of commercial feasibility of the further research, development and commercialization of the Option products, availability and cost of alternative programs and products. The option provides Regeneron with a license for intellectual property that will be improved from the inception of the Regeneron Agreement. In addition, the option fee is significant compared to the sum total of the upfront payment and research funding fees in the original Regeneron Agreement. Therefore, the company determined that the option provided to Regeneron does not represent a material right and that any potential exercise of the option should be accounted as a separate contract. Hence, upon the option exercise by Regeneron the option fee would be allocated to the development and commercial license which would be the only performance obligation in that separate contract, and recognized as revenue when control of the license rights is transferred to Regeneron.

As of March 31, 2020, it is not probable that Adicet will exercise its co-funding option for the optioned collaboration ICPs. If, as a result of changes in facts and circumstances, it becomes probable that Adicet will exercise its co-funding option for an optioned collaboration ICP, then Adicet will reassess the accounting of the option fees for such optioned collaboration ICP, including if the nature of its relationship with Regeneron has changed from customer-vendor to collaboration partners.

For revenue recognition purposes, Adicet determined that the duration of the contract is the same as the research term of five (5) years beginning on the execution of the Regeneron Agreement on July 29, 2016. The contract duration is defined as the period during which parties to the contract have present and enforceable rights and obligations. Adicet determined that Regeneron faces significant in-substance penalties were it to terminate the Regeneron Agreement prior to the end of the research term.

In order to determine the transaction price, Adicet evaluated all the payments and licenses to be received from Regeneron during the duration of the contract. At contract inception, Adicet determined a transaction price of the Regeneron Agreement consisting of the $25.0 million upfront payment and the aggregate research funding fees payable over the research term. Per the terms of the original Regeneron Agreement prior to the amendment effective from July 2019, the research funding fees were payable merely due to passage of time and therefore did not represent a variable consideration. After the amendment became effective in July 2019, certain of these fees became contingent upon Adicet meeting certain development and regulatory milestones. Therefore, Adicet concluded that after the amendment such potential payments became variable consideration, the receipt of which was subject to substantial uncertainty and therefore excluded from the transaction price upon the effective date of the amendment. As a result, Adicet recorded $6.6 million as a reduction to cumulative revenue recognized prior to the amendment effective date. Adicet will re-evaluate the transaction price if there is a significant change in facts and circumstances but at least at the end of each reporting period.

Adicet also considered the existence of any significant financing component within the Regeneron Agreement given its upfront payment structure. Based upon this assessment, Adicet concluded that the up-front payment was provided for valid business reasons and not for the purpose of providing financing. The reason for the initial advance payment at the beginning of the contract is not to provide financing to Adicet, but to ensure Regeneron's commitment to the contract and to provide assurance that the customer will perform its obligations under the contract. Accordingly, Adicet has concluded that the upfront payment structure of the Regeneron Agreement does not result in the existence of a significant financing component.

The royalty payments will be recognized when the related sales occur as they were determined to relate predominantly to the intellectual property licenses granted to Regeneron and therefore have also been excluded from the transaction price.

Adicet has determined that the combined performance obligation is satisfied over time. ASC 606 requires Adicet to select a single revenue recognition method for the performance obligation that depicts Adicet's performance in transferring control of the services. Accordingly, Adicet utilizes a cost-based input method to measure proportional performance and to calculate the corresponding amount of revenue to recognize. Adicet believes this is the best measure of progress because it reflects how Adicet transfers its performance obligation to Regeneron. In applying the cost-based input method of revenue recognition, Adicet uses actual costs incurred relative to budgeted costs to fulfill the combined performance obligation. These costs consist primarily of internal full-time equivalent effort and third-party contract costs. Revenue is recognized based on actual costs incurred as a percentage of total budgeted costs as Adicet completes its performance obligations over the research term of five years. A cost-based input method of revenue recognition requires management to make estimates of costs to complete Adicet's performance obligations. In making such estimates, significant judgment is required to evaluate assumptions related to cost estimates. The cumulative effect of revisions to estimated costs to complete Adicet's performance obligations will be recorded in the period in which changes are identified and amounts can be reasonably estimated. A significant change in these assumptions and estimates could have a material impact on the timing and amount of revenue recognized in future periods.

Payments or reimbursements for Adicet's research and development efforts where such efforts are considered as performance obligation are recognized as the services are performed and are presented on a gross basis.

Upfront payments are recorded as contract liabilities upon receipt or when due and require deferral of revenue recognition to a future period until Adicet performs its obligations under these arrangements. Amounts payable to Adicet are recorded as accounts receivable when its right to consideration is unconditional. Adicet does not assess whether a contract has a significant financing component if the expectation at contract inception is such that the period between payment by the customer and the transfer of the promised goods or services to the customer will be one year or less.

For arrangements that include sales-based royalties, including milestone payments based on the level of sales, and the license is deemed to be the predominant item to which the royalties relate, Adicet recognizes revenue at the later of (i) when the related sales occur, or (ii) when the performance obligation to which some or all of the royalty has been allocated has been satisfied (or partially satisfied). To date, Adicet has not recognized any royalty revenue resulting from its license and collaboration arrangement.

Accrued Research and Development

Adicet has entered into various agreements with CMOs and CROs. Adicet's research and development accruals are estimated based on the level of services performed, progress of the studies, including the phase or completion of events, and contracted costs. The estimated costs of research and development provided, but not yet invoiced, are included in accrued and other current liabilities on the consolidated balance sheet. If the actual timing of the performance of services or the level of effort varies from the original estimates, Adicet will adjust the accrual

accordingly. Payments made to CMOs and CROs under these arrangements in advance of the performance of the related services are recorded as prepaid expenses and other current assets on the consolidated balance sheets until the services are rendered. To date, Adicet's estimated accruals have not differed materially from the actual costs.

Stock-Based Compensation

Adicet uses a fair value-based method to account for all stock-based compensation arrangements with employees and non-employees, including stock options and restricted stock awards. Adicet's determination of the fair value of stock options on the date of grant utilizes the Black-Scholes option pricing model. The fair value of the option granted is recognized on a straight-line basis over the period during which an optionee is required to provide services in exchange for the option award, known as the requisite service period, which usually is the vesting period. Adicet accounts for forfeitures as they occur. In determining fair value of the stock options granted, Adicet uses the Black–Scholes option-pricing model, which requires the input of subjective assumptions. These assumptions include: estimating the length of time employees will retain their vested stock options before exercising them (expected term), the estimated volatility of Adicet's common stock price over the expected term (expected volatility), risk-free interest rate and expected dividends. Changes in the following assumptions can materially affect the estimate of fair value and ultimately how much stock-based compensation expense is recognized; and the resulting change in fair value, if any, is recognized in Adicet's consolidated statement of operations and comprehensive loss during the period the related services are rendered. These inputs are subjective and generally require significant analysis and judgment to develop. Changes in the following assumptions can materially affect the estimate of the fair value of stock-based compensation:

- *Expected Term*—The expected term is calculated using the simplified method which is used when there is insufficient historical data about exercise patterns and post-vesting employment termination behavior. 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 mid-point between the vesting date and the maximum contractual expiration date is used as the expected term under this method. For awards with multiple vesting-tranches, the times from grant until the mid-points for each of the tranches may be averaged to provide an overall expected term.
- *Expected Volatility*—Adicet uses an average historical stock price volatility of a peer group of comparable publicly traded companies in biotechnology and pharmaceutical related industries to be representative of its expected future stock price volatility, as it does not have any trading history for its common stock. For purposes of identifying these peer companies, Adicet considers the industry, stage of development, size and financial leverage of potential comparable companies. For each grant, Adicet measures historical volatility over a period equivalent to the expected term.
- *Risk-Free Interest Rate*—The risk-free interest rate is based on the implied yield currently available on U.S. Treasury zero-coupon issues with a remaining term equivalent to the expected term of the stock award.
- *Expected Dividend Rate*—Adicet has not paid and does not anticipate paying dividends in the near future. Accordingly, Adicet estimates the dividend yield to be zero.

Common Stock Valuations

The estimated fair value of the common stock underlying Adicet's stock options and stock awards was determined at each grant date by its board of directors, with input from management and a third-party valuation specialist. All options to purchase shares of Adicet's common stock are intended to be exercisable at a price per share not less than the per-share fair value of its common stock underlying those options on the date of grant.

In the absence of a public trading market for Adicet's common stock, on each grant date, Adicet develops an estimate of the fair value of its common stock based on the information known to Adicet on the date of grant, upon a review of any recent events and their potential impact on the estimated fair value per share of the common stock, and valuations from an independent third-party valuation firm.

Adicet's valuations of its common stock were determined in accordance with the guidelines outlined in the *American Institute of Certified Public Accountants Practice Aid, Valuation of Privately-Held-Company Equity Securities Issued as Compensation*, or the Practice Aid.

The assumptions used to determine the estimated fair value of Adicet's common stock are based on numerous objective and subjective factors, combined with management judgment, including:

- external market conditions affecting the pharmaceutical and biotechnology industry and trends within the industry;
- Adicet's stage of development and business strategy;
- the rights, preferences and privileges of Adicet's redeemable convertible preferred stock relative to those of its common stock;
- the prices at which Adicet sold shares of its redeemable convertible preferred stock;
- Adicet's financial condition and operating results, including its levels of available capital resources;
- the progress of Adicet's research and development efforts;
- equity market conditions affecting comparable public companies; and
- general U.S. market conditions and the lack of marketability of Adicet's common stock.

The Practice Aid identifies various available methods for allocating enterprise value across classes and series of capital stock to determine the estimated fair value of common stock at each valuation date. In accordance with the Practice Aid, Adicet considered the following methods:

- *Option Pricing Method.* Under the option pricing method, or OPM, shares are valued by creating a series of call options with exercise prices based on the liquidation preferences and conversion terms of each equity class. The estimated fair values of the preferred and common stock are inferred by analyzing these.
- *Probability-Weighted Expected Return Method.* The probability-weighted expected return method, or PWERM, is a scenario-based analysis that estimates value per share based on the probability-weighted present value of expected future investment returns, considering each of the possible outcomes available to Adicet, as well as the economic and control rights of each share class.

Based on Adicet's early stage of development and other relevant factors, Adicet determined that the OPM method as well as a hybrid approach of the OPM and the PWERM methods were the most appropriate methods for allocating Adicet's enterprise value to determine the estimated fair value of its common stock. In determining the estimated fair value of Adicet's common stock, its board of directors also considered the fact that Adicet's stockholders could not freely trade its common stock in the public markets. Accordingly, Adicet applied discounts to reflect the lack of marketability of its common stock based on the weighted-average expected time to liquidity. The estimated fair value of Adicet's common stock at each grant date reflected a non-marketability discount partially based on the anticipated likelihood and timing of a future liquidity event.

Following the completion of the merger, the fair value of Adicet's common stock will be based on the closing quoted market price of the common stock of the combined company on the date of grant.

Income Taxes

Adicet provides for income taxes under the asset and liability method. Current income tax expense or benefit represents the amount of income taxes expected to be payable or refundable for the current year. Deferred income tax assets and liabilities arise due to differences between when assets or liabilities are recognized for tax purposes and when they are recognized for financial reporting purposes. Net operating losses and credit carryforwards are also deferred tax assets. Deferred tax assets and liabilities are measured using the enacted tax

rates and laws that will be in effect when such items are expected to reverse. Deferred income tax assets are reduced, as necessary, by a valuation allowance when management determines it is more likely than not that some or all of the tax benefits will not be realized.

Adicet assesses all material positions taken in any income tax return, including all significant uncertain positions, in all tax years that are still subject to assessment or challenge by relevant taxing authorities. Assessing an uncertain tax position begins with the initial determination that the position meets the more-likely-than-not threshold and is measured at the largest amount of benefit that is greater than fifty percent likely of being realized upon ultimate settlement.

As of each balance sheet date, unresolved uncertain tax positions must be reassessed, and Adicet will determine whether the factors underlying the more-likely-than-not threshold assertion have changed and the amount of the recognized tax benefit is still appropriate. The recognition and measurement of tax benefits requires significant judgment. Judgments concerning the recognition and measurement of a tax benefit might change as new information becomes available.

Utilization of the net operating loss carryforwards and research and development tax credit carryforwards may be subject to an annual limitation under Section 382 of the Internal Revenue Code of 1986, and corresponding provisions of state law, due to ownership changes that have occurred previously or that could occur in the future. These ownership changes may limit the amount of carryforwards that can be utilized annually to offset future taxable income. In general, an ownership change, as defined by Section 382, results from transactions increasing the ownership of certain shareholders or public groups in the stock of a corporation by more than 50% over a three-year period. The Company has not conducted a study to assess whether a change of control has occurred or whether there have been multiple changes of control since inception due to the significant complexity and cost associated with such a study. If the Company has experienced a change of control, as defined by Section 382, at any time since inception, utilization of the net operating loss carryforwards or research and development tax credit carryforwards would be subject to an annual limitation under Section 382, which is determined by first multiplying the value of the Company's stock at the time of the ownership change by the applicable long-term tax-exempt rate, and then could be subject to additional adjustments, as required. Any limitation may result in expiration of a portion of the net operating loss carryforwards or research and development tax credit carryforwards before utilization. Further, until a study is completed and any limitation is known, no amounts are being presented as an uncertain tax position.

As of December 31, 2019, Adicet had unrecognized tax benefits of $0.8 million related to the transfer of certain intellectual property from its Israeli subsidiary to the parent company, none of which would affect Adicet's effective tax rate if recognized due to full valuation allowance. It is unlikely that the amount of liability for unrecognized tax benefits will significantly change over the next 12 months.

Adicet recognizes interest expense and penalties related to the above unrecognized tax benefits within income tax expense (benefit). Management determined that no accrual for interest and penalties was required as of December 31, 2019.

Redeemable Convertible Preferred Stock

Adicet records all shares of its redeemable convertible preferred stock at their respective fair values on the dates of issuance, net of issuance costs, if applicable. Adicet's redeemable convertible preferred stock is recorded outside of permanent equity because while it is not mandatorily redeemable, in certain events considered not solely within its control, such as a merger, acquisition, or sale of all or substantially all of the company's assets (each, a "deemed liquidation event"), Adicet's redeemable convertible preferred stock will become redeemable at the option of the holders of at least a majority of the then outstanding shares. Adicet has not adjusted the carrying values of its redeemable convertible preferred stock to its liquidation preference because a deemed liquidation event obligating Adicet to pay the liquidation preferences to holders of shares of redeemable convertible preferred stock is not probable of occurring. Subsequent adjustments to the carrying values to the liquidation preferences will be made only when it becomes probable that such a deemed liquidation event will occur.

Redeemable Convertible Preferred Stock Tranche Liability

Adicet determined that its obligations to issue additional shares of redeemable convertible preferred stock upon the achievement of certain milestones or at the option of the respective holders of such shares represented freestanding financial instruments. These instruments were initially measured at fair value and were subject to remeasurement with changes in fair value recognized in other income, net in the consolidated statements of operations and comprehensive loss until they were exercised, terminated or settled.

Redeemable Convertible Preferred Stock Warrants

Adicet's redeemable convertible preferred stock warrants require liability classification and accounting as the underlying redeemable convertible preferred stock is considered contingently redeemable and may obligate Adicet to transfer assets to the holders at a future date upon the occurrence of a deemed liquidation event. The warrants are recorded at fair value upon issuance and are subject to remeasurement to fair value at each balance sheet date, with any changes in fair value recognized in other income, net in the consolidated statements of operations and comprehensive loss. Adicet will continue to adjust the warrant liability for changes in fair value until the earlier of the exercise or expiration of the redeemable convertible preferred stock warrants, the occurrence of a deemed liquidation event or the conversion of redeemable convertible preferred stock into common stock.

Off-Balance Sheet Arrangements

Since Adicet's inception, it has not engaged in any off-balance sheet arrangements.

Indemnification Agreements

Adicet enters into standard indemnification arrangements in the ordinary course of business. Pursuant to these arrangements, Adicet indemnify, hold harmless and agrees to reimburse the indemnified parties for losses suffered or incurred by the indemnified party, including in connection with any trade secret, copyright, patent or other intellectual property infringement claim by any third-party with respect to its technology. The term of these indemnification agreements is generally perpetual any time after the execution of the agreement. The maximum potential amount of future payments Adicet could be required to make under these arrangements is not determinable. Adicet has never incurred costs to defend lawsuits or settle claims related to these indemnification agreements. As a result, Adicet believes the fair value of these agreements is minimal.

Adicet has also agreed to indemnify its directors and officers for certain events or occurrences while the director or officer is, or was serving, at the company's request in such capacity. The indemnification period covers all pertinent events and occurrences during the director's or officer's service. The maximum potential amount of future payments Adicet could be required to make under these indemnification agreements is not specified in the agreements; however, the company has director and officer insurance coverage that reduces its exposure and enables Adicet to recover a portion of any future amounts paid. Adicet believes the estimated fair value of these indemnification agreements in excess of applicable insurance coverage is minimal.

Recent Accounting Pronouncements

See the section titled "*Summary of Significant Accounting Policies*" in Note 2 to Adicet's audited financial statements included elsewhere in this proxy statement/prospectus/information statement for additional information.

Quantitative and Qualitative Disclosures about Market Risk

Interest Rate Sensitivity

The market risk inherent in Adicet's financial instruments and in its financial position represents the potential loss arising from adverse changes in interest rates. As of March 31, 2020, Adicet had cash and cash equivalents and marketable debt securities of $64.4 million, consisting of interest-bearing money market funds, asset-backed securities, corporate debt securities, commercial paper, and U.S. Government agency bonds, for which the fair value would be affected by changes in the general level of U.S. interest rates. However, due to the short-term

maturities and the low-risk profile of Adicet's cash equivalents, an immediate 10% relative change in interest rates would not have a material effect on the fair value of its cash equivalents or on its future interest income.

Adicet does not believe that inflation, interest rate changes or foreign currency exchange rate fluctuations have had a significant impact on its results of operations for any periods presented herein.

Internal Control Over Financial Reporting

During the preparation of Adicet's consolidated financial statements as of and for the years ended December 31, 2019 and 2018, the company identified material weaknesses in its internal control over financial reporting. A company's internal control over financial reporting is a process designed by, or under the supervision of, a company's principal executive and principal financial officers, or persons performing similar functions, and effected by a company's board of directors, management and other personnel to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements in accordance with generally accepted accounting principles. 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 Adicet's annual or interim financial statements will not be prevented or detected and corrected on a timely basis.

In connection with the audit of Adicet's financial statements as of and for the years ended December 31, 2019 and 2018, Adicet identified material weaknesses in its internal control over financial reporting. The material weaknesses Adicet identified were as follows:

(i) Adicet did not design or maintain an effective control environment commensurate with its financial reporting requirements due to lack of a sufficient number of accounting professionals with the appropriate level of experience and training;

(ii) Adicet did not design and maintain formal accounting policies, procedures and controls to achieve complete, accurate and timely financial accounting, reporting and disclosures, and monitoring controls maintained at the corporate level were not at a sufficient level of precision to provide for the appropriate level of oversight of activities related to its internal control over financial reporting;

(iii) Adicet did not design and maintain effective controls over segregation of duties with respect to the preparation and review of account reconciliations as well as creating and posting manual journal entries; and

(iv) Adicet did not design and maintain formal accounting policies, processes and controls to analyze, account for and disclose complex transactions.

Remediation of Material Weaknesses in Internal Control over Financial Reporting

Adicet's management, under the supervision of its Chief Executive Officer and Chief Financial Officer, has undertaken a plan to remediate the material weaknesses identified above. The remediation efforts summarized below, which are either implemented or in the process of being implemented, are intended to address the identified material weaknesses.

- Adicet has engaged a temporary Corporate Controller, and is actively seeking to engage a permanent Corporate Controller, whose primary responsibilities include working with third-party consultants to improve the design, implementation, execution and supervision of the company's internal control over financial reporting, including development of formal accounting policies, procedures and controls;
- Ensure key accounting personnel have appropriate training;
- Implement formalized training of accounting personnel responsible for preparation and review of account reconciliations and the posting and reviewing manual journal entries, to be held on a periodic basis, and ensure appropriate segregation of duties are implemented; and
- Following the merger, engage additional accounting staff with appropriate experience, certification, education and training with respect to public company accounting.

MANAGEMENT FOLLOWING THE MERGER

Executive Officers and Directors of the Combined Company Following the Merger

Following the merger, the resTORbio Board is expected to consist of seven directors. Pursuant to the merger agreement, all of the current directors of resTORbio, other than Chen Schor, who is expected to act as the Chief Executive Officer of the combined company, and Jeffrey Chodakewitz, the designee selected by resTORbio to remain on the resTORbio Board, will resign from the resTORbio Board effective and contingent upon the closing of the merger. Such remaining directors will then elect, effective as of the effective time of the merger, up to five designees selected by Adicet, each to serve as members of the resTORbio Board until each of their respective successors are duly elected or appointed and qualified or their earlier death, resignation or removal.

Other than pursuant to the merger agreement, there are no arrangements or understanding between any of the expected directors or executive officers of the combined company and any other person pursuant to which he or she was or is to be selected as a director or executive officer. There are no family relationships between any of the expected directors or executive officers of the combined company.

The following table provides information regarding the expected directors and executive officers of the combined company following the closing of the merger, with one additional member of the combined company's board expected to be designated by Adicet at least 15 days prior to the special meeting of resTORbio stockholders:

Name	Age	Position
Executive Officers		
Chen Schor	48	Chief Executive Officer, President, Secretary and Director
Stewart Abbot	53	Senior Vice President, Chief Scientific Officer and Chief Operating Officer
Francesco Galimi	53	Senior Vice President and Chief Medical Officer
Lloyd Klickstein	63	Chief Innovation Officer
Carrie Krehlik	52	Senior Vice President and Chief Human Resource Officer
Non-Employee Directors		
Jeffrey Chodakewitz	65	Director
Erez Chimovits	56	Director
Carl Gordon	55	Director
Aya Jakobovits	68	Director
Yair Schindel	45	Director

Executive Officers

Chen Schor, Chief Executive Officer, President, Secretary and Director

Mr. Schor has served as resTORbio's President and Chief Executive Officer and as a member of the resTORbio Board since its incorporation in July 2016. Mr. Schor previously served as President, Chief Executive Officer and director of Synta Pharmaceuticals Corp. from May 2015 until its merger with Madrigal Pharmaceuticals in July 2016, and prior to that, from 2014 until 2016, Mr. Schor served as its Executive Vice President and Chief Operation Officer. From September 2012 to December 2014, Mr. Schor served as President and Chief Executive Officer of Novalere FP, Inc., a pre-commercial stage allergy therapeutics company. From September 2011 to October 2012, Mr. Schor served as Chief Business Officer of Eleven Biotherapeutics, an emerging therapeutics company. From March 2009 until September 2011, Mr. Schor served as Vice President of Business Development, global branded products at Teva Pharmaceuticals. Mr. Schor received his M.B.A. from Tel Aviv University, a B.A. in Economics and Accounting from Haifa University and a B.A. in Biology from Tel Aviv University. Mr. Schor was selected to serve on the board of the combined company due to his expected service as the President and Chief Executive Officer of the combined organization and his extensive industry knowledge.

Stewart Abbot, Ph.D., Senior Vice President, Chief Scientific Officer and Chief Operating Officer

Dr. Abbot has served as Adicet's Senior Vice President, Chief Scientific Officer and Chief Operating Officer since July 2018. From July 2015 to June 2018, Dr. Abbot served as the VP of Translational Research and Chief

Development Officer of Fate Therapeutics, Inc., a clinical-stage biopharmaceutical company developing cellular immunotherapies for cancer and immune disorders. From June 2007 to July 2015, Dr. Abbot held multiple positions at Celgene Cellular Therapeutics, where he assisted with various cell therapy research and development programs. From October 2003 to June 2007, Dr. Abbot held various positions at GE Healthcare Biosciences and GE Global Research. Dr. Abbot received a B.Sc. in Biological Sciences from Edinburg University, a M.Sc. in Biomedical Engineering from the University of Strathclyde, and a Ph.D. in Cell Biology and Pathology from the University of London.

Francesco Galimi, M.D., Ph.D., Senior Vice President and Chief Medical Officer

Dr. Galimi has served as Adicet's Senior Vice President, Chief Medical Officer in September 2019. Prior to Adicet, Dr. Galimi worked at Amgen Inc., where he served as Global Program General Manager, Early Development from 2015 to 2019. During his tenure at Amgen, he was responsible for the cross-functional strategy and execution of a portfolio of oncology programs, from pre-IND to late-stage. From 2014 to 2015, Dr. Galimi was the Head of Clinical Development at Onyx Pharmaceuticals Inc., where he led the Oncology Clinical Development Group. From 2011 to 2014 he served in leadership roles at the Genomics Institute of the Novartis Research Foundation, leading the early development of a portfolio of oncology programs. Dr. Galimi holds a M.D. from the University of Torino Medical School with a specialty certification in Medical Oncology, and a Ph.D. from the University of Torino Medical School.

Lloyd Klickstein, M.D., Ph.D., Chief Innovation Officer

Dr. Klickstein has served as resTORbio's Chief Scientific Officer since May 2019. Prior to joining resTORbio, Dr. Klickstein was Head of Translational Medicine for the New Indication Discovery Unit (NIDU) and the Exploratory Disease Area (Dax) at Novartis Institutes for Biomedical Research. Under his decade of leadership, NIDU & Dax teams carried multiple projects forward from target identification through clinical proof-of-concept in novel areas of drug development including liver disease, hearing loss and aging, among others. Prior to his 13 years at Novartis, Dr. Klickstein was an academic physician-scientist at Brigham & Women's Hospital (BWH) in Boston, where he directed an NIH-funded basic research laboratory and maintained an active clinical practice in the Arthritis Center. Dr. Klickstein received his B.S. degree from Tufts University, his M.D. and Ph.D. degrees from Harvard University, completed post-graduate clinical training in Internal Medicine, Rheumatology & Immunology at BWH and a post-doctoral research fellowship at the Center for Blood Research in Boston.

Carrie Krehlik, M.B.A., Senior Vice President and Chief Human Resources Officer

Ms. Krehlik has served as Adicet's Senior Vice President and Chief Human Resource Officer since November 2017. From July 2016 to November 2017, Ms. Krehlik served as a consultant to Blue Beyond Consulting. From July 2015 to June 2016, Ms. Krehlik served as the Vice President of Human Resources of ZS Pharma, Inc., a biopharmaceutical company developing therapies for ion imbalances. From December 2012 to March 2015, Ms. Krehlik served as the Vice President of Human Resources at InterMune, a biopharmaceutical company developing and commercializing therapies in pulmonology and orphan fibrotic diseases. Ms. Krehlik received a B.Sc. in Organizational Behavior from Miami University, and an MBA in International Business from San Francisco State University.

Non-Employee Directors

Carl Gordon, Ph.D., Director

Dr. Gordon has served as a member of the Adicet Board since August 2015. Dr. Gordon is a founding member, Managing Partner, and Co-Head of Global Private Equity at OrbiMed Advisors LLC, an investment firm. Dr. Gordon currently serves on the boards of directors of Turning Point Therapeutics, Inc., Keros Therapeutics, Inc., ORIC Pharmaceuticals, Inc., and Prevail Therapeutics, Inc. as well as several private companies. Dr. Gordon previously served on the boards of directors of Alector, Inc., X4 Pharmaceuticals, Inc. (formerly Arsanis, Inc.), Acceleron Pharma Inc., ARMO Biosciences, Inc., Intellia Therapeutics, Inc. Selecta Biosciences, Inc., Passage Bio, Inc., and SpringWorks Therapeutics Inc. Dr. Gordon received a B.A. in Chemistry from

Harvard College and a Ph.D. in Molecular Biology from the Massachusetts Institute of Technology and was a Fellow at The Rockefeller University. Dr. Gordon was selected to serve on the board of the combined company because of his venture capital experience, expertise in the scientific field of molecular biology and financial credentials.

Erez Chimovits, M.Sc., M.B.A., Director

Mr. Chimovits has served as a member of the Adicet Board since January 2016. Mr. Chimovits is a partner at OrbiMed Israel, a healthcare investment firm. He has extensive operational experience, including senior managerial experience at public companies. Prior to joining OrbiMed, he was Chief Executive Officer of NasVax Ltd. Previously, Mr. Chimovits served different roles at Compugen, as President of Compugen USA Inc. and as Executive Vice President in Commercial Operations. He currently serves as a member of the board of directors of LogicBio Therapeutics, Inc. and Novus Therapeutics, Inc. as well as several private companies. Mr. Chimovits earned his M.B.A., M.Sc. in Microbiology, and his B.Sc. from Tel Aviv University. Mr. Chimovits was selected to serve on the board of the combined company because of his venture capital experience, industry knowledge and extensive experience working for various pharmaceutical and biotechnology companies.

Aya Jakobovits, Ph.D., Director

Dr. Jakobovits founded Adicet, has served as a member of the Adicet Board since its incorporation in November 2014, and served as President and Chief Executive Officer of Adicet from its incorporation to February 2018. From February 2018 to February 2019, Dr. Jakobovits served as a senior strategic advisor to Adicet. Prior to starting Adicet, Dr. Jakobovits served as a Venture Partner with OrbiMed Advisors from 2011 to 2016. From September 2010 to December 2013, she served as President and Founding Chief Executive Officer of Kite Pharma Inc. From December 2007 to June 2010, she served as Executive Vice President, Head of Research and Development at Agensys Inc., an affiliate of Astellas Pharma, Inc. Before Agensys' acquisition by Astellas, she served as Agensys' Senior Vice President, Technology and Corporate Development and Chief Scientific Officer and led its research, development, clinical and corporate development operations from January 1999 to December 2007. Before Agensys, from 1966 to 1999, Dr. Jakobovits served as Director, Discovery Research and Principal Scientist at Abgenix Inc. which was spun out of Cell Genesys, Inc. in 1996 based on the XenoMouse® technology developed under her leadership. She joined Cell Genesys in 1989 and served ultimately as Director, Molecular Immunology. Dr. Jakobovits currently serves on the boards of directors of Dyve Biosciences Inc., Yeda Research and Development Co. Ltd. and the UCLA Technology Development Corporation. Dr. Jakobovits previously served on the boards of directors of cCAM therapeutics Ltd. from 2013 to 2015 and the Alliance for Cancer Gene Therapy from 2015 to 2019. Dr. Jakobovits received her B.Sc. from the Hebrew University of Jerusalem, her M.Sc. in Chemistry and Ph.D. in Life Sciences from the Weizmann Institute of Sciences, Israel, and was a postdoctoral fellow at University of California, San Francisco and at Genentech, Inc. Dr. Jakobovits was selected to serve on the board of directors of the combined company because of her expertise, experience, and track record in forming and growing successful companies and in developing immunotherapy platform technologies and oncology products.

Yair Schindel, M.B.A., M.D., Director

Dr. Schindel has served as a member of the Adicet Board since September 2019. Dr. Schindel is the Managing Partner and Co-Founder of aMoon Fund, an investment house focused on accelerating cure in healthcare and life sciences. Prior to his time at aMoon, Dr. Schindel was the founding CEO of "Digital Israel", the State of Israel's National Digital Bureau which was setup at the Prime Minister's Office to accelerate digital transformation nationally. Dr. Schindel was also the founder of the MAOZ Network, an NGO building collaboration between Israel's most influential public leaders. Dr. Schindel earned his BSc and MD degrees at Ben-Gurion University Goldman Medical School and his MBA at Harvard Business School. Dr. Schindel was selected to serve on the board of the combined company because of his venture capital experience and his past experience in the development and business strategy of multiple companies in the life sciences sector.

Jeffrey Chodakewitz, M.D., Director

Dr. Chodakewitz has served as a member of resTORbio's Board since August 2018. From April 2018 through March 2019, Dr. Chodakewitz served as Executive Vice President, Clinical Medicine and External Innovation, at Vertex Pharmaceuticals. Prior to that role, Dr. Chodakewitz held the roles of Chief Medical Officer and Executive Vice President, Global Medicines Development and Medical Affairs at Vertex from January 2014 to April 2018 and was a member of the Vertex Executive Committee. Prior to joining Vertex in January 2014, he spent over 20 years at Merck & Co., where he served in a number of positions including Head of Infectious Diseases and Vaccines Global Development from August 2013 to December 2013, Senior Vice President of Global Scientific Strategy (Infectious Disease, Respiratory & Immunology) from January 2013 to August 2013 and Senior Vice President of Late Stage Development from March 2011 to January 2013. Dr. Chodakewitz is a Diplomate of the National Board of Medical Examiners and the American Board of Internal Medicine (both Internal Medicine and Infectious Disease). Dr. Chodakewitz currently serves on the board of Tetraphase Pharmaceuticals, Inc. and Freeline Therapeutics Ltd. He holds a B.S in Biochemistry cum laude from Yale University and an M.D. from the Yale University School of Medicine. Dr. Chodakewitz was selected to serve on the board of the combined company because of his extensive experience working for various pharmaceutical and biotechnology companies.

Composition of the Board of Directors following the Merger

In addition to the above listed directors, Adicet is also currently interviewing potential candidates to join the combined company's board of directors following the merger.

The resTORbio Board is currently divided into three staggered classes, with each class serving a three-year term. The staggered structure of the resTORbio Board will remain in place for the combined company's board of directors following the completion of the merger. The terms of the combined company's Class I, Class II and Class III directors will expire upon the election and qualification of successor directors at the annual meetings of stockholders to be held in 2021, 2022 and 2023, respectively. Following the closing of the merger, the combined company's directors will be divided among the three classes as follows:

- The Class I directors will be: and
- The Class II directors will be: and
- The Class III directors will be: Jeffrey Chodakewitz, and

Director Nomination Process

resTORbio's nominating and corporate governance committee is responsible for identifying individuals qualified to serve as directors, consistent with criteria approved by the resTORbio Board, and recommending such persons to be nominated for election as directors, except where resTORbio is legally required by contract, law or otherwise to provide third parties with the right to nominate.

The process followed by resTORbio's nominating and corporate governance committee to identify and evaluate director candidates includes requests to board members and others for recommendations, meetings from time to time to evaluate biographical information and background material relating to potential candidates, and interviews of selected candidates by management, recruiters, members of the committee and the resTORbio Board. The qualifications, qualities and skills that the resTORbio nominating and corporate governance committee believes must be met by a committee recommended nominee for a position on the resTORbio Board are as follows:

- Nominees should demonstrate high standards of personal and professional ethics and integrity.
- Nominees should have proven achievement and competence in the nominee's field and the ability to exercise sound business judgment.
- Nominees should have skills that are complementary to those of the existing board.

- Nominees should have the ability to assist and support management and make significant contributions to the company's success.
- Nominees should have an understanding of the fiduciary responsibilities that is required of a member of the board of directors and the commitment of time and energy necessary to diligently carry out those responsibilities.

After the merger, the combined company is expected to have a similar director nomination process as resTORbio.

Director Independence

Applicable Nasdaq Stock Market LLC (referred to as "Nasdaq") rules require a majority of a listed company's board of directors to be comprised of independent directors within one year of listing. Such rules are currently applicable to resTORbio and will continue to be applicable to the combined company upon completion of the merger. In addition, the Nasdaq rules require that, subject to specified exceptions, each member of a listed company's audit, compensation and nominating and corporate governance committees be independent and that audit committee members also satisfy independence criteria set forth in Rule 10A-3 under the Exchange Act and that compensation committee members satisfy independence criteria set forth in Rule 10C-1 under the Exchange Act. Under applicable Nasdaq rules, a director will only qualify as an "independent director" if, in the opinion of the listed company's board of directors, that person does not have a relationship that would interfere with the exercise of independent judgment in carrying out the responsibilities of a director. In order to be considered independent for purposes of Rule 10A-3, a member of an audit committee of a listed company may not, other than in his or her capacity as a member of the audit committee, the board of directors, or any other board committee, accept, directly or indirectly, any consulting, advisory, or other compensatory fee from the listed company or any of its subsidiaries or otherwise be an affiliated person of the listed company or any of its subsidiaries. In addition, in affirmatively determining the independence of any director who will serve on a company's compensation committee, Rule 10C-1 under the Exchange Act requires that a company's board of directors must consider all factors specifically relevant to determining whether a director has a relationship to such company which is material to that director's ability to be independent from management in connection with the duties of a compensation committee member, including: the source of compensation to the director, including any consulting, advisory or other compensatory fee paid by such company to the director, and whether the director is affiliated with the company or any of its subsidiaries or affiliates.

The resTORbio Board has determined that all expected members of the board of directors of the combined company, except Mr. Chen, are independent directors, including for purposes of the rules of Nasdaq and the SEC. In making such independence determination, the resTORbio Board considered the relationships that each non-employee director has with resTORbio, Adicet and the combined company and all other facts and circumstances that the resTORbio Board deemed relevant in determining their independence, including the expected beneficial ownership of capital stock of the combined company after the merger by each non-employee director and the association of the expected directors of the combined company with the expected holders of more than 5% of the combined company's common stock. There are no family relationships between any of the expected directors or executive officers of the combined company. Mr. Chen is not an independent director under these rules because he will be an executive officer of the combined company.

Committees of the Board of Directors

resTORbio's Board has established an audit committee, a compensation committee, and a nominating and corporate governance committee. Each of the audit committee, compensation committee, and nominating and corporate governance committee operates under a charter that satisfies the applicable standards of the SEC and Nasdaq. Each such committee reviews its respective charter at least annually. A current copy of the charter for each of the audit committee, compensation committee, and nominating and corporate governance committee is posted on the corporate governance section of the resTORbio website, ir.restorbio.com/corporate-governance/governance-highlights.

After the completion of the merger, resTORbio's Board will continue to have an audit committee, a compensation committee, and a nominating and corporate governance committee.

Audit Committee

resTORbio's audit committee currently consists of Paul Fonteyne, Michael Grissinger and Lynne Sullivan, with Ms. Sullivan serving as the chair of the audit committee. The resTORbio's Board has determined that each member of the audit committee is "independent" for audit committee purposes as that term is defined in the rules of the SEC and the applicable Nasdaq rules, and each has sufficient knowledge in financial and auditing matters to serve on the audit committee. The resTORbio Board has designated Lynne Sullivan as an "audit committee financial expert," as defined under the applicable rules of the SEC. The audit committee's responsibilities include:

- appointing, approving the compensation of, and assessing the independence of resTORbio's independent registered public accounting firm;
- pre-approving auditing and permissible non-audit services, and the terms of such services, to be provided by resTORbio's independent registered public accounting firm;
- reviewing the overall audit plan with resTORbio's independent registered public accounting firm and members of management responsible for preparing resTORbio's financial statements;
- reviewing and discussing with management and resTORbio's independent registered public accounting firm resTORbio's annual and quarterly financial statements and related disclosures as well as critical accounting policies and practices used by resTORbio's;
- coordinating the oversight and reviewing the adequacy of resTORbio's internal control over financial reporting;
- establishing policies and procedures for the receipt and retention of accounting-related complaints and concerns;
- recommending based upon the audit committee's review and discussions with management and resTORbio's independent registered public accounting firm whether resTORbio's audited financial statements shall be included in its Annual Report on Form 10-K;
- monitoring the integrity of resTORbio's financial statements and its compliance with legal and regulatory requirements as they relate to resTORbio's financial statements and accounting matters;
- preparing the audit committee report required by SEC rules to be included in resTORbio's annual proxy statement;
- reviewing all related person transactions for potential conflict of interest situations and approving all such transactions; and
- reviewing quarterly earnings releases.

The audit committee of the combined company is expected to retain these duties and responsibilities following the completion of the merger.

Following completion of the merger, the members of the audit committee are expected to be , and . is expected to be the chair of the audit committee and its financial expert under the rules of the SEC. resTORbio's Board has concluded that the composition of the audit committee meets the requirements for independence under the rules and regulations of Nasdaq and the SEC. resTORbio and Adicet believe that, after completion of the merger, the functioning of the audit committee will comply with the applicable requirements of the rules and regulations of Nasdaq and the SEC.

Compensation Committee Interlocks and Insider Participation

resTORbio's compensation committee currently consists of Paul Fonteyne, Jonathan Silverstein and Jeffrey Chodakewitz, M.D., with Mr. Fonteyne serving as the chair of the compensation committee. The resTORbio Board has determined that each member of the compensation committee is "independent" as defined in the applicable Nasdaq rules. The compensation committee's responsibilities include:

- annually reviewing and recommending to the board of directors corporate goals and objectives relevant to the compensation of resTORbio's chief executive officer;
- evaluating the performance of resTORbio's chief executive officer in light of such corporate goals and objectives and determine the compensation of resTORbio's chief executive officer;
- reviewing and approving the compensation of resTORbio's other executive officers;
- reviewing and establishing resTORbio's overall management compensation, philosophy, and policy;
- reviewing and making recommendations to the board regarding resTORbio's compensation and similar plans;
- evaluating and assessing potential and current compensation advisors in accordance with the independence standards identified in the applicable Nasdaq rules;
- retaining and approving the compensation of any compensation advisors;
- reviewing and making recommendations to resTORbio's board of directors about its policies and procedures for the grant of equity-based awards;
- evaluating and making recommendations to the board of directors about director compensation;
- preparing the compensation committee report required by SEC rules, if and when required, to be included in resTORbio's annual proxy statement;
- reviewing and approving the retention or termination of any consulting firm or outside advisor to assist in the evaluation of compensation matters; and
- reviewing and discussing with the board of directors corporate succession plans for resTORbio's chief executive officers and its other key officers.

The compensation committee of the combined company is expected to retain these duties and responsibilities following completion of the merger.

Following the completion of the merger, the combined company's compensation committee is expected to be comprised of members. is expected to be the chairperson of the compensation committee, and and are expected to be the other members of the compensation committee. None of the expected executive officers of the combined company serves as a member of the board of directors or compensation committee of any entity that has one or more executive officers who is expected to serve on the combined organization's board of directors or compensation committee following the merger. resTORbio's Board has concluded that the composition of the compensation committee meets the requirements for independence under the rules and regulations of Nasdaq and the SEC. Adicet and resTORbio believe that, after completion of the merger, the composition of the compensation committee will meet the requirements for independence under current Nasdaq listing standards and SEC rules and regulations.

Nominating and Corporate Governance Committee

resTORbio's nominating and corporate governance committee currently consists of Paul Fonteyne, Jonathan Silverstein and Jeffrey Chodakewitz, M.D., with Mr. Silverstein serving as the chair of the nominating and corporate governance committee. The resTORbio Board has determined that each member of the nominating and

corporate governance committee is "independent" as defined in the applicable Nasdaq rules. The nominating and corporate governance committee's responsibilities include:

- developing and recommending to the board of directors criteria for board and committee membership;
- establishing procedures for identifying and evaluating board of director candidates, including nominees recommended by stockholders;
- reviewing the size and composition of the board of directors to ensure that it is composed of members containing the appropriate skills and expertise to advise resTORbio;
- identifying individuals qualified to become members of the board of directors;
- recommending to the board of directors the persons to be nominated for election as directors and to each of the board of directors' committees;
- developing and recommending to the board of directors a code of business conduct and ethics and a set of corporate governance guidelines; and
- overseeing the annual evaluation of resTORbio's board of directors and management.

The nominating and corporate governance committee of the combined company is expected to retain these duties and responsibilities following the completion of the merger.

Following the completion of the merger, the combined company's nominating and corporate governance committee is expected to be comprised of members. is expected to be the chairperson of the nominating and corporate governance committee, and and are expected to be the other members of the nominating and corporate governance committee. resTORbio's Board has determined that the composition of the nominating and corporate governance committee will meet the requirements for independence under current Nasdaq listing standards and SEC rules and regulations.

Code of Business Conduct and Ethics

resTORbio has adopted a written code of business conduct and ethics that applies to its directors, officers and employees, including its principal executive officer, principal financial officer, principal accounting officer or controller, or persons performing similar functions. A current copy of the code is posted on the corporate governance section of its website, which is located at ir.restorbio.com/corporate-governance/governance-highlights. If resTORbio makes any substantive amendments to, or grants any waivers from, the code of business conduct and ethics for any officer or director, it will disclose the nature of such amendment or waiver on its website or in a current report on Form 8-K.

Director Compensation

Other than as set forth below, for the fiscal year ended December 31, 2019, Adicet did not have a director compensation policy in place, nor did any non-employee director receive any compensation for serving on Adicet's board of directors. This policy did not change in 2020. Pursuant to a letter agreement between Adicet and Donald Santel, Adicet's executive chairman of the Adicet Board, Mr. Santel is entitled to cash compensation and stock options in exchange for his service as the executive chairman of the Adicet Board. Mr. Santel will not continue as an officer or director of the combined company following the closing of the merger. Adicet has historically provided reimbursement for reasonable out-of-pocket expenses incurred for attending meetings of the Adicet Board.

Following completion of the merger, it is expected that the combined organization will provide compensation to non-employee directors that is consistent with resTORbio's current practices, however, these director compensation policies may be re-evaluated by the combined company and the compensation committee

following completion of the merger and may be subject to change. Non-employee directors are expected to receive an annual retainer fee and equity compensation in the form of a stock option grant.

The table below shows all compensation earned by or paid to resTORbio's non-employee directors during the fiscal year ended December 31, 2019. Mr. Schor, resTORbio's chief executive officer, does not receive any compensation for his services as director and, consequently, is not included in this table. The compensation received by Mr. Schor during the fiscal year ended December 31, 2019 is set forth in the section entitled "*resTORbio Executive Compensation—Summary Compensation Table*" on page 360 of this proxy statement/prospectus/information statement.

Name	Fees Paid in Cash ($)(1)	Option Awards ($)(2)	Total ($)
Jeffrey Chodakewitz, M.D.(3)	44,000	91,562	135,562
Paul Fonteyne(4)	56,500	91,562	148,062
Michael Grissinger(5)	42,500	91,562	134,062
Jonathan Silverstein(6)	43,000	91,562	134,562
David Steinberg(7)	35,000	91,562	126,562
Lynne Sullivan(8)	50,000	91,562	141,562

(1) Amounts represent cash compensation for services rendered by each member of the resTORbio Board.
(2) Amounts shown reflect the grant date fair value of stock option awards granted during 2019. The grant date fair value was computed in accordance with Financial Accounting Standards Board Accounting Standards Codification Topic 718, or ASC Topic 718, Compensation — Stock Compensation, disregarding the effect of estimated forfeitures related to service-based vesting. These amounts reflect the accounting cost for the stock options and do not correspond to the actual economic value that may be received by the director upon exercise of the stock options. See Note 10 to the financial statements in resTORbio's Annual Report on Form 10-K for the year ended December 31, 2019 regarding assumptions made in determining the fair value of option awards ended December 31, 2019 regarding assumptions made in determining the fair value of option awards.
(3) As of December 31, 2019, Dr. Chodakewitz held 43,242 unexercised options.
(4) As of December 31, 2019, Mr. Fonteyne held 37,844 unexercised options.
(5) As of December 31, 2019, Mr. Grissinger held 43,242 unexercised options.
(6) As of December 31, 2019, Mr. Silverstein held 14,414 unexercised options.
(7) As of December 31, 2019, Mr. Steinberg held 14,414 unexercised options.
(8) As of December 31, 2019, Ms. Sullivan held 37,844 unexercised options.

Under resTORbio's director compensation program, resTORbio pays its non-employee directors a cash retainer for service on the resTORbio Board and for service on each committee on which the director is a member. The chairman of each committee receives a higher retainer for such service. These fees are payable in arrears in four equal quarterly installments on the last day of each quarter, provided that the amount of such payment is prorated for any portion of such quarter that the director is not serving on the resTORbio Board. The fees paid to non-employee directors for service on the resTORbio Board and for service on each committee of the resTORbio Board on which the director is a member are as follows:

	Member Annual Fee	Chairperson Additional Annual Fee
Board of Directors	$35,000	$ 30,000
Audit Committee	7,500	7,500
Compensation Committee	5,000	5,000
Nominating and Corporate Governance Committee	4,000	4,000

resTORbio also reimburses its non-employee directors for reasonable travel and out-of-pocket expenses incurred by its non-employee directors in connection with attending meetings of the resTORbio Board and committees thereof.

In addition, each new non-employee director elected to the resTORbio Board will be granted an option to purchase 28,828 shares of resTORbio common stock on the date of such director's election or appointment to the resTORbio Board, which will vest in the following manner, subject to the director's continued service on the resTORbio Board through such vesting date: 33% on the first anniversary of grant, then the remainder vesting ratably monthly over the following two years. On the date of each annual meeting of stockholders of resTORbio, each non-employee director will be granted an additional option to purchase 14,414 shares of resTORbio common stock, which will vest in the following manner, subject to the director's continued service on the resTORbio Board through such vesting date: in full upon the earlier to occur of the first anniversary of the date of grant or the date of the next annual meeting.

This program is intended to provide a total compensation package that enables resTORbio to attract and retain qualified and experienced individuals to serve as directors and to align resTORbio's directors' interests with those of resTORbio stockholders.

RESTORBIO EXECUTIVE COMPENSATION

resTORbio's President and Chief Executive Officer, Chen Schor, and Chief Scientific Officer, Lloyd Klickstein, MD., Ph.D., will each become an executive officer of the combined company, referred to in this section as resTORbio's "named executive officers" or "NEOs." Mr. Schor will continue as the President and Chief Executive Officer of the combined company and Dr. Klickstein will become the Chief Innovation Officer of the combined company.

Summary Compensation Table

The following table presents the compensation awarded to, earned by or paid to each of resTORbio's named executive officers for the years indicated.

Name and Principal Position	Year	Salary ($)	Stock Awards ($)(1)	Option Awards ($)(2)	Non-Equity Incentive Plan Compensation ($)(3)	All Other Compensation ($)(4)	Total ($)
Chen Schor	2019	479,167	436,880	1,664,646	189,150(5)	8,400	2,778,243
President and Chief Executive Officer	2018	443,201	—	2,418,450	225,000(6)	8,250	3,094,901
Lloyd Klickstein, M.D., Ph.D(7)	2019	248,182	150,142	1,933,455	77,675(5)	5,869	2,415,323
Chief Scientific Officer							

(1) The amounts reported in the "Stock Awards" column reflects the aggregate grant date fair value of the restricted stock units awarded in 2019, computed in accordance with the provisions of ASC, Topic 718 disregarding the effect of estimated forfeitures related to service-based vesting. These amounts reflect the accounting cost for the stock awards and do not correspond to the actual economic value that may be received by the named executive officer upon the vesting or settlement of the restricted stock units. See Note 2 to resTORbio's consolidated financial statements appearing at the end of resTORbio's Annual Report on Form 10-K regarding certain assumptions underlying the valuation of equity awards.

(2) The amounts reported in the "Option Awards" column reflects the aggregate grant date fair value of stock options awarded during the applicable year, computed in accordance with the provisions of ASC, Topic 718 disregarding the effect of estimated forfeitures related to service-based vesting. These amounts reflect the accounting cost for the stock options and do not correspond to the actual economic value that may be received by the named executive officer upon exercise of the stock options. See Note 2 to resTORbio's consolidated financial statements appearing at the end of resTORbio's Annual Report on Form 10-K regarding certain assumptions underlying the valuation of equity awards.

(3) Each of resTORbio's named executive officers is eligible to earn cash incentive compensation based upon performance and the achievement of clinical and developmental objectives.

(4) Amounts reported for 2019 reflect the resTORbio's matching contributions to its 401(k) plan.

(5) Amounts include annual performance-based bonuses earned by Mr. Schor and Dr. Klickstein of $189,150 and $77,675, respectively, for 2019. Dr. Klickstein's bonus was prorated to reflect his May 2019 start date and partial year of service.

(6) Amounts include annual performance-based bonuses earned by Mr. Schor of $225,000 for 2018.

(7) Dr. Klickstein commenced his employment with resTORbio in May 2019. His annualized base salary for fiscal year 2019 was $390,000.

Narrative to Summary Compensation Table

The resTORbio Board and compensation committee review compensation annually for resTORbio's executives. In setting executive base salaries and bonuses and granting equity incentive awards, resTORbio considers compensation for comparable positions in the market, the historical compensation levels of resTORbio's executives, individual performance as compared to expectations and objectives, resTORbio's desire to motivate its employees to achieve short- and long-term results that are in the best interests of resTORbio stockholders, and

a long-term commitment to resTORbio. resTORbio targets a general competitive position, based on independent third-party benchmark analytics to inform the mix of compensation of base salary, bonus or long-term incentives.

The resTORbio Board has historically determined resTORbio's executives' compensation. The resTORbio compensation committee typically reviews and discusses management's proposed compensation with the chief executive officer for all executives other than the chief executive officer. Based on those discussions and its discretion, taking into account the factors noted above, the compensation committee then recommends the compensation for each executive officer. The resTORbio Board discusses the compensation committee's recommendations and ultimately approves the compensation of resTORbio's executive officers without members of management present. In 2019, the compensation committee retained the services of Pearl Meyer, as its external compensation consultant and the board of directors and the compensation committee considered Pearl Meyer's input on certain compensation matters as they deemed appropriate. Pearl Meyer served at the discretion of the compensation committee and did not provide any other services to resTORbio during fiscal year 2019 other than those for which they were engaged by the compensation committee.

The resTORbio compensation committee requires that its compensation consultants be independent of Company management and performs an annual assessment of the compensation consultants' independence to determine whether the consultants are independent. The resTORbio compensation committee has determined that Pearl Meyer is independent and that its work has not raised any conflict of interests.

Annual Base Salary

Each named executive officer's base salary is a fixed component of annual compensation for performing specific duties and functions, and has been established by the resTORbio Board taking into account each individual's role, responsibilities, skills, and experience. Base salaries for resTORbio's named executive officers are reviewed annually by its compensation committee, typically in connection with its annual performance review process, and adjusted from time to time, based on the recommendation of the compensation committee, to realign salaries with market levels after taking into account individual responsibilities, performance and experience.

For the year ended December 31, 2019, the annual base salaries for each of Mr. Schor and Dr. Klickstein were $485,000 and $390,000, respectively. Effective March 16, 2020, the annual base salaries for each of Mr. Schor and Dr. Klickstein were increased to $501,975 and $403,650, respectively.

Cash Bonus

resTORbio's named executive officers, as well as other executive officers, are eligible to participate in its Senior Executive Cash Incentive Bonus Plan, or the Bonus Plan, which is an annual bonus program is intended to reward resTORbio's named executive officers for meeting objective or subjective performance goals for a fiscal year. The Bonus Plan provides for cash payments based upon the attainment of performance targets established by the compensation committee, which may relate to financial and operational measures or objectives with respect to resTORbio, as well as individual performance objectives. Each executive officer who is selected to participate in the Bonus Plan will have a target bonus opportunity set for each performance period.

With respect to performance in fiscal year 2019, the target bonus opportunity as a percentage of base salary for each of Mr. Schor and Dr. Klickstein was 50% and 40%, respectively.

Based on the resTORbio's achievement of certain performance goals and metrics related to its 2019 corporate objectives, the Compensation Committee determined that the bonuses would be paid at 78% of target for each named executive officer and paid in the amounts as set forth above in the Summary Compensation Table.

Long-term Equity Incentives

resTORbio's equity grant program is intended to align the interests of resTORbio's named executive officers with those of resTORbio stockholders and to motivate them to make important contributions to resTORbio's performance.

During the fiscal year ended December 31, 2019, resTORbio granted stock options and restricted stock units to each of resTORbio's named executive officers, as shown in more detail in the "Outstanding Equity Awards at Fiscal Year End" table below.

401(k) Savings Plan

resTORbio maintains a tax-qualified 401(k) retirement plan for eligible employees in the United States. In general, all of resTORbio's employees are eligible to participate, beginning two months after the commencement of their employment. The 401(k) plan includes a salary deferral arrangement pursuant to which participants may elect to reduce their current compensation by up to the statutorily prescribed limit and have the amount of the reduction contributed to the 401(k) plan. resTORbio currently contributes to each employee's 401(k) account, in the first quarter of each year, 3% of his or her eligible earnings from the prior year.

Health and Welfare Benefits

All of resTORbio's full-time employees, including its executive officers are eligible to participate in certain medical, disability and life insurance benefit programs offered by resTORbio. resTORbio pays the premiums for term life insurance and long-term disability for all of resTORbio's employees, including its executive officers. resTORbio also provides all employees, including executive officers, with a flexible spending account plan, an employee stock purchase plan and paid time off benefits including, vacation, sick time and holidays. resTORbio does not sponsor any qualified or non-qualified defined benefit plans for any of its employees or executives.

Outstanding Equity Awards at June 16, 2020

The following table presents information regarding all outstanding stock options and stock awards held by each of resTORbio's named executive officers on June 16, 2020. All equity awards in the table below were granted under the resTORbio 2018 Plan.

	Option Awards				Stock Awards	
Name	Number of Securities Underlying Unexercised Options (#) Exercisable	Number of Securities Underlying Unexercised Options (#) Unexercisable	Option Exercise Price ($)	Option Expiration Date	Number of Shares or Units of Stock that have not Vested (#)	Market Value of Shares or Units of Stock that have not Vested ($)
Chen Schor	139,014	99,297(1)	15.00	1/24/2028	—	—
	66,875	147,125(2)	8.53	2/26/2029	—	—
	—	258,000(3)	1.27	12/5/2029	—	—
	—	—	—	—	344,000(4)	743,040
Lloyd Klickstein, M.D., Ph.D.	73,750	221,250(5)	8.08	5/12/2029	—	—
	—	88,667(3)	1.27	12/5/2029	—	—
	—	—	—	—	118,222(4)	255,360

(1) These stock options vest over four years, with 25% of the shares of resTORbio common stock subject to the option vesting on January 12, 2019, and the remaining 75% of such shares vesting in 36 equal monthly installments thereafter, subject to the named executive officer's continued employment with the Company through such vesting dates. These stock options will be canceled in connection with the merger.

(2) These stock options vest over four years, with 25% of the shares of resTORbio common stock subject to the option vesting on February 27, 2020, and the remaining 75% of such shares vesting in 12 equal quarterly installments thereafter, subject to the named executive officer's continued employment with the Company through such vesting dates. These stock options will be canceled in connection with the merger.

(3) These stock options vest over four years, with 25% of the shares of resTORbio common stock subject to the option vesting on December 6, 2020, and the remaining 75% of such shares vesting in 36 equal monthly installments thereafter, subject to the named executive officer's continued employment with the Company through such vesting dates. These stock options will accelerate in connection with the merger.

(4) These restricted stock units vest over four years, with 25% of the shares of resTORbio common stock subject to the option vesting on December 6, 2020, and the remaining 75% of such shares vesting in 3 equal annual installments thereafter, subject to the named executive officer's continued employment with the Company through such vesting dates. These stock options will accelerate in connection with the merger.

(5) These stock options vest over four years, with 25% of the shares of resTORbio common stock subject to the option vesting on May 13, 2020, with the remainder vesting in 12 equal quarterly installments thereafter, subject to Dr. Klickstein's continued employment with the Company through such vesting dates. These stock options will be canceled in connection with the merger.

Employment Arrangements with resTORbio's Named Executive Officers

In March 2017, resTORbio entered into an offer letter with Mr. Schor, resTORbio's chief executive officer, which was amended in January 2018. In May 2019, resTORbio entered into an employment agreement with Dr. Klickstein, resTORbio's chief scientific officer. Each of resTORbio's named executive officers is employed "at will".

Chen Schor

Mr. Schor's current annual base salary is $501,975 and his annual target bonus is equal to 50% of his annual base salary.

In the event Mr. Schor's employment is terminated by resTORbio without cause or by him for good reason, Mr. Schor shall be entitled to receive, subject to his execution and non-revocation of a release in favor of resTORbio (i) a lump sum cash payment equal to 12 months of his then current base salary, (ii) a prorated portion of his target annual incentive compensation the year of termination and (iii) continued coverage under resTORbio's health and dental plans for up to 12 months following termination.

Mr. Schor's amended offer letter further provides that, in the event that his employment is terminated by resTORbio without cause or by him for good reason, and such termination occurs within the 12-month period following a change of control, then in lieu of the payments and benefits described above, Mr. Schor shall be entitled to receive, subject to his execution and non-revocation of a release in favor of resTORbio, (i) a lump sum cash payment equal to 1.5 times the sum of his then current base salary and target annual incentive compensation, (ii) continued coverage under resTORbio's health and dental plans for up to 18 months following termination and (iii) full acceleration of all time-based stock options and other time-based stock-based awards held by Mr. Schor. All references to "cause," "good reason" and "change in control" are as defined in his amended offer letter.

Lloyd Klickstein, M.D., Ph.D.

Dr. Klickstein annual base salary is $403,650 and his annual performance bonus targeted is up to 40% of his annual base salary.

In the event Dr. Klickstein's employment is terminated by resTORbio without cause or by him for good reason, Dr. Klickstein will be eligible to receive, subject to his execution and non-revocation of a release in favor of

resTORbio, (i) a lump sum cash payment equal to 6 months of his then current base salary and (ii) subject to his election of COBRA, health continuation coverage, for up to 6 months or his COBRA health continuation period, whichever ends earlier, a monthly cash payment equal to the monthly employer contribution that resTORbio would have made to provide health insurance to him if he had remained employed by resTORbio.

Dr. Klickstein's employment agreement further provides that, in the event that his employment is terminated by resTORbio without cause or by him for good reason, and such termination occurs within the 12-month period following a change of control, then in lieu of the payments and benefits described above, Dr. Klickstein shall be entitled to receive, subject to his execution and non-revocation of a release in favor of resTORbio, (i) a cash payment equal to 12 months of his then current base salary and his average target annual incentive compensation for the immediately preceding three fiscal years, (ii) 100% acceleration of all time-based equity awards held as of the date of termination and (iii) subject to his election of COBRA health continuation coverage, for up to 18 months or his COBRA health continuation period, whichever ends earlier, a monthly cash payment equal to the monthly employer contribution that resTORbio would have made to provide health insurance to him if he has remained employed by resTORbio. All references to "cause," "good reason" and "change in control" are as defined in his employment agreement.

Compensation Risk Assessment

resTORbio believes that although a portion of the compensation provided to resTORbio's executive officers and other employees is performance-based, the executive compensation program does not encourage excessive or unnecessary risk taking. resTORbio's compensation programs are designed to encourage its executive officers and other employees to remain focused on both short-term and long-term strategic goals, in particular in connection with its pay-for-performance compensation philosophy. As a result, resTORbio does not believe that its compensation programs are reasonably likely to have a material adverse effect.

Equity Compensation Plan Information

The following table provides information as of June 16, 2020 with respect to the shares of resTORbio common stock that may be issued under the resTORbio Stock Plans.

	Equity Compensation Plan Information		
Plan Category	**Number of securities to be issued upon exercise of outstanding options, warrants and rights**	**Weighted average exercise price of outstanding options, warrants and rights**	**Number of securities remaining available for future issuance under equity compensation plans (excluding securities in first column)**
Equity compensation plans approved by security holders(1)(2)	2,812,765	$ 4.10	3,169,711
Equity compensation plans not approved by security holders	—	—	—
Total	2,812,765	$ 4.10	3,169,711

(1) Includes the following plans: the resTORbio 2017 Plan, the resTORbio 2018 Plan and the resTORbio 2018 ESPP.

ADICET EXECUTIVE COMPENSATION

Adicet's Senior Vice President, Chief Scientific Officer and Chief Operating Officer, Stewart Abbot, Senior Vice President and Chief Medical Officer, Francesco Galimi, and Senior Vice President and Chief Human Resource Officer, Carrie Krehlik will each become an executive officer of the combined company, referred to in this section as Adicet's "named executive officers" or "NEOs."

Summary Compensation Table

The following table shows information regarding compensation of Adicet's NEOs for the fiscal years ended December 31, 2019 and 2018.

Name and Principal Position	Year	Salary	Bonus	Option Awards(3)	Non-Equity Incentive Plan Compensation(4)	All Other Compensation(5)	Total
Stewart Abbot	2019	$397,083	$187,500	$ 95,365	$ 127,067	$ 39,159	$846,174
Senior Vice President, Chief Scientific Officer and Chief Operating Officer(1)	2018	$192,299	$137,500	$ 31,271	$ 62,198	$ 12,492	$435,760
Francesco Galimi	2019	$105,000	$162,500	$ 18,882	$ 29,400	$ 15,550	$331,332
Senior Vice President and Chief Medical Officer(2)							
Carrie Krehlik	2019	$297,917	—	$ 30,486	$ 83,417	$ 720	$412,540
Senior Vice President and Chief Human Resources Officer	2018	$272,301		$ 29,140	$ 90,382	$ 1,520(6)	$393,344

(1) Dr. Abbot commenced employment with Adicet in June 2018.
(2) Dr. Galimi commenced employment with Adicet in September 2019.
(3) Initial grants of options issued to NEOs vest 25% on the one-year anniversary of grant, and in 36 equal monthly installments upon completion of each additional month of service thereafter. Grants made to Dr. Abbot and Ms. Krehlik in 2019 vest in 48 equal monthly installments. Represents the aggregate grant date fair value of the option awards granted during the relevant fiscal year computed in accordance with FASB Topic ASC 718. The assumptions used in the valuation of these awards are consistent with the valuation methodologies specified in Note 15 to Adicet's financial statements included in this proxy statement/prospectus/information statement. These amounts do not correspond to the actual value that will be recognized by the NEO with respect to such awards.
(4) The amounts in this column represent amounts awarded as bonuses paid under Adicet's annual cash incentive plan, as discussed under "—Narrative Disclosure to Summary Compensation Table—Annual Cash Incentive" below.
(5) Represents commuter and cell phone stipends.
(6) Includes a gift card received by Ms. Krehlik.

Narrative Disclosure to Summary Compensation Table

Offer Letters

Adicet has entered into offer letters with its NEOs (referred to in this section as the "offer letters"). The offer letters set forth the NEOs' base salaries, performance bonus opportunities, sign-on bonus if applicable, equity incentive and other employee benefits that are described in this *Adicet Executive Compensation* section. The offer letters provide for "at-will" employment, meaning that either party can terminate the employment relationship at any time, although these offer letters provide that the NEOs would be eligible for severance benefits in certain circumstances following a termination of employment without cause (other than for death or disability) or resignation for good reason (as defined in the offer letters).

Termination Without "Cause" or For "Good Reason"

Upon the NEO's termination by Adicet without cause (other than for death or disability) or resignation by the NEO for good reason and subject to execution and nonrevocation of a release of claims, the offer letters provide for: (i) six months' base salary payable in a lump sum, (ii) monthly premium payments to continue the NEO's health insurance coverage for up to six months following his or her termination, and (iii) if such termination occurs with 12 months following a "Liquidation," acceleration of all outstanding and unvested equity awards, however resTORbio notes that the merger will not constitute a Liquidation (as defined below).

"Cause" is generally defined as the NEO's:

(A) performance of any act or failure to perform any act in bad faith and to the detriment of Adicet or its affiliates, including, but not limited to, misappropriation of trade secrets, fraud or embezzlement;

(B) material breach of any agreement with Adicet or its affiliates;

(C) commission of a crime involving dishonesty, breach of trust, or physical or emotional harm to any person,

(D) willful refusal to implement or follow a lawful policy or directive of Adicet or its affiliates; or

(E) engagement in misfeasance or malfeasance demonstrated by a pattern of failure to perform job duties diligently and professionally.

"Good Reason" is general defined as the following actions taken without the consent of the NEO, subject to notice and cure periods:

(1) a change in the NEO's position with Adicet which materially and substantially reduces the level of responsibility or duties; provided, however, that if Adicet is being acquired and made part of a larger entity, a change in the NEO's position shall not constitute Good Reason if such change does not result in a material and substantial reduction in the NEOs level of responsibility or duties with respect to Adicet's business operations (whether as a subsidiary, business unit, division or otherwise of the acquirer) following such acquisition;

(2) a material reduction in the NEO's base salary, except for reductions that are comparable to reductions generally applicable to similarly situated executives of Adicet; or

(3) a relocation of the NEO's principal place of employment by more than seventy-five (75) miles from Adicet's current headquarters.

"Liquidation" has the meaning as set forth in Adicet's certificate of incorporation.

Executive Compensation Elements

The following describes the material terms of the elements of Adicet's executive compensation program during 2019.

Base Salaries

Adicet's Board and compensation committee recognize the importance of base salary as an element of compensation that helps to attract and retain the NEOs. Adicet provides base salary as a fixed source of income for its NEOs for the services they provide to Adicet during the year, and allows Adicet to maintain a stable executive team. The current base salaries for Adicet's NEOs are as follows: $400,000 for Dr. Abbot (increased in 2019 in connection with Dr. Abbot's promotion to his current role), $385,000 for Dr. Galimi, and $300,000 for Ms. Krehlik (increased in 2019 to reflect a market adjustment).

Annual Cash Incentive

Adicet also provides its NEOs with annual performance-based cash bonus opportunities, which are specifically designed to reward NEOs for the overall performance of Adicet in a given year. The target annual cash bonus amounts relative to base salary vary depending on each NEOs' accountability, scope of responsibilities, potential impact on Adicet's performance and in alignment with the external market. The NEOs' current target performance-based cash bonuses opportunities are: 40% of base salary for Dr. Abbot and 35% of base salary for Dr. Galimi and Ms. Krehlik. Such bonuses are pro-rated for any partial year of employment and are paid, if applicable, during the first quarter of 2020.

The Adicet Board considers Adicet's overall performance for the preceding fiscal year and achievement of certain performance targets developed by the Adicet Board in deciding whether to award a bonus and, if one is to be awarded, the amount of the bonus. The Adicet Board retains the ability to apply discretion in making adjustments to the final bonus payouts.

Equity Compensation

The Adicet Board considers equity incentives to be important in aligning the interests of the NEOs with those of its stockholders. As part of Adicet's pay-for-performance philosophy, its compensation program tends to emphasize the long-term equity award component of total compensation packages paid to its NEOs. In determining the size of the equity incentives to be awarded to Adicet's NEOs, it takes into account a number of internal factors, such as the relative job scope, the value of existing long-term incentive awards, individual performance history, prior contributions and anticipated future contributions to Adicet and the size of prior grants. Adicet uses stock options to compensate its NEOs both in the form of initial grants in connection with the commencement of employment and periodic refresher grants. Because employees are able to profit from stock options only if Adicet's stock price increases relative to the stock option's exercise price, Adicet believes stock options in particular provide meaningful incentives to employees to achieve increases in the value of Adicet stock over time. While Adicet intends that the majority of equity awards to its employees be made pursuant to initial grants or its periodic refresh grants, the Adicet Board retains discretion to grant equity awards to employees at other times, including in connection with the promotion of an employee, to reward an employee, for retention purposes or for other circumstances recommended by management or the Adicet Board. The exercise price of each stock option grant is the fair market value of Adicet's common stock on the grant date. Adicet does not have any stock ownership requirements for its named executive officers. Each of the outstanding equity incentive awards held by Dr. Abbot, Dr. Galimi and Ms. Krehlik were issued pursuant to the Adicet 2015 plan.

Adicet Bio Inc.'s 2015 Stock Incentive Plan. The Adicet 2015 plan was originally adopted by the Board/approved by the stockholders of Adicet on August 13, 2015 and most recently amended in October 2019.

The Adicet 2015 plan allows Adicet to provide incentive stock options, within the meaning of Section 422 of the Code, nonstatutory stock options, stock appreciation rights, restricted stock awards and restricted stock units (each, an "award" and the recipient of such award, a "participant") to eligible employees, directors, officers and consultants of Adicet. Following the completion of the merger, certain outstanding Adicet awards will be converted into options to purchase common stock of resTORbio as described in more detail in the section entitled "*The Merger Agreement—Merger Consideration and Exchange Ratio*" beginning on page 198 of this proxy statement/prospectus/information statement.

Share Reserve. In connection with the most recent amendment of the Adicet 2015 plan, Adicet authorized an aggregate of 21,594,044 shares of Adicet common stock for issuance under the Adicet 2015 plan. As of June 16, 2020, 13,497,092 shares of Adicet's common stock were outstanding pursuant to options granted under the Adicet 2015 plan, and there were no other awards outstanding under the Adicet 2015 plan.

Eligibility. Awards other than incentive stock options may be granted to employees, directors and consultants of Adicet. Incentive stock options may be granted only to employees of the Adicet or a subsidiary. Awards may also be granted to such employees, directors or consultants who are residing in non-U.S. jurisdictions as the administrator may determine from time to time.

Administration. The Adicet 2015 plan is administered by the Adicet Board or a committee thereof. The administrator has all authority and discretion necessary or appropriate to administer the Adicet 2015 plan and to control its operation, including the authority to construe and interpret the terms of Adicet 2015 Plan and the awards granted thereunder. The administrator's decisions are final and binding on all participants and any other persons holding awards

Corporate Transaction. In the event of a corporate transaction, as defined in the Adicet 2015 plan, unless otherwise provided in an applicable award agreement, outstanding awards that are not assumed will terminate (with vested option holders having the ability to exercise prior to closing). The Adicet 2015 plan administrator also has the option to accelerate all or a portion of any unvested awards in connection with a corporate transaction

Employee Benefits Program

Adicet's NEOs are eligible to participate in regular health insurance, vacation, and other employee benefit plans established by Adicet for its employees on the same terms as are made available to employees of Adicet generally. These benefit programs are designed to enable Adicet to attract and retain its workforce in a competitive marketplace. Health, welfare and vacation benefits ensure that Adicet has a productive and focused workforce through reliable and competitive health and other benefits.

Dr. Galimi and Dr. Abbot are each entitled to fully taxable reimbursements for reasonable travel and lodging expenses of up to $6,000 per month (for two years from start of employment with respect to Dr. Galimi, and for three years from start of employment, with respect to Dr. Abbot) for travel to the San Francisco Bay Area in order to provide services to Adicet under their offer letters, and, in the alternative, a one-time taxable lump sum payment of up to $60,000 for reasonable moving expenses if the NEO permanently relocates to the San Francisco Bay Area in order to provide services to Adicet.

Adicet currently maintains a 401(k) retirement savings plan that allows eligible participants to defer a portion of their compensation, within limits prescribed by the Internal Revenue Code, on a pre-tax or after-tax basis through contributions to the plan. Adicet's NEOs are eligible to participate in the 401(k) plan on the same terms as other full-time employees generally. No matching contributions were provided in 2019. Adicet believes that providing a vehicle for retirement savings through Adicet's 401(k) plan adds to the overall desirability of Adicet's executive compensation package and further incentivizes Adicet employees, including Adicet's NEOs, in accordance with Adicet's compensation policies.

Outstanding Equity Awards at June 16, 2020

The following table sets forth specified information concerning outstanding equity incentive plan awards for each of the NEOs outstanding as of June 16, 2020.

		Option Awards			
Name	Grant Date	Number of Securities Underlying Unexercised Options Exercisable (#)	Number of Securities Underlying Unexercised Options Non-Exercisable (#)	Option Exercise Price	Option Expiration Date
Stewart Abbot	10/15/2019	76,816	384,084(2)	$ 0.740	10/15/2029
Senior Vice President, Chief Scientific Officer and Chief Operating Officer	8/14/2018	327,654	356,146(1)	$ 0.280	8/14/2028
Francesco Galimi	10/15/2019	—	1,035,685(1)	$ 0.740	10/15/2029
Senior Vice President and Chief Medical Officer					
Carrie Krehlik	10/15/2019	20,766	103,834(2)	$ 0.740	10/15/2029
Senior Vice President and Chief Human Resources Officer	12/13/2017	93,750	56,250(1)	$ 0.280	12/13/2027

(1) 25% of the options vest 12 months after the vesting commencement date and 1/36th of the remaining options vest on each of the next 36 monthly anniversaries thereafter, provided that the NEO remains in continuous service as of the applicable vesting date. The vesting commencement dates are as follows: 6/27/2018 for Dr. Abbot, 11/27/2017 for Ms. Krehlik, and 9/23/2019 for Dr. Galimi.

(2) 1/48th of these options vest on each of the 48 monthly anniversaries of the grant date, provided that the NEO remains in continuous service as of the applicable vesting date.

Securities Authorized for Issuance under Equity Compensation Plans

The following table provides information as of June 16, 2020 about Adicet common stock which may be issued under the Adicet plans:

Plan Category	Number of securities to be issued upon exercise of outstanding options, warrants and rights (a)	Weighted-average exercise price of outstanding options, warrants and rights (b)	Number of securities remaining available for future issuance under equity compensation plans (excluding securities reflected in column (a)) (c)
Equity compensation plans approved by security holders	14,873,688	$ 0.51	5,212,973
Equity compensation plans not approved by security holders	—	—	—
Total	14,873,688	$ 0.51	5,212,973

CERTAIN RELATIONSHIPS AND RELATED PARTY TRANSACTIONS

Described below are any transactions occurring since January 1, 2018 and any currently proposed transactions to which either resTORbio or Adicet was a party and in which:

- the amounts involved exceeded or will exceed $120,000 (or, if less, 1% of the average of resTORbio's total assets amounts at December 31, 2019 and 2018); and
- a director, executive officer, holder of more than 5% of the outstanding capital stock of resTORbio or Adicet, or any member of such person's immediate family had or will have a direct or indirect material interest.

resTORbio Related Party Transactions

Employment Agreements

Please see the section entitled "*The Merger—Interests of the resTORbio Directors and Executive Officers in the Merger*" beginning on page 183 of this proxy statement/prospectus/information statement for a description of the terms of these agreements.

Participation in resTORbio's IPO

resTORbio's existing stockholders, including certain affiliates of resTORbio's directors, purchased an aggregate of 766,666 shares of resTORbio common stock in resTORbio's initial public offering in January 2018 at the initial public offering price. The following table sets forth the number of shares of resTORbio common stock purchased by directors, executive officers and 5% stockholders and their affiliates and the aggregate purchase price paid for such shares.

Name	Shares of Common Stock Purchased(#)	Aggregate Cash Purchase Price($)
PureTech Health LLC	233,333	3,499,995
Orbimed Advisors LLC	533,333	7,999,995
Total	766,666	11,499,990

Research Funding Agreement with Silverstein Foundation for Parkinson's with GBA

On March 6, 2018, resTORbio and the Silverstein Foundation for Parkinson's with GBA, or the Silverstein Foundation, entered into a research funding agreement, or the Silverstein Funding Agreement. Jonathan Silverstein is a director of resTORbio and is a co-founder and current trustee of the Silverstein Foundation. Upon execution of the Silverstein Funding Agreement, the Silverstein Foundation paid resTORbio an upfront sum of $0.5 million, or the Silverstein Funding Amount. resTORbio is entitled to use the Silverstein Funding Amount solely to conduct research related to RTB101 and is obligated to repay the upfront sum in full to the Silverstein Foundation if it successfully conducts a positive Phase 3 clinical trial of RTB101 for Parkinson's Disease. As of March 31, 2020, resTORbio has used approximately $0.5 million of the Silverstein Funding Amount.

Novartis License Agreement

On March 23, 2017, resTORbio entered into an exclusive license agreement with Novartis International Pharmaceutical Ltd., or Novartis. Under the agreement, Novartis granted resTORbio an exclusive, field-restricted, worldwide license, to certain intellectual property rights owned or controlled by Novartis, to develop, commercialize and sell one or more therapeutic products comprising RTB101 or RTB101 in combination with everolimus in a fixed dose combination. The exclusive field under the license agreement is for the treatment, prevention and diagnosis of disease and other conditions in all indications in humans and animals.

As initial consideration for the licensed rights, resTORbio issued NIBR, 2,587,992 shares of resTORbio's Series A Preferred Stock. The fair value of the Novartis license was $3.2 million based on the fair value of the Series A Preferred Stock which was determined to be $1.22 per share based on an independent third-party valuation. NIBR is a current holder of more than 5% of resTORbio's common stock.

As additional consideration for the license, resTORbio is required to pay up to an aggregate of $4.3 million upon the satisfaction of clinical milestones, up to an aggregate of $24 million upon the satisfaction of regulatory milestones for the first indication approved, and up to an aggregate of $18 million upon the satisfaction of regulatory milestones for the second indication approved. In addition, resTORbio is required to pay up to an aggregate of $125 million upon the satisfaction of commercial milestones, based on the amount of annual net sales. resTORbio is also required to pay tiered royalties ranging from a mid-single-digit percentage to a low teen-digit percentage on annual net sales of products. These royalty obligations last on a product-by-product and country-by-country basis until the latest of (i) the expiration of the last valid claim of a Novartis patent covering a subject product, (ii) the expiration of any regulatory exclusivity for the subject product in a country, or (iii) the 10th anniversary of the first commercial sale in the country, and are subject to a reduction after the expiration of the last valid claim of a Novartis patent or the introduction of a generic equivalent of a product in a country. Following the last visit of the 400th subject in the resTORbio's Phase 2b clinical trial, Novartis is no longer entitled to sublicense revenue.

In May 2019, resTORbio initiated a Phase 3 clinical trial for the first indication, triggering a milestone payment of $2.5 million under the agreement. None of the remaining development milestones, regulatory milestones, sales milestones, or royalties are probable of achievement.

Limitation of Liability and Indemnification of Officers and Directors

The resTORbio certificate of incorporation contains provisions that limit the liability of resTORbio's directors for monetary damages to the fullest extent permitted by Delaware law. Consequently, resTORbio's directors will not be personally liable to resTORbio or resTORbio 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 resTORbio or its stockholders;
- any act or omission not in good faith or that involves intentional misconduct or a knowing violation of law;
- unlawful payments of dividends or unlawful stock repurchases or redemptions as provided in Section 174 of the DGCL; or
- any transaction from which they derived an improper personal benefit.

Any amendment to, or repeal of, these provisions will not eliminate or reduce the effect of these provisions in respect of any act, omission or claim that occurred or arose prior to that amendment or repeal. If the DGCL is amended to provide for further limitations on the personal liability of directors of corporations, then the personal liability of resTORbio's directors will be further limited to the greatest extent permitted by the Delaware General Corporation Law.

In addition, resTORbio adopted bylaws which provide that resTORbio will indemnify, to the fullest extent permitted by law, any person who is or was a party or is threatened to be made a party to any action, suit or proceeding by reason of the fact that he or she is or was one of resTORbio's directors or officers or is or was serving at resTORbio's request as a director or officer of another corporation, partnership, joint venture, trust, or other enterprise. The resTORbio bylaws provide that resTORbio may indemnify to the fullest extent permitted by law any person who is or was a party or is threatened to be made a party to any action, suit, or proceeding by reason of the fact that he or she is or was one of resTORbio's employees or agents or is or was serving at resTORbio's request as an employee or agent of another corporation, partnership, joint venture, trust or other

enterprise. The resTORbio bylaws also provide that resTORbio must 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 very limited exceptions.

resTORbio has entered into and in the future plans to enter into agreements to indemnify resTORbio's directors and executive officers. These agreements, among other things, require resTORbio to indemnify these individuals for certain expenses (including attorneys' fees), judgments, fines and settlement amounts reasonably incurred by such person in any action or proceeding, including any action by or in resTORbio's right, on account of any services undertaken by such person on behalf of resTORbio or that person's status as a member of resTORbio's Board to the maximum extent allowed under Delaware law.

Related Person Transaction Policy

resTORbio's Board adopted a written related person transactions policy providing that transactions with resTORbio's directors, officers and holders of five percent or more of resTORbio's voting securities and their affiliates, each a related person, must be approved by resTORbio's audit committee. This policy became effective on January 25, 2018, the date resTORbio's registration statement for resTORbio's initial public offering became effective. Pursuant to this policy, the audit committee has the primary responsibility for reviewing and approving or disapproving "related person transactions," which are transactions between resTORbio and related persons in which a related person has or will have a direct or indirect material interest. For purposes of this policy, a related person is defined as a director, executive officer, nominee for director, or greater than 5% beneficial owner of resTORbio common stock, in each case since the beginning of the most recently completed year, and their immediate family members.

As appropriate for the circumstances, the audit committee will review and consider:

- the related person's interest in the related person transaction;
- whether the transaction was undertaken in the ordinary course of resTORbio's business; and
- whether the terms of the transaction are no less favorable to resTORbio than terms that could have been reached with an unrelated third-party.

Director Compensation

See the compensation agreements and other arrangements described under the section entitled "*Management Following the Merger—Director Compensation*" beginning on page 357 of this proxy statement/prospectus/information statement.

Material Contracts Between resTORbio and Adicet or its Affiliates

Entities affiliated with OrbiMed Advisors, of which Carl Gordon, a director of Adicet, is a managing partner of, own a substantial amount of Adicet capital stock. OrbiMed Private Investments VI, LP (referred to as "OrbiMed PI VI") has been a significant shareholder of resTORbio since 2017. Accordingly, resTORbio entered into material agreements with OrbiMed PI VI in connection with resTORbio's Series A preferred stock financing and Series B preferred stock financing.

resTORbio Series A Preferred Stock Financing

In October 2017, resTORbio issued and sold 7,763,975 shares of its Series A preferred stock at a price per share of $1.932 in the third and final closing of its Series A preferred stock financing, for a purchase price of approximately $15.0 million. OrbiMed PI VI purchased 3,105,590 Series A preferred stock for an aggregate purchase price of $6.0 million and entered into a stock purchase agreement, right of first refusal and co-sale

agreement, voting agreement and investors' rights agreement with resTORbio (collectively, referred to as the "Series A financing documents"). The Series A financing documents were amended and restated in connection with the Series B financing described below.

resTORbio Series B Preferred Stock Financing

In October 2017, resTORbio entered into a Series B preferred stock purchase agreement for the sale of up to 4,792,716 shares of Series B preferred stock in one or more closings at a price per share of $8.346. In November 2017, resTORbio issued and sold an aggregate of 4,792,716 shares of its Series B preferred stock for gross proceeds of approximately $40.0 million. OrbiMed PI VI purchased 2,396,358 Series B preferred stock for an aggregate purchase price of approximately $20.0 million and entered into an amended and restated stock purchase agreement, amended and restated right of first refusal and co-sale agreement, amended and restated voting agreement and amended and restated investors' rights agreement with resTORbio.

The amended and restated voting agreement provided the holders of Series B preferred stock the right to elect certain directors to the resTORbio Board. Pursuant to the amended and restated voting agreement, resTORbio agreed to appoint to the resTORbio Board one representative designated by an entity affiliated with OrbiMed PI VI who is Jonathan Silverstein. The amended and restated voting agreement terminated upon completion of resTORbio's initial public offering.

Adicet Related Party Transactions

Preferred Stock Financing

Series B Preferred Stock Financing

From July 2019 to September 2019, Adicet issued and sold an aggregate of 57,004,415 shares of Series B preferred stock at a new cash purchase price of $1.4034 per share for an aggregate purchase price of approximately $80 million. Each share of Series B preferred stock will convert into the right to receive approximately 0.8559 shares of common stock in the combined company upon consummation of the merger.

Purchasers of Adicet's Series B preferred stock included Adicet's venture capital fund investors and strategic investors that beneficially own more than 5% of outstanding Adicet capital stock and/or are represented on the Adicet Board. The following table presents the number of shares and the total purchase price paid by these entities.

Investor	Shares of Series B Convertible Preferred Stock	Total Series B Purchase Price
OrbiMed Private Investments V, LP	9,519,844	$ 13,360,149
OrbiMed Israel Affiliates (1)	2,359,734	$ 3,311,650
aMoon 2 Fund Limited Partnership	8,906,940	$ 12,499,999
Novartis Bioventures Ltd.	1,872,740	$ 2,628,203
Regeneron Pharmaceuticals, Inc.	7,125,552	$ 9,999,999

(1) OrbiMed Israel Affiliates consists of OrbiMed Israel Partners II, L.P. and OrbiMed Israel Partners Limited Partnership.

Series A Preferred Stock Financing—Milestone Closing

In November 2018, Adicet completed a subsequent closing of its Series A preferred stock financing, pursuant to which it issued and sold to OrbiMed Private Investments V, LP 9,020,833 shares of Series A preferred stock at a purchase price of $1.20 per share for an aggregate purchase price of approximately $10.8 million.

Voting Agreement and Adicet Support Agreement

Adicet is party to a voting agreement with certain holders of Adicet capital stock, including OrbiMed Private Investments V, LP, OrbiMed Israel Affiliates, aMoon 2 Fund Limited Partnership, Novartis Bioventures Ltd., Regeneron Pharmaceuticals, Inc., Johnson & Johnson Innovation—JJDC, Inc. and certain trusts affiliated with Aya Jakobovits, a member of the Adicet Board. The parties to the voting agreement have agreed, subject to certain conditions, to vote the shares of Adicet capital stock held by them so as to elect the following individuals as directors: (1) two nominees designated by OrbiMed Private Investments V, LP and its permitted transferees, currently Carl Gordon and one vacancy, (2) one nominee designated by OrbiMed Israel Affiliates and its permitted transferees, currently Erez Chimovits, (3) one nominee designated by Novartis Bioventures Ltd. and its permitted transferees, currently Michal Silverberg, (4) one nominee designated by the holders of a majority the outstanding shares of Adicet's common stock held by the major common stockholders party to the voting agreement, currently Dr. Aya Jakobovits, (5) one nominee who is not an officer or employee of Adicet or its subsidiaries and is not an affiliate of any investor and who is designated by the holders of a majority of the then outstanding shares of common stock and preferred stock, voting together as a single class on an as-converted basis, currently Donald Santel, (6) one nominee designated by Johnson & Johnson Innovation—JJDC, Inc. and its permitted transferees, currently Asish K. Xavier, (7) one nominee designated by aMoon 2 Fund Limited Partnership and its permitted transferees, currently Yair Schindel, and (8) one individual who is the then current Chief Executive Officer of Adicet, currently Anil Singhal. Upon the completion of the merger, the obligations of the parties to the voting agreement to vote their shares so as to elect these nominees, as well as the other rights and obligations under this agreement, will terminate and none of Adicet's stockholders will have any special rights regarding the nomination, election or designation of members of the combined company's board of directors.

Concurrently with or promptly following with the execution of the merger agreement, resTORbio and Adicet also entered into the Adicet support agreement with Adicet's current directors and officers and certain stockholders, which, as of June 16, 2020, collectively own an aggregate of approximately 98% of Adicet's outstanding capital stock on an as-converted to common stock basis, as further described in the section entitled "*Agreements Related To The Merger—Adicet Support Agreement*" beginning on page 221 of this proxy statement/prospectus/information statement. The Adicet support agreement provides, among other things, that the stockholders of Adicet subject to this agreement will vote their shares in favor of the approval of the merger agreement and the contemplated transactions.

Investors' Rights Agreement

Adicet is party to an investors' rights agreement with certain holders of Adicet capital stock, including OrbiMed Private Investments V, LP, OrbiMed Israel Affiliates, aMoon 2 Fund Limited Partnership, Novartis Bioventures Ltd., Regeneron Pharmaceuticals, Inc., Johnson & Johnson Innovation—JJDC, Inc. and certain trusts affiliated with Aya Jakobovits. Under Adicet's investors' rights agreement, certain holders of Adicet capital stock have the right to demand that Adicet file a registration statement or request that their shares of Adicet capital stock be covered by a registration statement that Adicet is otherwise filing. Upon the completion of the merger, the registration rights will terminate and none of Adicet's stockholders will have any special rights regarding the registration of their shares.

Right of First Refusal and Co-Sale Agreement

Adicet is party to a right of first refusal and co-sale agreement with certain holders of Adicet capital stock, including OrbiMed Private Investments V, LP, OrbiMed Israel Affiliates, aMoon 2 Fund Limited Partnership, Novartis Bioventures Ltd., Regeneron Pharmaceuticals, Inc. and certain trusts affiliated with Aya Jakobovits. Upon the completion of the merger, the rights and obligations under this agreement will terminate.

Director and Executive Officer Compensation

Please see the section entitled "*Management following the Merger—Director Compensation*" beginning on page 357 of this proxy statement/prospectus/information statement and the section entitled "*Adicet Executive Compensation*" beginning on page 365 of this proxy statement/prospectus/information statement for additional information regarding compensation of Adicet's executive officers and directors, including summaries of related agreements between such executive officers and Adicet.

Funding Agreement

Please see the section titled "*Agreements Related to the Merger—Funding Agreement*" beginning on page 220 of this proxy statement/prospectus/information statement for additional information regarding an agreement pursuant to which certain holders of Adicet capital stock, including OrbiMed Private Investments V, LP, OrbiMed Israel Affiliates, aMoon 2 Fund Limited Partnership, Novartis Bioventures Ltd., Regeneron Pharmaceuticals, Inc. and Johnson & Johnson Innovation—JJDC, Inc., have, immediately prior to and contingent upon the completion of the merger, committed to fund up to an aggregate of $15,000,000 into an escrow account which will be used to subscribe for shares of resTORbio common stock upon the occurrence of certain conditions.

Lock-up Agreements

Please see "*Agreements Related to the Merger—Lock-up Agreements*" beginning on page 223 for additional information regarding agreements pursuant to which certain of Adicet's current directors and officers and certain holders of Adicet capital stock, including OrbiMed Private Investments V, LP, OrbiMed Israel Affiliates, aMoon 2 Fund Limited Partnership, Novartis Bioventures Ltd., Regeneron Pharmaceuticals, Inc. and Johnson & Johnson Innovation—JJDC, Inc., have agreed to not sell, pledge, or otherwise transfer shares of the combined company for a period of 180 days following completion of the merger.

Indemnification Agreements

Adicet has entered into separate indemnification agreements with each of its directors and executive officers, in addition to the indemnification provided for in Adicet's amended and restated certificate of incorporation and bylaws. The indemnification agreements and the combined company's amended restated certificate of incorporation and bylaws that will be in effect upon the closing of the merger require the combined company to indemnify its directors, executive officers and certain controlling persons to the fullest extent permitted by Delaware law.

Regeneron License Agreement

In April 2019, Adicet entered into an amendment to the Regeneron Agreement. Please see the section entitled "*Adicet Business—Strategic Agreements*" beginning on page 291 of this proxy statement/prospectus/information statement for additional information regarding this agreement.

In July 2019, Regeneron became a related party following the initial closing of the Series B preferred stock financing.

Policy for Approval of Related Person Transactions

While Adicet does not have a formal written policy or procedure for the review, approval or ratification of related party transactions, the Adicet Board reviews and considers the interests of its directors, executive officers and principal stockholders in its review and consideration of transactions and obtains the approval of non-interested directors when it determines that such approval is appropriate under the circumstances.

UNAUDITED PRO FORMA CONDENSED COMBINED FINANCIAL INFORMATION

On April 28, 2020, resTORbio and Adicet entered into the merger agreement pursuant to which Project Oasis Merger Sub, Inc., a wholly owned subsidiary of resTORbio, will merge with and into Adicet, with Adicet surviving as a wholly owned subsidiary of resTORbio.

The following unaudited pro forma condensed combined financial information is based on Adicet's historical consolidated financial statements and resTORbio's historical consolidated financial statements, and was prepared using the acquisition method of accounting under U.S. GAAP and has been adjusted to give effect to the merger between resTORbio and Adicet. The merger will be accounted for as a reverse acquisition with Adicet being deemed the acquiring company for accounting purposes. Adicet was determined to be the accounting acquirer based upon the terms of the merger and other factors including: (i) Adicet's security holders as of immediately prior to the effective time of the merger will own approximately 75% of the voting rights of the combined company (on a fully-diluted basis excluding equity incentives available for grant); (ii) Adicet will designate a majority (five of seven) of the initial members of the board of directors of the combined company; and (iii) the terms of the exchange of equity interests based on the exchange ratio at the announcement of the merger factored in an implied premium to resTORbio's stockholders. The composition of senior management of the combined company was determined to be a neutral factor in the accounting acquirer determination, as the combined company will leverage the expertise of the senior management of both companies.

As a result of Adicet being treated as the accounting acquirer, Adicet's assets and liabilities will be recorded at their precombination carrying amounts and the historical consolidated operations that are reflected in the unaudited pro forma condensed combined financial information will be those of Adicet. resTORbio's assets and liabilities will be measured and recognized at their fair values as of the effective date of the merger, and combined with the assets, liabilities and results of operations of Adicet after the consummation of the merger. As a result, upon consummation of the merger, the historical consolidated financial statements of Adicet will become the historical consolidated financial statements of the combined company.

The following information does not give effect to the proposed reverse stock split pursuant to Proposal No. 2, as described in the section titled "*Matters Being Submitted to a Vote of resTORbio Stockholders*," beginning on page 228 of this proxy statement/prospectus/information statement. In addition, the following unaudited pro forma condensed combined financial information does not give effect to the proposed issuance of resTORbio common stock pursuant to the funding agreement, as described in the section titled *"Agreements Related to the Merger"* beginning on page 220 of this proxy statement/prospectus/information statement.

The unaudited pro forma condensed combined balance sheet as of March 31, 2020 gives effect to the merger as if it took place on March 31, 2020 and combines the historical consolidated balance sheets of Adicet and resTORbio as of March 31, 2020. The unaudited pro forma condensed combined statements of operations for the three months ended March 31, 2020 and the year ended December 31, 2019 gives effect to the merger as if it took place as of January 1, 2019 and combines the historical consolidated results of Adicet and resTORbio for the three months ended March 31, 2020 and the year ended December 31, 2019. The historical consolidated financial statements of Adicet and resTORbio have been adjusted to give pro forma effect to events that are (i) directly attributable to the merger, (ii) factually supportable, and (iii) with respect to the unaudited pro forma condensed combined statements of operations, expected to have a continuing impact on the combined results.

The unaudited pro forma condensed combined financial information is based on the assumptions and adjustments that are described in the accompanying notes. The application of the acquisition method of accounting is dependent upon certain valuations and other studies of in-process research and development, inventory, and contingent consideration for the contingent value right described in the section titled "*Agreements Related to the Merger*" beginning on page 220 of this proxy statement/prospectus/information statement that have yet to be completed. Accordingly, the pro forma adjustments reflected in the unaudited pro forma condensed combined financial information are preliminary and based on estimates, subject to further revision as additional information

becomes available and additional analyses are performed and have been made solely for the purpose of providing unaudited pro forma condensed combined financial information. Differences between these preliminary adjustments reflected in the unaudited pro forma condensed combined financial information and the final application of the acquisition accounting, which is expected to be completed as soon as practicable after the closing of the merger, may occur and those differences could have a material impact on the accompanying unaudited pro forma condensed combined financial information and the combined company's future results of operations and financial position. In addition, differences between the preliminary and final adjustments will likely occur as a result of the amount of cash used in resTORbio's operations from the date of the unaudited pro forma condensed combined balance sheet through the consummation of the merger, as well as other changes in resTORbio's assets and liabilities between March 31, 2020 and the closing of the merger. In addition, differences between the preliminary and final estimated purchase price will likely occur between June 16, 2020 and the closing of the merger due to changes in resTORbio's stock price. Finally, differences between the preliminary and final exchange ratio will likely occur between June 16, 2020 and the closing of the merger as result of changes to resTORbio's and Adicet's capitalization during such period.

The unaudited pro forma condensed combined financial information does not give effect to the potential impact of operating efficiencies or other savings or expenses that may be associated with the integration of the two companies. The unaudited pro forma condensed combined financial information has been prepared for illustrative purposes only and is not necessarily indicative of the financial position or results of operations in future periods or the results that actually would have been realized had Adicet and resTORbio been a combined company during the specified periods.

The unaudited pro forma condensed combined financial information, including the notes thereto, should be read in conjunction with the separate historical consolidated financial statements of Adicet and resTORbio and their respective *"Management's Discussion and Analysis of Financial Condition and Results of Operations,"* included elsewhere in this proxy statement/prospectus/information statement.

Unaudited Pro Forma Condensed Combined Balance Sheet
As of March 31, 2020
(in thousands)

	Historical		Pro Forma Adjustments	Note 5	Pro Forma Combined
	Adicet	resTORbio			
Assets					
Current assets:					
Cash and cash equivalents	$ 6,742	$ 61,232	$ —		$ 67,974
Short-term marketable debt securities	55,400	15,111	—		70,511
Inventory	—	—	—	**A(1), F**	—
Prepaid expenses and other current assets	4,808	1,238	—		6,046
Total current assets	66,950	77,581	—		144,531
Property and equipment, net	1,983	380	—		2,363
Goodwill	—	—	9,148	**A(2)**	9,148
In-process research and development	—	—	5,860	**A(3)**	5,860
Restricted cash	4,282	245	—		4,527
Long-term marketable debt securities	2,257	—	—		2,257
Other non-current assets	615	—	—		615
Total assets	$ 76,087	$ 78,206	$ 15,008		$ 169,301
Liabilities, redeemable convertible preferred stock, and stockholders' deficit					
Current Liabilities:					
Accounts payable	$ 1,391	$ 1,210	$ —		$ 2,601
Contract liabilities, current	12,876	—	—		12,876
Accrued and other current liabilities	3,252	1,355	11,715	**A(4), B**	16,322
Total current liabilities	17,519	2,565	11,715		31,799
Contract liabilities, net of current portion	7,007	—	—		7,007
Deferred rent, net of current portion	193	24	(24)	**A(5)**	193
Redeemable convertible preferred stock warrant liability	1,811	—	(1,811)	**D**	—
Deferred tax liability	—	—	611	**A(6)**	611
CVR liability	—	—	4,830	**A(7)**	4,830
Total liabilities	26,530	2,589	15,321		44,440
Redeemable convertible preferred stock	114,083	—	(114,083)	**C**	—
Stockholders' deficit:					
Common stock	2	4	8	**A(8), A(10), C**	14
Additional paid-in capital	9,597	236,751	(38,709)	**A(8), A(9), A(10), C, D, E, G**	207,639
Accumulated deficit	(74,133)	(161,170)	152,503	**A(10), B, E, F, G**	(82,800)
Accumulated other comprehensive income	8	32	(32)	**A(10)**	8
Total stockholders' equity (deficit)	(64,526)	75,617	113,770		124,861
Total liabilities, redeemable convertible preferred stock, and stockholders' deficit	$ 76,087	$ 78,206	$ 15,008		$ 169,301

The accompanying notes are an integral part of the unaudited pro forma condensed combined financial information

Unaudited Pro Forma Condensed Combined Statement of Operations
For the Three Months Ended March 31, 2020
(in thousands, except share and per share amounts)

	Historical		Pro Forma Adjustments	Note 5	Pro Forma Combined
	Adicet	resTORbio			
Revenue	$ 2,000	$ —	$ —		$ 2,000
Operating expenses:					
Research and development	7,033	4,841	—		11,874
General and administrative	2,524	2,539	(530)	J	4,533
Total operating expense	9,557	7,380	(530)		16,407
Loss from operations	(7,557)	(7,380)	530		(14,407)
Interest income	322	353	—		675
Other income (expense), net	70	(4)	(70)	H	(4)
Loss before income tax (benefit) expense	(7,165)	(7,031)	460		(13,736)
Income tax (benefit) expense	(2,679)	7	—		(2,672)
Net loss	$ (4,486)	$ (7,038)	$ 460		$ (11,064)
Net loss per share attributable to common stockholders, basic and diluted	$ (0.26)	$ (0.19)			$ (0.08)
Weighted-average shares used in computing net loss per share attributable to common stockholders, basic and diluted	17,447,097	36,445,169		K	134,941,476

The accompanying notes are an integral part of the unaudited pro forma condensed combined financial information

Unaudited Pro Forma Condensed Combined Statement of Operations
For the Year Ended December 31, 2019
(in thousands, except share and per share amounts)

	Historical		Pro Forma Adjustments	Note 5	Pro Forma Combined
	Adicet	resTORbio			
Revenue	$ 995	$ —	$ —		$ 995
Operating expenses:					
Research and development	23,691	73,634	—		97,325
General and administrative	8,692	11,823	—		20,515
Total operating expense	32,383	85,457	—		117,840
Loss from operations	(31,388)	(85,457)	—		(116,845)
Interest income	938	2,817	—		3,755
Other income (expense), net	2,331	(63)	(2,274)	**H, I**	(6)
Loss before income tax expense	(28,119)	(82,703)	(2,274)		(113,096)
Income tax expense	19	36	—		55
Net loss	$ (28,138)	$ (82,739)	$ (2,274)		$ (113,151)
Net loss per share attributable to common stockholders, basic and diluted	$ (1.63)	$ (2.41)			$ (1.10)
Weighted-average shares used in computing net loss per share attributable to common stockholders, basic and diluted	17,249,656	34,306,374		**K**	102,629,016

The accompanying notes are an integral part of the unaudited pro forma condensed combined financial information

Notes to Unaudited Pro Forma Condensed Combined Financial Information

1. Description of the Merger

On April 28, 2020, Adicet Bio, Inc., a Delaware corporation ("Adicet"), entered into an agreement and plan of merger (the "merger agreement") with resTORbio, Inc., a Delaware corporation ("resTORbio"), and Project Oasis Merger Sub, Inc., a Delaware corporation and a direct, wholly owned subsidiary of resTORbio ("Merger Sub"), pursuant to which, subject to the satisfaction or waiver of the conditions therein, Merger Sub will merge with and into Adicet, with Adicet surviving as a wholly owned subsidiary of resTORbio. Pursuant to the merger agreement, Adicet's security holders, as of immediately prior to the effective time of the merger, will own approximately 75% of the fully-diluted common stock of the combined company and resTORbio's security holders, as of immediately prior to the effective time of the merger, will own approximately 25% of the fully-diluted common stock of the combined company (in each case excluding equity incentives available for grant). The relative percentage ownership of the combined company immediately following the effective time of the merger was derived using a stipulated value of Adicet of approximately $220.0 million and of resTORbio of approximately $73.3 million.

Subject to the terms and conditions set forth in the merger agreement, each share of Adicet's common stock and redeemable convertible preferred stock issued and outstanding immediately prior to the effective time of the merger (excluding any shares that are held in treasury and any dissenting shares held by stockholders who have exercised and perfected appraisal rights) will be converted into the right to receive approximately 0.8559 shares of resTORbio common stock, subject to adjustment to account for the reverse stock split. This exchange ratio (the "exchange ratio") is an estimate only and is based upon resTORbio's and Adicet's capitalization as of June 16, 2020. The final exchange ratio will be determined pursuant to a formula described in more detail in the merger agreement. Each outstanding and unexercised option with respect to Adicet's common stock under Adicet's 2015 Stock Incentive Plan and a subset of options pursuant to Adicet's 2014 Share Option Plan will be converted into options to purchase a number of shares of resTORbio common stock based on the exchange ratio, subject to the terms and adjustments in the merger agreement. All rights with respect to Adicet's capital stock under the redeemable convertible preferred stock warrants shall be converted into warrants to acquire a certain number of shares of resTORbio common stock based on the exchange ratio, subject to the terms and adjustments in the merger agreement.

resTORbio's stockholders will continue to own and hold their existing shares of resTORbio common stock. The vesting of all outstanding resTORbio options will be accelerated in full as of immediately prior to the effective time of the merger. All out-of-the-money resTORbio options will be cancelled for no consideration. All in-the-money resTORbio options will remain outstanding after the completion of the merger in accordance with their terms. In addition, all outstanding unvested resTORbio restricted stock units will be accelerated in full as of immediately prior to the effective time of the merger, and for each outstanding and unsettled resTORbio restricted stock unit, the holder thereof shall receive a number of shares of resTORbio common stock equal to the number of vested and unsettled shares underlying such resTORbio restricted stock units (reduced by the number of shares of resTORbio common stock necessary to satisfy applicable tax withholding obligations at the maximum statutory rate).

The terms of the merger contemplate that each holder of resTORbio common stock as of immediately prior to the completion of the merger shall be entitled to one contractual contingent value right ("CVR") issued by resTORbio, subject to and in accordance with the terms and conditions of the CVR Agreement (as defined below), for each share of resTORbio common stock held by such holder as of immediately prior to the effective time of the merger. The CVR holders are entitled to receive net proceeds from the commercialization, if any, received from a third-party commercial partner of RTB101, resTORbio's small molecule product candidate that is a potent inhibitor of target of rapamycin complex 1 (TORC1), for a COVID-19 related indication. The terms and conditions of the CVRs will be established pursuant to a CVR agreement by and among resTORbio, the Holders' Representative and the Rights Agent, expected to be entered into immediately prior to the closing of the merger (the "CVR Agreement").

Notes to Unaudited Pro Forma Condensed Combined Financial Information

2. Basis of Presentation

The accompanying unaudited pro forma condensed combined financial information was prepared in accordance with U.S. GAAP and pursuant to the rules and regulations of Article 11 of SEC Regulation S-X. The unaudited pro forma condensed combined balance sheet as of March 31, 2020 was derived from the historical consolidated balance sheets of Adicet and resTORbio as of March 31, 2020 and has been adjusted to give effect to the merger as if it occurred on March 31, 2020. The unaudited pro forma condensed combined statements of operations for the three months ended March 31, 2020 and the year ended December 31, 2019 were derived from the historical consolidated statements of operations and comprehensive loss of Adicet and resTORbio for the three months ended March 31, 2020 and the year ended December 31, 2019 and have been adjusted to give effect to the merger as if it occurred on January 1, 2019.

Adicet and resTORbio have concluded that the merger represents a business combination pursuant to Financial Accounting Standards Board Accounting Standards Codification Topic 805, *Business Combinations* ("ASC 805"). In addition, because Adicet has been determined to be the accounting acquirer in the merger, but not the legal acquirer, the merger is deemed a reverse acquisition under the guidance of ASC 805. Management has not yet completed a final valuation analysis of the fair value of resTORbio's assets to be acquired and liabilities to be assumed. Using the estimated total consideration for the merger, management has preliminarily allocated such consideration to the assets acquired and liabilities assumed of resTORbio in the merger based on a preliminary valuation analysis and purchase price allocation. The final purchase price allocation will be determined when management has determined the final consideration paid in the merger and completed the detailed valuations and other studies of in-process research and development ("IPR&D"), inventory, and contingent consideration for the CVR. The final purchase price allocation could differ materially from the preliminary purchase price allocation used to prepare the pro forma adjustments and unaudited pro forma condensed combined financial information. The final purchase price allocation may include (1) changes to assets acquired and liabilities assumed, including goodwill, based on the results of certain valuations and other studies of IPR&D, inventory, and contingent consideration for the CVR that have yet to be completed, (2) changes to assets acquired and liabilities assumed, that will occur through the date of the closing of the merger and (3) changes to the fair value of purchase consideration, which will be impacted by changes in resTORbio's common stock outstanding and the share price of resTORbio's common stock on the closing date of the merger.

The unaudited pro forma condensed combined financial information does not include the impact of any cost savings due to operating synergies that may result from the merger or any related restructuring costs that may be contemplated and does not give effect to the proposed reverse stock split because the proposed reverse stock split is a range and is not definitive. In addition, the unaudited pro forma condensed combined financial information does not give effect to the proposed issuance of resTORbio common stock pursuant to the funding agreement as the timing of funding is not definitive.

3. Preliminary Purchase Price

Pursuant to the merger agreement, at the closing of the merger, resTORbio expects to issue to Adicet's common and preferred stockholders a number of shares of resTORbio common stock, as well as issue to holders of Adicet's stock options and redeemable convertible preferred stock warrants a number of options and common stock warrants of resTORbio, representing approximately 75% of the resTORbio outstanding common stock on a fully-diluted basis (excluding equity incentives available for grant). The estimated preliminary purchase price is calculated based on the fair value of resTORbio common stock that the resTORbio stockholders will own as of the closing date of the merger because, with no active trading market for shares of Adicet, the fair value of the resTORbio common stock represents a more reliable measure of the fair value of consideration transferred in the merger. Accordingly, the accompanying unaudited pro forma condensed combined financial information reflects

Notes to Unaudited Pro Forma Condensed Combined Financial Information

an estimated purchase price of approximately $84.1 million, which consists of the following (in thousands, except share and per share amounts):

Estimated number of shares of the combined company to be owned by resTORbio stockholders(1)	36,446,853
Multiplied by the fair value per share of resTORbio common stock(2)	$ 2.16
Estimated share consideration	78,725
Estimated fair value of modified stock options and restricted stock units attributable to precombination services(3)	576
Fair value of contingent consideration liability with respect to CVR	4,830
Estimated purchase price	$ 84,131

(1) Represents the number of shares of common stock of the combined company that the resTORbio stockholders would own as of the closing of the merger. This amount is calculated, for purposes of this unaudited pro forma condensed combined financial information, as 36,446,853 shares of resTORbio common stock outstanding as of June 16, 2020.

(2) The estimated purchase price was based on the closing price of resTORbio common stock on June 16, 2020. The requirement to base the final purchase price on the number of shares of resTORbio common stock outstanding and the fair value of resTORbio common stock immediately prior to the closing of the merger could result in a purchase price and goodwill different from that assumed in this unaudited pro forma condensed combined financial information, and that difference may be material. A 10% increase (decrease) to the resTORbio share price would increase (decrease) the purchase price by $7.9 million, with a corresponding change to goodwill. Therefore, the estimated consideration expected to be transferred reflected in this unaudited pro forma condensed combined financial information does not purport to represent what the actual transferred consideration will be when the transaction is completed. The actual purchase price will fluctuate until the closing date of the merger and the final valuation could differ materially from the current estimate.

(3) Based on the capitalization of resTORbio as of June 16, 2020, 661,778 outstanding unvested resTORbio restricted stock units will be accelerated in connection with the merger and holders of the restricted stock units will be issued approximately 397,067 shares of resTORbio common stock on a net settlement basis. Similarly, in connection with the merger, vesting of outstanding resTORbio stock options will be accelerated in full and the stock options that will not be the in-the-money on the close of the merger will be canceled, resulting in approximately 680,080 surviving stock options. The acquisition date fair value of these modified resTORbio restricted stock units and resTORbio stock options attributable to the precombination services is included in the estimated purchase price. The acquisition date fair value of these modified resTORbio restricted stock units and resTORbio stock options is calculated based on the number of such resTORbio restricted stock units and resTORbio stock options expected to vest assuming that the merger will close on August 31, 2020.

Under the acquisition method of accounting, the total purchase price is allocated to the acquired tangible and intangible assets and assumed liabilities of resTORbio based on their estimated fair values as of the closing date of the merger. The excess of the acquisition consideration paid over the estimated fair values of net assets acquired has been recorded as goodwill in the accompanying unaudited pro forma condensed combined balance sheet.

The preliminary allocation of the estimated purchase price to the acquired net assets of resTORbio, based on the estimated fair values as of March 31, 2020, as well as changes in accrued and other current liabilities through the

Notes to Unaudited Pro Forma Condensed Combined Financial Information

closing of the merger related to costs directly attributable to the transaction that are expected to be incurred by resTORbio between March 31 2020 and the closing of the merger (see Note 5 – Pro Forma Adjustment A(4)), is as follows (in thousands):

Net assets acquired	
Cash and cash equivalents	$61,232
Marketable securities	15,111
Prepaid expenses and other current assets	1,238
Inventory	81
Property and equipment	380
IPR&D	5,860
Restricted cash	245
Accounts payable	(1,210)
Accrued and other current liabilities	(7,343)
Deferred tax liability	(611)
Goodwill	9,148
	$84,131

The application of the acquisition method of accounting is dependent upon certain valuations and other studies of IPR&D, inventory, and contingent consideration for the CVR that have yet to be completed. The purchase price allocation will remain preliminary until Adicet's management determines the fair values of the assets acquired and liabilities assumed. The final determination of the purchase price allocation is anticipated to be completed as soon as practicable after completion of the merger, but no later than one year after the consummation of the merger, and will be based on the fair values of the assets acquired and liabilities assumed as of the closing of the merger. The final amounts allocated to the assets acquired and liabilities assumed as of the closing date of the merger will change due to the amount of cash used in resTORbio's operations for research and development activities and general and administrative expenses including transaction-related costs after March 31, 2020 to the merger closing date and other changes in resTORbio's assets and liabilities that occur through the merger closing date. The final amounts allocated to assets acquired and liabilities assumed could differ materially from the amounts presented in the unaudited pro forma condensed combined financial information.

4. Shares of resTORbio Common Stock Issued to Adicet's Stockholders upon Closing of the Merger

At the closing of the merger, resTORbio (the legal acquirer) will issue to Adicet's common and preferred stockholders shares of its common stock based on the exchange ratio determined in accordance with the merger agreement. The estimated exchange ratio for purposes of the unaudited pro forma condensed combined financial information was derived on a fully-diluted basis as of June 16, 2020 using a stipulated value of Adicet of approximately $220.0 million and of resTORbio of approximately $73.3 million. The estimated number of shares of common stock resTORbio expects to issue to Adicet's common and preferred stockholders as of June 16, 2020 (ignoring rounding of fractional shares) is determined as follows:

Shares of Adicet common stock	17,569,569
Shares of Adicet redeemable convertible preferred stock	97,166,921
	114,736,490
Exchange ratio	0.8559
Estimated shares of resTORbio common stock issued to Adicet security holders upon closing of transaction	98,202,959

Notes to Unaudited Pro Forma Condensed Combined Financial Information

5. Pro Forma Adjustments

The unaudited pro forma condensed combined financial information includes pro forma adjustments that are (i) directly attributable to the merger, (ii) factually supportable, and (iii) with respect to the unaudited pro forma condensed combined statements of operations and comprehensive loss, expected to have a continuing impact on the results of operations of the combined company. The pro forma adjustments are based on preliminary estimates and assumptions that are subject to change.

Based on Adicet management's review of resTORbio's summary of significant accounting policies, the nature and amount of any adjustments to the historical consolidated financial statements of resTORbio to conform to the accounting policies of Adicet are not expected to be significant.

The unaudited pro forma condensed combined financial information does not reflect the proposed reverse stock split that is expected to be effected immediately prior to consummation of the merger. In addition, the unaudited pro forma condensed combined financial information does not give effect to the proposed issuance of resTORbio common stock pursuant to the funding agreement dated April 28, 2020, by and among Adicet, resTORbio and certain investors of Adicet (the "funding agreement") pursuant to which such investors committed to fund up to an aggregate of $15 million into an escrow account at or prior to the time of the completion of the merger, which will be used to subscribe for shares of resTORbio common stock in a private placement upon the occurrence of a qualified financing, as such term is described therein.

The pro forma adjustments, based on preliminary estimates that may change materially as additional information is obtained, are as follows:

A. The pro forma adjustments to reflect the fair value of the assets and liabilities acquired in connection with the merger consist of the following:

(1) To reflect the acquired inventory fair value of $0.1 million to be used in research and development.

(2) To record goodwill resulting from the merger. Goodwill is comprised of the purchase price of the acquisition in excess of the fair value assigned at acquisition to the net tangible and identifiable intangible assets acquired (see Note 3).

(3) To reflect the fair value of acquired IPR&D related to the research and development of RTB101 for a COVID-19 related indication. The RTB101 compound IPR&D project was valued using an income approach, specifically a discounted cash flow method, adjusted for the probability of technical success ("PTS"). Key inputs include forecast of potential cash flows to be generated by the project and resulting asset, which was developed utilizing estimates of total patient population, market penetration rates, demand risk adjustment factors, product pricing, costs of goods sold, research and development expenses, selling, general and administrative expenses, cash flow adjustments and partner profit split. The projected cash flows were then adjusted using PTS factors that were selected considering both the current state of clinical development and the nature of the proposed indication, (i.e., respiratory therapeutics.) Finally, the resulting probability adjusted cash flows were discounted to a present value using a risk-adjusted discount rate, developed considering the market risk present in the forecast and the size of the asset. IPR&D is accounted for as an indefinite-lived intangible asset until completion or abandonment of the related project. Therefore, no pro forma adjustment for related amortization has been reflected in the unaudited pro forma combined statements of operations and comprehensive loss. The IPR&D intangible assets are subject to testing for impairment annually and upon other triggering events.

Notes to Unaudited Pro Forma Condensed Combined Financial Information

(4) To reflect changes in accrued and other current liabilities through the closing of the merger related to costs directly attributable to the transaction that are expected to be incurred by resTORbio between March 31, 2020 and the closing of the merger:

- Approximately $2.1 million for director's and officer's tail insurance coverage to be purchased by resTORbio prior to closing. This adjustment will result in a reduction of net assets acquired by Adicet at closing.
- Estimated costs to complete the transaction of approximately $3.9 million consisting of legal fees, advisory fees, accounting and audit fees and other expenses to be incurred by resTORbio prior to closing. This adjustment will result in a reduction of net assets acquired by Adicet at closing.

(5) To eliminate resTORbio deferred rent liability that is not a liability assumed in the merger.

(6) To record deferred tax liability in connection with the merger related to the acquired IPR&D.

(7) To reflect the fair value of the contingent consideration liability for the CVR. The contingent consideration for the CVR was valued using an income approach, leveraging the forecasted cash flows that would accrue to the combining company and then deducting the administrative fee to be retained by the combined company and other permitted deductions in order to arrive at the net cash expected to be paid out to the CVR holders. These cash flows were then discounted to present value using the same discount rate applied in the valuation of the IPR&D.

(8) Represents estimated purchase consideration of approximately $78.7 million for the 36,446,853 shares of the combined company that the existing shareholders of resTORbio are estimated to own after the closing of the merger.

(9) Represents estimated purchase consideration of approximately $0.6 million attributable to precombination services for the resTORbio employee stock options and restricted stock units.

(10) To eliminate resTORbio's historical shareholders' equity.

B. Represents an adjustment to accrued and other current liabilities to reflect those that are directly attributable to the closing of the merger, including:

(1) Approximately $1.2 million in severance obligations for resTORbio's employees. The payment of these arrangements is contingent on the employees providing service over the transition periods, which is expected to be completed within nine months and will be recognized in the combined company's financial statements following the closing of the merger.

(2) Approximately $0.9 million in obligations under the Transition Agreement executed with Adicet's current President and Chief Executive Officer in connection with the merger Agreement (the "Transition Agreement") which will be recorded by the combined company following the closing of the merger.

(3) Estimated costs to complete the transaction of approximately $3.7 million consisting of legal fees, advisory fees, accounting and audit fees and other expenses to be incurred by Adicet.

These pro forma adjustments are not reflected in the unaudited pro forma condensed combined statements of operations and comprehensive loss as these amounts are not expected to have a continuing effect on the operating results of the combined company.

C. Represents an adjustment to reflect the reclassification from redeemable convertible preferred stock to common stock and additional paid-in capital resulting from the conversion of shares of Adicet into shares of resTORbio common stock based on the exchange ratio.

Notes to Unaudited Pro Forma Condensed Combined Financial Information

D. Represents an adjustment to reclassify Adicet's redeemable convertible preferred stock warrant liability of $1.8 million to additional paid-in capital as a result of the conversion of the warrant being exercisable for resTORbio's's common stock rather than Adicet's redeemable convertible preferred stock. The warrants exercisable for resTORbio's common stock will be classified within equity.

E. Represents an adjustment to record post-combination stock compensation expense of approximately $2.0 million for the acceleration of resTORbio employee stock options and restricted stock units, outstanding immediately prior to the closing of the merger in accordance with the terms of the merger agreement for which there is no future service requirement. This amount is excluded from the unaudited pro forma condensed combined statements of operations and comprehensive loss because it will not have a continuing impact on the combined organization's operations; however, the amount is reflected as an increase to accumulated deficit and additional paid-in capital in the unaudited condensed combined pro forma balance sheet because the amount is directly attributable to the merger.

F. Represents an adjustment to write-off acquired inventory of material to be used in research and development of the CVR product. This pro forma adjustment is not reflected in the unaudited pro forma condensed combined statements of operations and comprehensive loss as this amount is not expected to have a continuing effect on the operating results of the combined company.

G. Represents an adjustment to record post-combination stock expense of approximately $0.9 million for modification of Adicet's current President and Chief Executive Officer's stock options in connection with the Transition Agreement. This amount is excluded from the unaudited pro forma condensed combined statements of operations and comprehensive loss because it will not have a continuing impact on the combined organization's operations; however, the amount is reflected as an increase to accumulated deficit and additional paid-in capital in the unaudited pro forma balance sheet because the amount is directly attributable to the merger.

H. Represents an adjustment to eliminate the impact of the change in the fair value of Adicet redeemable convertible preferred stock warrant liability of $0.1 million for three months ended March 31, 2020 and $0.3 million for the year ended December 31, 2019 for warrants issued by Adicet as all warrants will become exercisable for resTORbio common stock pursuant to the merger agreement. As a result, the Adicet redeemable convertible preferred stock warrants would no longer be subject to fair value accounting following the assumed closing of the merger.

I. Represents an adjustment to eliminate the impact of the change in the fair value of Adicet's redeemable convertible preferred stock tranche liability and Technion Research and Development Foundation Ltd. (referred to as "TRDF") liability of $2.0 million during the year ended December 31, 2019. As the redeemable convertible preferred stock tranche liability and TRDF liability would not exist once the redeemable convertible preferred stock are converted to common stock in the merger and therefore the changes in the fair value of redeemable convertible preferred stock tranche liability and TRDF liability are removed from the unaudited pro forma condensed combined statements of operations.

J. Represents an adjustment to eliminate non-recurring transaction costs of $0.2 million and $0.3 million incurred by resTORbio and Adicet, respectively, in connection with the merger and recorded as expense in their respective historical consolidated statements of operations and comprehensive loss for the three months ended March 31, 2020 as these expenses are not expected to have a continuing effect on the operating results of the combined company.

Notes to Unaudited Pro Forma Condensed Combined Financial Information

K. The weighted average shares outstanding for the period have been adjusted to give effect to the issuance of resTORbio common stock in connection with the merger as of January 1, 2019 or the date of issuance of Adicet preferred stock, if later. As the combined company is in a net loss position, any adjustment for potentially dilutive shares would be anti-dilutive, and as such basic and diluted loss per share are the same. The following table presents the calculation of the pro forma weighted average number of common stock outstanding without giving effect to the proposed reverse stock split:

	Three Months Ended March 31, 2020	Year Ended December 31, 2019
Weighted average Adicet shares outstanding	17,447,097	17,249,656
Weighted average shares of Adicet redeemable convertible preferred stock	97,166,921	62,555,395
	114,614,018	79,805,051
Weighted average Adicet shares outstanding adjusted for exchange ratio	98,098,138	68,305,143
Weighted average resTORbio shares outstanding	36,445,169	34,306,374
Net shares of resTORbio common stock to be issued with respect to outstanding resTORbio RSUs	398,169	17,499
Pro forma combined weighted average number of shares of common stock—basic and diluted	134,941,476	102,629,016

DESCRIPTION OF RESTORBIO'S CAPITAL STOCK

The summary of the general terms and provisions of the registered securities of resTORbio set forth below does not purport to be complete and is subject to and qualified in its entirety by reference to resTORbio's certificate of incorporation and resTORbio's bylaws Amended and Restated By-laws (referred to collectively as the "resTORbio Charter Documents"), each of which is filed as an exhibit to resTORbio's most recent Annual Report on Form 10-K filed with the Securities and Exchange Commission. resTORbio encourages you to read the resTORbio Charter Documents and the applicable provisions of the DGCL for additional information.

General

resTORbio's authorized capital stock consists of One Hundred Fifty Million (150,000,000) shares of common stock, par value $0.0001 per share and Ten Million (10,000,000) shares of undesignated preferred stock, par value $0.0001 per share.

Common Stock

The holders of resTORbio common stock are entitled to one vote for each share held on all matters submitted to a vote of the stockholders. The holders of resTORbio common stock do not have any cumulative voting rights. Holders of resTORbio common stock are entitled to receive ratably any dividends declared by the resTORbio Board out of funds legally available for that purpose, subject to any preferential dividend rights of any outstanding preferred stock. resTORbio common stock has no preemptive rights, conversion rights or other subscription rights or redemption or sinking fund provisions.

In the event of a liquidation, dissolution or winding up of resTORbio, holders of resTORbio common stock will be entitled to share ratably in all assets remaining after payment of all debts and other liabilities and any liquidation preference of any outstanding preferred stock. All outstanding shares are fully paid and nonassessable.

resTORbio common stock is listed on the Nasdaq Global Select Market under the trading symbol "TORC". The transfer agent and registrar for resTORbio common stock is Computershare Trust Company, N.A.

Undesignated Preferred Stock

The resTORbio Board is authorized, subject to limitations prescribed by Delaware law and by the resTORbio certificate of incorporation, to issue up to 10,000,000 of preferred stock in one or more series without further action by the holders of resTORbio common stock. The resTORbio Board may determine the rights, preferences, privileges and restrictions, including voting rights, dividend rights, conversion rights, redemption privileges and liquidation preferences, of each series of preferred stock, any or all of which may be greater than the rights of common stock. The issuance of resTORbio preferred stock could adversely affect the voting power of holders of common stock and the likelihood that such holders will receive dividend payments and payments upon a liquidation of resTORbio. The issuance could also adversely affect the rights and powers of these holders and may have the effect of delaying, deterring or preventing a change in control of resTORbio.

Registration Rights

Pursuant to the terms of resTORbio's investors' rights agreement entered into in November 2017, holders of registrable securities are entitled to rights with respect to the registration of their shares under the Securities Act until the earliest of (a) January 2023, (b) the date on which such holder ceases to hold registrable securities, or (c) such holder's registrable securities could be sold without any restriction on volume or manner of sale on any three-month period under Rule 144 or any successor rule, as described below. resTORbio refer to these shares collectively as registrable securities.

Demand Registration Rights

Under the terms of the investors' rights agreement, resTORbio will be required, upon the written request of the holders of at least 20% of resTORbio's outstanding registrable securities, as defined in the investors' rights agreement, to file a registration statement with respect to at least 40% of the registrable securities and use commercially reasonable efforts to effect the registration of all or a portion of their registrable securities for public resale so long as the total amount of registrable shares requested to be registered has an anticipated aggregate offering price to the public, net of selling expenses, of at least $15,000,000.

Short-Form Registration Rights

The holders of at least 10% of resTORbio's outstanding registrable securities can request that resTORbio register all or part of their shares on Form S-3 if resTORbio is eligible to file a registration statement on Form S-3 and if the aggregate offering price, net of selling expenses, is at least $10,000,000.

Piggyback Registration Rights

Pursuant to the investors' rights agreement, if resTORbio registers any of resTORbio's securities either for resTORbio's own account or for the account of other security holders, the holders of these shares are entitled to include their shares in the registration.

Indemnification

resTORbio's investors' rights agreement contains customary cross-indemnification provisions, under which resTORbio is obligated to indemnify holders of registrable securities in the event of material misstatements or omissions in the registration statement attributable to resTORbio, and they are obligated to indemnify resTORbio for material misstatements or omissions attributable to them.

Anti-Takeover Effects of the resTORbio Certificate of Incorporation and Bylaws and Delaware Law

The resTORbio certificate of incorporation and bylaws include a number of provisions that may have the effect of delaying, deferring or preventing another party from acquiring control of resTORbio and encouraging persons considering unsolicited tender offers or other unilateral takeover proposals to negotiate with the resTORbio Board rather than pursue non-negotiated takeover attempts. These provisions include the items described below.

Board Composition and Filling Vacancies

The resTORbio certificate of incorporation provides for the division of the resTORbio Board into three classes serving staggered three-year terms, with one class being elected each year. The resTORbio certificate of incorporation also provides that directors may be removed only for cause and then only by the affirmative vote of the holders of two-thirds or more of the shares then entitled to vote at an election of directors. Furthermore, any vacancy on the resTORbio Board, however occurring, including a vacancy resulting from an increase in the size of the resTORbio Board, may only be filled by the affirmative vote of a majority of the resTORbio directors then in office even if less than a quorum. The classification of directors, together with the limitations on removal of directors and treatment of vacancies, has the effect of making it more difficult for stockholders to change the composition of the resTORbio Board.

No Written Consent of Stockholders

The resTORbio certificate of incorporation provides that all stockholder actions are required to be taken by a vote of the stockholders at an annual or special meeting, and that stockholders may not take any action by written consent in lieu of a meeting. This limit may lengthen the amount of time required to take stockholder actions and would prevent the amendment of the resTORbio bylaws or removal of directors by resTORbio stockholders without holding a meeting of stockholders.

Meetings of Stockholders

The resTORbio certificate of incorporation and bylaws provide that only a majority of the members of the resTORbio Board then in office may call special meetings of stockholders and only those matters set forth in the notice of the special meeting may be considered or acted upon at a special meeting of stockholders. The resTORbio bylaws limit the business that may be conducted at an annual meeting of stockholders to those matters properly brought before the meeting.

Advance Notice Requirements

The resTORbio bylaws establish advance notice procedures with regard to stockholder proposals relating to the nomination of candidates for election as directors or new business to be brought before meetings of resTORbio stockholders. These procedures provide that notice of stockholder proposals must be timely given in writing to resTORbio's corporate secretary prior to the meeting at which the action is to be taken. Generally, to be timely, notice must be received at resTORbio's principal executive offices not less than 90 days nor more than 120 days prior to the first anniversary date of the annual meeting for the preceding year. The resTORbio bylaws specify the requirements as to form and content of all stockholders' notices. These requirements may preclude stockholders from bringing matters before the stockholders at an annual or special meeting.

Amendment to Certificate of Incorporation and Bylaws

Any amendment of the resTORbio certificate of incorporation must first be approved by a majority of the resTORbio Board, and if required by law or the resTORbio certificate of incorporation, must thereafter be approved by a majority of the outstanding shares entitled to vote on the amendment and a majority of the outstanding shares of each class entitled to vote thereon as a class, except that the amendment of the provisions relating to stockholder action, board composition, limitation of liability and the amendment of the resTORbio bylaws and certificate of incorporation must be approved by not less than two-thirds of the outstanding shares entitled to vote on the amendment, and not less than two-thirds of the outstanding shares of each class entitled to vote thereon as a class. The resTORbio bylaws may be amended by the affirmative vote of a majority of the directors then in office, subject to any limitations set forth in the bylaws; and may also be amended by the affirmative vote of a majority of the outstanding shares entitled to vote on the amendment, or, if the resTORbio Board recommends that the stockholders approve the amendment, by the affirmative vote of the majority of the outstanding shares entitled to vote on the amendment, in each case voting together as a single class.

Choice of Forum

The resTORbio certificate of incorporation provides that, unless resTORbio consents in writing to the selection of an alternative form, the Court of Chancery of the State of Delaware will be the sole and exclusive forum for: (1) any derivative action or proceeding brought on resTORbio's behalf; (2) any action asserting a claim of breach of a fiduciary duty or other wrongdoing by any of resTORbio's directors, officers, employees or agents to resTORbio or resTORbio stockholders; (3) any action asserting a claim against resTORbio arising pursuant to any provision of the DGCL or the resTORbio certificate of incorporation or bylaws; or (4) any action asserting a claim governed by the internal affairs doctrine. The resTORbio certificate of incorporation also provides that any person or entity purchasing or otherwise acquiring any interest in shares of resTORbio capital stock will be deemed to have notice of and to have consented to this choice of forum provision. It is possible that a court of law could rule that the choice of forum provision contained in the resTORbio certificate of incorporation is inapplicable or unenforceable if it is challenged in a proceeding or otherwise.

Section 203 of the Delaware General Corporation Law

resTORbio is subject to the provisions of Section 203 of the Delaware General Corporation Law. In general, Section 203 prohibits a publicly held Delaware corporation from engaging in a "business combination" with an

"interested stockholder" for a three-year period following the time that this stockholder becomes an interested stockholder, unless the business combination is approved in a prescribed manner. Under Section 203, a business combination between a corporation and an interested stockholder is prohibited unless it satisfies one of the following conditions:

- before the stockholder became interested, the resTORbio Board approved either the business combination or the transaction which resulted in the stockholder becoming an interested stockholder;
- upon consummation of the transaction which resulted in the stockholder becoming an interested stockholder, the interested stockholder owned at least 85% of the voting stock of the corporation outstanding at the time the transaction commenced, excluding for purposes of determining the voting stock outstanding, shares owned by persons who are directors and also officers, and employee stock plans, in some instances, but not the outstanding voting stock owned by the interested stockholder; or
- at or after the time the stockholder became interested, the business combination was approved by the resTORbio Board and authorized at an annual or special meeting of the stockholders by the affirmative vote of at least two-thirds of the outstanding voting stock which is not owned by the interested stockholder.

Section 203 defines a business combination to include:

- any merger or consolidation involving the corporation and the interested stockholder;
- any sale, transfer, lease, pledge or other disposition involving the interested stockholder of 10% or more of the assets of the corporation;
- subject to exceptions, any transaction that results in the issuance or transfer by the corporation of any stock of the corporation to the interested stockholder;
- subject to exceptions, any transaction involving the corporation that has the effect of increasing the proportionate share of the stock of any class or series of the corporation beneficially owned by the interested stockholder; and
- the receipt by the interested stockholder of the benefit of any loans, advances, guarantees, pledges or other financial benefits provided by or through the corporation.

In general, Section 203 defines an interested stockholder as any entity or person beneficially owning 15% or more of the outstanding voting stock of the corporation and any entity or person affiliated with or controlling or controlled by the entity or person.

COMPARISON OF RIGHTS OF HOLDERS OF RESTORBIO STOCK AND ADICET STOCK

Both resTORbio and Adicet are incorporated under the laws of the State of Delaware and, accordingly, the rights of the stockholders of each are currently, and will continue to be governed by the DGCL. If the merger is completed, Adicet equityholders will receive merger consideration in the form of resTORbio common stock and the rights of Adicet equityholders who become holders of resTORbio common stock in the merger will be governed by the DGCL, the bylaws of resTORbio and, assuming Proposal No. 2 is approved by resTORbio stockholders, the certificate of incorporation of resTORbio as amended by the amendment attached to this proxy statement/prospectus/information statement as *Annex D* and incorporated herein by reference.

The following discussion summarizes the material differences between the current rights of Adicet stockholders under Adicet's amended and restated certificate of incorporation (referred to herein as the "Adicet certificate of incorporation"), and bylaws and the rights of resTORbio stockholders post-merger, under the resTORbio certificate of incorporation, as amended by Proposal No. 2, and amended and restated bylaws, each as amended, as applicable, and as in effect immediately following the merger.

While resTORbio and Adicet believe that the summary tables cover the material differences between the rights of their respective stockholders prior to the merger and the rights of resTORbio stockholders following the merger, these summary tables may not contain all of the information that is important to you. These summaries are not intended to be a complete discussion of the respective rights of resTORbio's and Adicet's stockholders and are qualified in their entirety by reference to the DGCL and the various documents of resTORbio and Adicet that are referred to in the summaries. You should carefully read this entire proxy statement/prospectus/information statement and the other documents referred to in this proxy statement/prospectus/information statement for a more complete understanding of the differences between being a stockholder of resTORbio or Adicet before the merger and being a stockholder of resTORbio after the merger. resTORbio has filed copies of its current certificate of incorporation and bylaws with the SEC and will send copies of the documents referred to in this proxy statement/prospectus/information statement to you upon your request. Adicet will also send copies of its documents referred to in this proxy statement/prospectus/information statement to you upon your request. Please see the section entitled "*Where You Can Find More Information*" in this proxy statement/prospectus/information statement on page 417 of this proxy statement/prospectus/information statement.

	resTORbio Stockholder Rights	**Adicet Stockholder Rights**
Authorized Capital Stock:	The aggregate number of shares that resTORbio is authorized to issue is 160,000,000, consisting of (i) 150,000,000 shares of resTORbio common stock, par value $0.0001 per share, and (ii) 10,000,000 shares of undesignated preferred stock, par value $0.0001 per share.	The aggregate number of shares Adicet is authorized to issue is 239,564,382, consisting of (i) 140,200,938 shares of Adicet common stock, par value $0.0001 per share, and (ii) 99,363,444 shares of Adicet preferred stock, par value $0.0001 per share, 629,633 of which are designated as "Series A-1 preferred stock", 2,428,688 of which are designated as "Series A-2 preferred stock", 37,104,185 of which are designated as "Series A preferred stock", and 59,200,938 of which are designated as "Series B preferred stock".
Outstanding Capital:	Common Stock: As of the record date, resTORbio had [●] shares of common stock issued and outstanding.	*Common Stock:* As of June 16, 2020, Adicet had 17,569,569 shares of common stock issued and outstanding.

	resTORbio Stockholder Rights	Adicet Stockholder Rights
	Preferred Stock: The resTORbio Board, without further action by resTORbio stockholders, has the authority to issue up to 10,000,000 shares of preferred stock in one or more series. The resTORbio Board has the authority to determine the terms of each series of preferred stock, within the limits of the resTORbio certificate of incorporation, the resTORbio bylaws and the laws of the state of Delaware, and the resTORbio Board could take that action without stockholder approval. These terms include the number of shares in a series, voting rights, if any, preferences and the relative, participating, optional or other special rights of the shares of each series and any qualifications, limitations and restrictions thereof. The issuance of resTORbio preferred stock could delay, defer or prevent a change in control of resTORbio. As of the record date, resTORbio does not have any preferred stock issued and outstanding.	*Preferred Stock:* As of June 16, 2020, Adicet had 629,633 shares of Series A-1 preferred stock issued and outstanding, 2,428,688 shares of Series A-2 preferred stock issued and outstanding, 37,104,185 shares of Series A preferred stock issued and outstanding, and 57,004,415 shares of Series B preferred stock issued and outstanding.
Dividend Rights:	Holders of shares of resTORbio common stock are entitled to receive dividends when and if declared by the resTORbio Board out of funds legally available therefor, subject to any statutory or contractual restrictions on the payment of dividends.	The Adicet certificate of incorporation provides that holders of (a) Series B preferred stock shall be entitled, if, when and as declared by the Adicet Board, non-cumulative cash dividends at the rate of $0.1123 per share per annum, (b) after payment of the full amount of any dividends payable to the holders of Series B preferred stock, Series A preferred stock shall be entitled, if, when and as declared by the Adicet Board, non-cumulative cash dividends at the rate of $0.096 per share per annum and (c) after payment of the full amount of any dividends payable to the holders of Series A preferred stock, Series A-2 preferred stock shall be entitled, if, when and as declared by the Adicet Board, non-cumulative cash dividends at the rate of $0.096 per share per annum (in each case, as adjusted for any stock splits, stock dividends,

	resTORbio Stockholder Rights	Adicet Stockholder Rights
		combinations, recapitalizations or the like).
Purchase and Redemption Rights:	Shares of resTORbio common stock do not have preemptive, subscription, or conversion rights or redemption or sinking fund provisions.	Shares of Adicet common stock do not have preemptive, subscription, or conversion rights or redemption or sinking fund provisions. Shares of Adicet preferred stock do not have redemption or sinking fund provisions. The Adicet certificate of incorporation provides that each holder of shares of Adicet preferred stock shall have the right to convert such shares into shares of Adicet common stock at any time in accordance with the Adicet certificate of incorporation. In addition, all outstanding shares of Adicet preferred stock shall be converted into shares of Adicet common stock upon (i) the closing of the sale of shares of common stock in a firm-commitment underwritten public offering resulting in at least $50 million of proceeds at a price per share of at least $2.40 (as adjusted for any stock splits, stock dividends, combinations, recapitalizations or the like) or (ii) the date and time, or occurrence of an event, specified by the holders of a majority of all then outstanding shares of Adicet's preferred stock; provided however, that the consent of the holders of a majority of all then outstanding shares of Adicet's Series B preferred stock is also required if the conversion is being done in connection with a liquidation event which results in a price per share that is less than the Series B liquidation preference.
Right of First Refusal:	Shares of resTORbio common stock do not have rights of first refusal.	The Adicet Right of First Refusal and Co-Sale Agreement entered into among Adicet and certain stockholders dated as of July 25, 2019, as amended September 19, 2019 (referred to herein as the "Adicet co-sale agreement"), provides that certain key holders of Adicet common stock that are a party to the Adicet

	resTORbio Stockholder Rights	Adicet Stockholder Rights
		co-sale agreement wishing to transfer any shares of common stock shall first provide Adicet with the right to purchase such shares. In such an event, if Adicet does not elect to exercise its right of first refusal in full, then any investor that holds Adicet stock constituting at least 2% of Adicet's then current issued and outstanding shares of stock and is party to the Adicet co-sale agreement (referred to herein as an "Adicet major investor") has a secondary right of first refusal to purchase a pro rata share of the Adicet stock which are proposed for sale or transfer. Under the merger agreement, Adicet has agreed to terminate the Adicet co-sale agreement immediately prior to the effective time of the merger. In addition, the bylaws of Adicet provide that if any holder of Adicet common stock, other than common stock issued upon the conversion of preferred stock, wishes to transfer any such shares of common stock, they must first provide Adicet with the right to purchase such shares of Adicet stock. Certain transfers are exempted from this right of first refusal in the bylaws of Adicet, including transfers made for estate planning purposes and transfers made to related entities and other stockholders of Adicet.
Right of Co-Sale:	Shares of resTORbio common stock do not have a right of co-sale.	As further described in the Adicet co-sale agreement, the Adicet major investors have a right of co-sale with respect to any common stock proposed to be transferred or sold by certain key holders of common stock that are a party to the Adicet co-sale agreement which are not earlier purchased by Adicet by exercise of its right of first refusal (as further described above) or by any investor by exercise of their secondary right of first refusal (as further described above).

	resTORbio Stockholder Rights	Adicet Stockholder Rights
Preemptive Rights:	Shares of resTORbio common stock do not have preemptive rights.	Shares of Adicet common stock do not have preemptive rights. The Adicet Amended and Restated Investors' Rights Agreement entered into among Adicet and certain investors, dated July 25, 2019, as amended September 19, 2019 (referred to herein as the "Adicet IRA"), provides each Adicet major investor with a right of first refusal to purchase its pro rata amount (as defined therein) of new securities which Adicet proposes to sell and issue after September 19, 2019, subject to certain exceptions as further described therein. Under the merger agreement, Adicet has agreed to terminate the Adicet IRA immediately prior to the effective time of the merger.
Inspection Rights:	Under Section 220 of the DGCL, a stockholder or his agent has a right to inspect the corporation's stock ledger, a list of all of its stockholders and its other books and records during the usual hours of business upon written demand stating his purpose (which must be reasonably related to such person's interest as a stockholder). If the corporation refuses to permit such inspection or refuses to reply to the request within five business days of the demand, the stockholder may apply to the Delaware Court of Chancery for an order to compel such inspection.	Stockholders of Adicet have the same inspection rights under Section 220 of the DGCL. In addition, under the Adicet IRA, Adicet is required to deliver its financial statements to each Adicet major investor and each major investor is entitled to inspect the company's properties and examine its books and records, subject to customary limitations. Under the merger agreement, Adicet has agreed to terminate the Adicet IRA immediately prior to the effective time of the merger.
Voting Rights:	The resTORbio certificate of incorporation provides that each share of resTORbio common stock entitles the holder to one vote on each matter properly submitted to a vote of stockholders.	Under the Adicet certificate of incorporation, the holders of common stock are entitled to one vote for each share of common stock held by them and holders of preferred stock are entitled to one vote for each share of common stock into which such share of preferred stock is convertible into. Except as otherwise provided by law or in the Adicet certificate of incorporation, the holders of preferred stock vote together with the holders of

	resTORbio Stockholder Rights	Adicet Stockholder Rights
Votes on Certain Transactions:	Except as otherwise required by law, holders of resTORbio common stock shall not be entitled to vote on any amendment to the resTORbio certificate of incorporation (including any amendment to a certificate of designations filed with respect to any series of preferred stock) that alters or changes the powers, preferences, rights or other terms of one or more outstanding series of preferred stock if the holders of such affected series are entitled to vote, either separately or together with the holders of one or more other such series, on such amendment pursuant to the resTORbio certificate of incorporation (including any certificate of designation filed with respect to any series of preferred stock) or pursuant to the DGCL. The vote of the holders of a majority of the voting power of the stock represented at a meeting at which a quorum is present is generally required to take stockholder action, unless a different vote is required by law or specifically required by the resTORbio certificate of incorporation or the resTORbio bylaws, Delaware law, or Nasdaq. The holders of resTORbio preferred stock will have such voting rights (if any) as the resTORbio Board establishes, or as provided in the resTORbio certificate of incorporation or as determined by state law.	common stock, and not as a separate class or series. For so long as any shares of Adicet preferred stock remain outstanding, Adicet may not, without the consent of a majority of Adicet's preferred stock then outstanding: (i) amend, alter, repeal or change the rights, preferences or privileges of Adicet's preferred stock (or series thereof); (ii) increase or decrease the total number of authorized or designated shares of Adicet preferred stock (or any series thereof); (iii) create, authorize, designate or issue any new class or series of capital stock ranking on parity with or senior to the then outstanding shares of Adicet preferred stock with respect to dividends, redemptions or payments upon Liquidation (as defined in the Adicet certificate of incorporation) or having voting rights other than those granted to the preferred stock generally; (iv) redeem or repurchase (or permit any subsidiary to purchase or redeem) any shares of common stock or preferred stock, except pursuant to employee or consultant agreements giving Adicet the right to repurchase such shares at the original cost thereof upon the termination of services and pursuant to employee or consultant agreements giving Adicet the right to repurchase shares at the fair market value thereof upon the termination of service, provided, that in either such case, such repurchase is approved by the Adicet Board; (v) declare or pay any dividend or distribution to holders of preferred stock or common stock, other than a dividend on the common stock payable in shares of common stock; (vi) increase or decrease the number of directors of Adicet; (vii) effect any liquidation of Adicet or any subsidiary of Adicet (except, solely in the case of a subsidiary, as approved by the Adicet's Board); (viii) effect any material transaction between Adicet and/or any of its

	resTORbio Stockholder Rights	Adicet Stockholder Rights
		subsidiaries, and any founder, officer, director or any of their respective affiliates, other than as approved by the Adicet Board or in the ordinary course of business on arms-length terms; or (ix) guarantee any debt facility or increase thereof in which the aggregate outstanding debt of Adicet and its subsidiaries, taken as a whole, exceeds $500,000, other than as approved by Adicet's Board; or (x) enter into any agreement to do any of the foregoing.
Cumulative Voting	The resTORbio certificate of incorporation does not provide for cumulative voting rights.	The Adicet certificate of incorporation does not provide for cumulative voting rights.
Amendment of Corporate Governance Documents:	Under Section 242 of the DGCL, the resTORbio certificate of incorporation may be amended upon a resolution by the resTORbio Board and approved by: • the holders of a majority of the outstanding shares entitled to vote, and • a majority of the outstanding shares of each class entitled to a class vote, if any. The resTORbio certificate of incorporation provides that, for amendments to Article V, Section 1, Article VI, Section 3 and Article VII of the resTORbio certificate of incorporation, any amendment must be approved by the affirmative vote of not less than two thirds (2/3) of the outstanding shares of each class entitled to vote thereon as a class. The resTORbio bylaws may be amended, or repealed by the approval of a majority of the directors of the resTORbio Board then in office. The resTORbio bylaws may also be amended or repealed at any annual meeting of stockholders, or special meeting of stockholders called for such purpose, by the affirmative vote of a majority of the outstanding shares of capital stock entitled to vote on	Under Section 242 of the DGCL, the resTORbio certificate of incorporation may be amended upon a resolution by the Adicet Board and approved by: • the holders of a majority of the outstanding shares entitled to vote, and a majority of the outstanding shares of each class entitled to a class vote, if any. The Adicet certificate of incorporation provides that, for so long as any of the shares of Adicet preferred stock originally issued remain outstanding, the Adicet certificate of incorporation may not be amended in a manner that materially alters or changes the rights, preferences or privileges of the preferred stock so as to affect them adversely in a manner different than other classes without the written consent or affirmative vote of a majority of the outstanding shares of preferred stock. The bylaws of Adicet provide that the bylaws may be altered, amended or repealed by the stockholders of Adicet or by the Adicet Board, when such power is conferred upon the board of directors by Adicet's then current certificate of incorporation.

	resTORbio Stockholder Rights	Adicet Stockholder Rights
	such amendment or repeal, voting together as a single class.	
Shareholder Action by Written Consent:	The resTORbio certificate of incorporation prohibits stockholder action by written consent for any action required or permitted to be taken by resTORbio stockholders at any annual or special meeting of stockholders.	The bylaws of Adicet provide that any action required or permitted to be taken at any annual or special meeting of stockholders may be taken without a meeting, without prior notice and without a vote, if a consent in writing, setting forth the action so taken, is 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 on such action were present and voted.
Special Meeting of the Stockholders:	The resTORbio bylaws provide special meetings of the stockholders may be called only by the Board of Directors acting pursuant to a resolution approved by the affirmative vote of a majority of the Directors then in office.	The Adicet bylaws provide that special meetings of stockholders may be called by the President of Adicet, the Adicet Board, or by such other officers or persons as the Adicet Board may designate.
Shareholder Quorum:	The resTORbio bylaws provide that a majority of the outstanding shares entitled to vote, present in person or represented by proxy, shall constitute a quorum at any meeting of stockholders. If less than a quorum is present at a meeting, the holders of voting stock representing a majority of the voting power present at the meeting or the presiding officer may adjourn the meeting from time to time, and the meeting may be held as adjourned without further notice. At such adjourned meeting at which a quorum is present, any business may be transacted which might have been transacted at the original meeting. The stockholders present at a duly constituted meeting may continue to transact business until adjournment, notwithstanding the withdrawal of enough stockholders to leave less than a quorum.	The Adicet bylaws provide that a majority of the outstanding shares entitled to vote, present in person or represented by proxy, shall constitute a quorum at any meeting of stockholders. If less than a quorum is present at a meeting, the holders of voting stock representing a majority of the voting power present at the meeting may adjourn the meeting from time to time, and the meeting may be held as adjourned without further notice. At such adjourned meeting at which a quorum is present, any business may be transacted which might have been transacted at the original meeting. The stockholders present at a duly constituted meeting may continue to transact business until adjournment, notwithstanding the withdrawal of enough stockholders to leave less than a quorum.
Shareholder Proposals and Shareholder Nominations of Directors:	The resTORbio bylaws provide that stockholders seeking to nominate candidates for election as directors or	The Adicet certificate of incorporation and bylaws do not provide for

	resTORbio Stockholder Rights	Adicet Stockholder Rights
	to bring business before an annual meeting of stockholders must provide timely notice of their proposal in writing to resTORbio's corporate secretary. As specified in the resTORbio bylaws, director nominations and the proposal of business to be considered by stockholders may be made only pursuant to a notice of meeting, brought specifically by or at the direction of the resTORbio Board or by a stockholder of record at the time of giving the stockholder's notice who is entitled to vote at the meeting and who has complied with the notice procedures that are provided in the resTORbio bylaws.	procedures with respect to stockholder proposals or director nominations.
Appointment and Number of Directors:	The resTORbio certificate of incorporation provides that the number of directors will be fixed from time to time by resolution of the resTORbio Board. The resTORbio Board currently consists of eight directors.	The Adicet bylaws authorize the specific number of directors to be set by resolution of the Adicet Board. Currently, the authorized number of directors is set at nine; however, one seat is currently vacant. Adicet and certain stockholders of Adicet have entered into that certain Amended and Restated Voting Agreement dated as of July 25, 2019, as amended on September 19, 2019 (referred to herein as the "Adicet voting agreement"), which provides, among other things, that: (i) two directors shall be designated by OrbiMed Private Investments V, LP and its permitted transferees, currently Carl Gordon and one vacancy, (ii) one director shall be designated by the OrbiMed Israel Affiliates and their permitted transferees, currently Erez Chimovits, (iii) one director shall be designated by Novartis Bioventures Ltd. and its permitted transferees, currently Michal Silverberg, (iv) one director shall be designated by the holders of a majority the outstanding shares of Adicet's common stock held by the major common stockholders party to the voting agreement, currently Dr. Aya Jakobovits, (v) one director who is not an officer or

	resTORbio Stockholder Rights	Adicet Stockholder Rights
		employee of Adicet or its subsidiaries and is not an affiliate of any investor and is designated by the holders of a majority of the then outstanding shares of common stock and preferred stock, voting together as a single class on an as-converted basis, currently Donald Santel, (vi) one director shall be designated by Johnson & Johnson Innovation—JJDC, Inc. and its permitted transferees, currently Asish K. Xavier, (vii) one director shall be designated by aMoon 2 Fund Limited Partnership and its permitted transferees, currently Yair Schindel, and (viii) one director who is the then current Chief Executive Officer of Adicet, currently Anil Singhal. Under the merger agreement, Adicet has agreed to terminate the Adicet voting agreement immediately prior to the effective time of the merger.
Classification of the Board:	The resTORbio Board is classified into three classes. Each director is appointed for a three-year term.	The Adicet certificate of incorporation does not provide for the division of the Adicet Board into staggered classes.
Board Meetings:	The resTORbio bylaws provide that the regular annual meeting of the resTORbio Board shall be held on the same date and at the same place as the resTORbio annual meeting following the close of such meeting of stockholders. Other regular meetings of the resTORbio Board may be held at such hour, date and place as the resTORbio Board may by resolution from time to time determine and publicize by means of reasonable notice given to any director who is not present at the meeting at which such resolution is adopted. Special meetings of the resTORbio Board may be called, orally or in writing, by or at the request of a majority of the directors, the Chairman of the resTORbio Board, if one is elected, or the President. The person calling any such special meeting of the resTORbio Board may fix the hour, date and place thereof.	The Adicet bylaws to do not provide for regular meetings to be held at a certain time. Special meetings of the Adicet Board may be called by or at the request of the Chairman of the Adicet Board, the President or at least one-third of the number of directors constituting the whole board. The person or persons authorized to call special meetings of the Adicet Board may fix any time, date or place, either within or without the State of Delaware, for holding any special meeting called by them. At any meeting of the Adicet Board, a majority of the total number of directors shall constitute a quorum for the transaction of business, but if less than a quorum is present at a meeting, a majority of the directors present may adjourn the meeting from time to time, and the meeting may be held as adjourned without further notice. Any business which might have been

	resTORbio Stockholder Rights	Adicet Stockholder Rights
	At any meeting of the resTORbio, a majority of the total number of directors shall constitute a quorum for the transaction of business, but if less than a quorum is present at a meeting, a majority of the directors present may adjourn the meeting from time to time, and the meeting may be held as adjourned without further notice. Any business which might have been transacted at the meeting as originally noticed may be transacted at such adjourned meeting at which a quorum is present. The total number of directors includes any unfilled vacancies on the resTORbio Board. At any meeting of the resTORbio Board at which a quorum is present, the vote of a majority of the directors present shall constitute action by the resTORbio Board, unless otherwise required by law, by the resTORbio certificate of incorporation or the resTORbio bylaws. The resTORbio Board is classified into three classes. Each director is appointed for a three-year term.	transacted at the meeting as originally noticed may be transacted at such adjourned meeting at which a quorum is present. At any meeting of the Adicet Board at which a quorum is present, the vote of a majority of the directors present shall constitute action by the Adicet Board, unless otherwise required by law, by the Adicet certificate of incorporation or Adicet bylaws. Unless otherwise restricted by the Adicet certificate of incorporation or bylaws, any action required or permitted to be taken at any meeting of the Adicet Board, or of any committee thereof, may be taken without a meeting if all members of the Adicet Board or committee, as the case may be, consent thereto in writing.
Board Committees:	Currently, the resTORbio Board has an Audit Committee, a Compensation Committee and a Nominating and Corporate Governance Committee.	Currently, the Adicet Board has a Compensation Committee, Audit Committee and Scientific Review Committee.
Removal of Directors:	The resTORbio certificate of incorporation provides that, subject to the rights granted to any series of preferred stock, directors may only be removed for cause and only upon the affirmative vote of holders of at least two thirds (2/3) of the voting power of all then outstanding shares of stock then entitled to vote generally in the election of directors.	Under the Adicet certificate of incorporation, directors may be removed, with or without cause, by the affirmative vote of the holders of at least a majority of the shares of the class or series of stock entitled to elect such director or directors (e.g., in order to remove a Series A Director, the holders of a majority of the shares of Series A preferred stock, voting as a separate class and to the exclusion of all other classes of capital stock, must so vote).
Board Vacancies:	The resTORbio bylaws provide that, subject to the rights granted to any series of preferred stock, any vacancies or newly created directorships on the resTORbio Board	The Adicet certificate of incorporation and bylaws provide that any vacancy on Adicet's Board created by removal or resignation of a director may be filled by a majority of the directors

	resTORbio Stockholder Rights	Adicet Stockholder Rights
	will be filled only by the affirmative vote of a majority of the directors then in office, even though less than a quorum, and not by the stockholders.	then in office, though less than a quorum, or by the sole remaining director, and the directors so chosen shall hold office until the next annual election of Adicet's Board and until their successors are duly elected, unless sooner displaced; provided, however, that where such vacancy occurs among the directors elected by the holders of a class or series of stock or different classes or series voting separately or together, then the holders of shares of such class, or different classes or series voting separately or together may override the action of Adicet's Board to fill such vacancy.
Limitation of Director Liability:	The resTORbio certificate of incorporation provides that resTORbio directors shall not be personally liable to resTORbio or its stockholders for monetary damages for breach of his or her fiduciary duty as a director, except for liability (a) for any breach of the director's duty of loyalty to resTORbio or its stockholders, (b) for acts or omissions not in good faith or which involve intentional misconduct or a knowing violation of law, (c) under Section 174 of the DGCL or (d) for any transaction from which the director derived an improper personal benefit.	The Adicet certificate of incorporation provides that to the fullest extent permitted by applicable law, a director of Adicet shall not be personally liable to Adicet or its stockholders for monetary damages for breach of fiduciary duty as a director.
Directors and Officers Indemnity:	The resTORbio certificate of incorporation provides that a director is not personally liable to resTORbio or its stockholders for monetary damages for breach of his or her fiduciary duty as a director, except for liability (a) for any breach of the director's duty of loyalty to the Corporation or its stockholders, (b) for acts or omissions not in good faith or which involve intentional misconduct or a knowing violation of law, (c) under Section 174 of the DGCL or (d) for any transaction from which the director derived an improper personal benefit.	The Adicet certificate of incorporation provides that Adicet shall indemnify its directors and officers to the fullest extent permitted by applicable law. In addition, the bylaws of Adicet provide that Adicet shall indemnify its officers, directors, agents and employees in the manner and to the full extent permitted by applicable law. Adicet has entered into a number of indemnification agreements with its officers and directors. Adicet's standard form of indemnification agreement used with certain of its officers and directors, the bylaws of Adicet, and the Adicet certificate of incorporation, each

resTORbio Stockholder Rights	Adicet Stockholder Rights
If the DGCL is amended after the effective date of the certificate of incorporation to authorize corporate action further eliminating or limiting the personal liability of directors, then the liability of a director of the Corporation shall be eliminated or limited to the fullest extent permitted by the DGCL, as so amended. Under Delaware law, resTORbio is also authorized to carry directors' and officers' insurance to protect resTORbio, its directors, officers and certain employees from some liabilities. The resTORbio bylaws further provide that resTORbio will pay the expenses incurred by a director in connection with any proceeding in which such director is involved by reason of fact that such indemnitee is or was a director of resTORbio, but only upon receipt of an undertaking by the director to repay all amounts so advanced if it should be ultimately determined by final judicial decision that the indemnitee is not entitled to indemnification for such expenses. The resTORbio bylaws provide that resTORbio may pay the expenses incurred by an executive officer in connection with any proceeding in which such executive officer is involved by reason of fact that such indemnitee is or was an executive officer of resTORbio, but only upon receipt of an undertaking by the officer to repay all amounts so advanced if it should be ultimately determined by final judicial decision that the indemnitee is not entitled to indemnification for such expenses. Although the resTORbio certificate of incorporation provides directors with protection from awards for monetary damages for breaches of their duty of care, it does not eliminate such duty. In particular, the resTORbio certificate of incorporation has no effect on the availability of equitable remedies such as an injunction or	provide that Adicet shall pay the expenses incurred by a director or officer in defending any proceeding in advance of its final disposition, provided, that, to the extent required by law, such payment of expenses in advance of the final disposition of the proceeding shall be made only upon receipt of an undertaking by the director or officer to repay all amounts advanced if it should be ultimately determined that such director or officer is not entitled to be indemnified.

	resTORbio Stockholder Rights	Adicet Stockholder Rights
	rescission based on a director's breach of his or her duty of care.	
Insurance:	Under Delaware law, resTORbio is also authorized to carry directors' and officers' insurance to protect resTORbio, its directors, officers and certain employees from some liabilities.	Under Delaware law, Adicet is also authorized to carry directors' and officers' insurance to protect Adicet', its directors, officers and certain employees from some liabilities and under Adicet.
Claims and Derivative Actions:	Under the DGCL, any resTORbio stockholder may bring an action in resTORbio's name to procure a judgment in resTORbio's favor, also known as a derivative action, provided that the stockholder bringing the action is a holder of shares of resTORbio common stock at the time of the transaction to which the action relates or such stockholder's stock thereafter devolved by operation of law.	Adicet stockholders have the same rights to derivative actions under the DGCL.
Conflicts of Interest Transactions:	resTORbio has adopted a related party transactions policy. Pursuant to this policy, the audit committee of resTORbio has the primary responsibility for reviewing and approving or disapproving "related party transactions," which are transactions between resTORbio and related persons in which the aggregate amount involved exceeds or may be expected to exceed $120,000 and in which a related person has or will have a direct or indirect material interest. For purposes of this policy, a related person is defined as a director, executive officer, nominee for director, or greater than 5% beneficial owner of resTORbio common stock, in each case since the beginning of the most recently completed year, and their immediate family members.	Adicet has not adopted a related party transactions policy.
Certain Business Combinations:	Under Delaware law, only a majority of resTORbio outstanding voting power is required to approve mergers and other business combinations between resTORbio and third parties. The resTORbio certificate of incorporation does not require that a higher percentage of outstanding	Under Delaware law, only a majority of Adicet outstanding voting power is required to approve mergers and other business combinations between Adicet and third parties. Under the Adicet certificate of incorporation, for so long as any shares of Adicet preferred stock remain outstanding, Adicet may not

resTORbio Stockholder Rights	Adicet Stockholder Rights
voting power approve such transactions.	approve mergers and other business combinations between Adicet and third parties, without the consent of a majority of Adicet's preferred stock then outstanding.
resTORbio has not opted out of Section 203 of the DGCL, which provides that, if a person acquires 15% or more of the outstanding voting stock of a Delaware corporation, thereby becoming an "interested stockholder", that person may not engage in certain "business combinations" with the corporation, including mergers, purchases and sales of 10% or more of the assets of the corporation, stock purchases and other transactions pursuant to which the percentage of the corporation's stock owned by the interested stockholder increases (other than on a pro rata basis) or pursuant to which the interested stockholder receives a financial benefit from the corporation, for a period of three years after becoming an interested stockholder unless one of the following exceptions applies: (i) the resTORbio Board approved the acquisition of stock pursuant to which the person became an interested stockholder or the transaction that resulted in the person becoming an interested stockholder prior to the time that the person became an interested stockholder; (ii) upon consummation of the transaction that resulted in the person becoming an interested stockholder such person owned at least 85% of the outstanding voting stock of the corporation, excluding, for purposes of determining the voting stock outstanding, voting stock owned by directors who are also officers and certain employee stock plans; or (iii) the transaction is approved by the resTORbio Board and by the affirmative vote of two-thirds of the outstanding voting stock of resTORbio which is not owned by the interested stockholder. An "interested stockholder" also includes the affiliates and associates of a 15% or	Section 203 of the DGCL does not apply to Adicet because it does not have a class of voting stock listed on a national securities exchanges or held of record by more than 2,000 stockholders and the Adicet certificate of incorporation does not contain an election to be covered by Section 203 of the DGCL. Under the Adicet voting agreement, as further described therein, if the Adicet Board and the holders of a majority of all then outstanding shares of Adicet's preferred stock and common stock issued upon conversion of preferred stock approve the sale of Adicet, then each stockholder party to the Adicet voting agreement is required to vote in favor of such transaction or sell their shares, as applicable. However, no stockholder shall by a party to any stock sale unless all holders of preferred stock are allowed to participate in such transaction and the consideration received pursuant to such transaction is allocated among the parties thereto in the manner specified in the Adicet certificate of incorporation in effect immediately prior to the stock sale (as if such transaction were a Deemed Liquidation Event as defined in the Adicet certificate of incorporation) unless the holders of a majority of all then outstanding shares of Adicet's preferred stock and common stock issued upon conversion of preferred stock (and, if the consent of the holders of a majority the Series B preferred stock would be required by the Adicet certificate of incorporation to waive the treatment of such transaction as a Deemed Liquidation Event, the holders of a majority of the Series B preferred stock) elect

	resTORbio Stockholder Rights	Adicet Stockholder Rights
	more owner and any affiliate or associate of the corporation who was the owner of 15% or more of the outstanding voting stock within the three-year period prior to determine whether a person is an interested stockholder.	otherwise by written notice given to Adicet at least two days prior to the effective date of any such transaction or series of related transactions.
Forum Selection	The resTORbio bylaws specifies that, unless resTORbio consents in writing to the selection of an alternative forum, the Court of Chancery of the State of Delaware will be the sole and exclusive forum for (i) any derivative action or proceeding brought on behalf of resTORbio, (ii) any action asserting a claim of breach of a fiduciary duty owed by any director, officer or other employee of resTORbio to resTORbio or resTORbio stockholders, (iii) any action asserting a claim arising pursuant to any provision of the DGCL or the restated certificate of incorporation or bylaws, or (iv) any action asserting a claim against resTORbio governed by the internal affairs doctrine. Any person or entity purchasing or otherwise acquiring any interest in shares of resTORbio capital stock shall be deemed to have notice of and to have consented to the provisions of resTORbio bylaws described above.	The Adicet certificate of incorporation provides that except for (i) actions in which the Court of Chancery in the State of Delaware concludes that an indispensable party is not subject to the jurisdiction of the Delaware courts, and (ii) actions in which a federal court has assumed exclusive jurisdiction of a proceeding, any derivative action brought by or on behalf of Adicet, and any direct action brought by a stockholder against Adicet or any of its directors or officers, alleging a violation of the DGCL, the Adicet certificate of incorporation or the bylaws of Adicet, or breach of fiduciary duties or other violation of Delaware decisional law relating to the internal affairs of Adicet, shall be brought in the Court of Chancery in the State of Delaware, which shall be the sole and exclusive forum for such proceedings; provided, however, that Adicet may consent to an alternative forum for any such proceedings upon the approval of the Adicet Board.

PRINCIPAL STOCKHOLDERS OF RESTORBIO

Except where specifically noted, the following information and all other information contained in this proxy statement/prospectus/information statement do not give effect to the reverse stock split.

The following table sets forth information, to the extent known by resTORbio or ascertainable from public filings, with respect to the beneficial ownership of resTORbio common stock as of June 16, 2020 by:

- each of resTORbio's directors;
- each of resTORbio's named executive officers;
- all of resTORbio's directors and executive officers as a group; and
- each person, or group of affiliated persons, who is known by resTORbio to beneficially owner of more than 5% of resTORbio common stock.

The number of shares beneficially owned by each entity, person, director or executive officer is determined under the rules of the SEC and the information is not necessarily indicative of beneficial ownership for any other purpose. Under such rules, beneficial ownership includes any shares as to which the individual has the sole or shared voting power or investment power and also any shares that the individual has the right to acquire within 60 days of June 16, 2020, through the exercise of any stock option or other right. Unless otherwise indicated, each person has sole investment and voting power, or shares such powers with his or her spouse, with respect to the shares set forth in the following table.

The percentage of ownership is based on 36,446,853 shares of common stock outstanding on June 16, 2020, adjusted as required by the rules promulgated by the SEC to determine beneficial ownership. resTORbio does not know of any arrangements, including any pledge by any person of securities of resTORbio, the operation of which may at a subsequent date result in a change of control of resTORbio. Unless otherwise noted, the address of each director and current and former executive officer of resTORbio is c/o resTORbio, Inc., 500 Boylston Street, 13th Floor, Boston, Massachusetts 02166.

Name of Beneficial Owner	Shares Beneficially Owned	Percentage of Shares Beneficially Owned
5% Stockholders		
OrbiMed Private Investments VI, LP(1)	4,830,387	13.3%
Novartis Institutes for BioMedical Research, Inc.(2)	2,021,237	5.5%
Named Executive Officers and Directors		
Chen Schor(3)	2,108,181	5.8%
Named Executive Officers		
Joan Mannick, M.D.(4)	1,973,548	5.4%
Lloyd Klickstein, M.D., Ph.D.(5)	92,187	*%
Directors		
Jeffrey Chodakewitz, M.D.(6)	33,632	*%
Paul Fonteyne(7)	35,240	*%
Michael Grissinger(8)	31,230	*%
Jonathan Silverstein(9)	14,414	*%
David Steinberg(10)	14,414	*%
Lynne Sullivan(11)	34,589	*%
All Current Executive Officers and Directors as a Group (10 persons)(12)	4,396,522	11.9%

* Represents beneficial ownership of less than one percent.

(1) Information herein is based on a Schedule 13D/A filed by OrbiMed Advisors LLC on March 25, 2019. All shares are held by OrbiMed Private Investments VI, LP, or OPI VI. OrbiMed Capital GP VI LLC, or GP VI, is the sole general partner of OPI VI. OrbiMed Advisors LLC, or OrbiMed Advisors, is the managing member of GP VI. Samuel D. Isaly is the managing member of and owner of a controlling interest in OrbiMed Advisors. By virtue of such relationships, GP VI, OrbiMed Advisors, and Mr. Isaly may be deemed to have voting and investment power with respect to the shares held by OPI VI and as a result may be deemed to have beneficial ownership of such shares. Jonathan T. Silverstein, a member of OrbiMed Advisors, is a member of resTORbio's board of directors. Each of GP VI, OrbiMed Advisors and Mr. Silverstein disclaims beneficial ownership of the shares held by OPI VI, except to the extent of its or his pecuniary interest therein if any. The address of these entities is 601 Lexington Avenue, 54th floor, New York, New York 10022.

(2) Information herein is based on a Schedule 13G filed by Novartis AG on February 14, 2018. All shares are held by NIBR. NIBR is an indirect wholly owned subsidiary of, and controlled by, Novartis AG. The address for NIBR is 250 Massachusetts Avenue, Cambridge, MA 02139.

(3) Consists of (i) 325,000 shares of common stock; (ii) 599,363 shares held by an irrevocable family trust having an independent trustee; (iii) 25,000 shares held by a revocable family trust of which the reporting person is the trustee; (iv) 643,000 shares held by an additional irrevocable family trust having an independent trustee; (v) 25,000 shares held by a revocable trust of which the spouse is the trustee; (vi) 275,000 shares held by grantor retained annuity trust; and (vi) 215,818 shares of common stock issuable upon the exercise of options exercisable within 60 days after June 16, 2020.

(4) Consists of (i) 686,363 shares of common stock; (ii) 600,000 shares of common stock held by the J.B. Mannick Irrevocable Trust; (ii) 600,000 shares to a grantor retained annuity trust; and (iii) 87,185 shares of common stock issuable upon the exercise of options exercisable within 60 days after June 16, 2020.

(5) Consists of 92,187 shares of common stock issuable upon the exercise of options exercisable within 60 days after June 16, 2020.

(6) Consists of 33,632 shares of common stock issuable upon the exercise of options exercisable within 60 days after June 16, 2020.

(7) Consists of 35,240 shares of common stock issuable upon the exercise of options exercisable within 60 days after June 16, 2020.

(8) Consists of 31,230 shares of common stock issuable upon the exercise of options exercisable within 60 days after June 16, 2020.

(9) Consists of 14,414 shares of common stock issuable upon the exercise of options exercisable within 60 days after June 16, 2020.

(10) Consists of 14,414 shares of common stock issuable upon the exercise of options exercisable within 60 days after June 16, 2020.

(11) Consists of 34,589 shares of common stock issuable upon the exercise of options exercisable within 60 days after June 16, 2020.

(12) Consists of (i) 3,778,726 shares of common stock, and (ii) 618,597 shares of common stock issuable upon the exercise of options exercisable within 60 days after June 16, 2020. See footnotes (3) through (11) above.

PRINCIPAL STOCKHOLDERS OF ADICET

The following table sets forth certain information, to the extent known by Adicet, regarding the ownership of Adicet's securities on an as-converted basis as of June 16, 2020 by:

- each person or group of affiliated persons known by Adicet to be the beneficial owner of more than 5% of its common stock;
- each of Adicet's directors;
- each of Adicet's executive officers; and
- all executive officers and directors of Adicet as a group.

The number of shares beneficially owned by each entity, person, director or executive officer is determined under the rules of the SEC and the information is not necessarily indicative of beneficial ownership for any other purpose. Under such rules, beneficial ownership includes any shares as to which the individual has the sole or shared voting power or investment power and also any shares that the individual has the right to acquire within 60 days of June 16, 2020, through the exercise of any stock option or other right. Unless otherwise indicated, each person has sole investment and voting power, or shares such powers with his or her spouse, with respect to the shares set forth in the following table.

The percentage of ownership is based on 114,736,490 shares of Adicet capital stock outstanding on June 16, 2020, adjusted as required by the rules promulgated by the SEC to determine beneficial ownership. Unless otherwise noted, the address for the following stockholders is: c/o Adicet Bio, Inc., 200 Constitution Drive, Menlo Park, California 94025.

	Shares Beneficially Owned	Percentage of Shares Beneficially Owned
5% Stockholders		
OrbiMed Private Investments V, LP(1)	38,894,843	33.9%
OrbiMed Israel Entities(2)	9,641,069	8.4%
aMoon 2 Fund Limited Partnership(3)	8,906,940	7.8%
Novartis Bioventures Ltd.(4)	7,904,074	6.9%
Aya Jakobovits(5)	7,408,160	6.5%
Regeneron Pharmaceuticals, Inc.(6)	7,125,552	6.2%
Executive Officers and Directors		
Donald Santel(7)	2,322,711	2.0%
Anil Singhal(8)	1,839,519	1.6%
Stewart Abbot(9)	452,165	0.4%
Anat Nursella(10)	266,453	0.2%
Carrie Krehlik(11)	125,958	0.1%
Francesco Galimi(12)	—	—
Carl Gordon(1)(2)	48,535,912	42.3%
Erez Chimovits(2)	9,641,069	8.4%
Yair Schindel(3)	8,906,940	7.8%
Michal Silverberg(4)	7,904,074	6.9%
Aya Jakobovits(5)	7,408,160	6.5%
Asish Xavier(13)	5,344,164	4.7%
All current executive officers and directors as a group (12 persons)(14)	83,106,056	69.4%

(1) Consists of 38,894,843 shares of capital stock held directly by OrbiMed Private Investments V, LP (referred to as "OPI V"). OrbiMed Capital GP V LLC (referred to as "OrbiMed GP") is the general partner of OPI V,

and OrbiMed Advisors LLC (referred to as "OrbiMed Advisors"), a registered investment adviser under the Investment Advisors Act of 1940, as amended, is the managing member of OrbiMed GP. By virtue of such relationships, OrbiMed GP and OrbiMed Advisors may be deemed to have voting and investment power with respect to the shares held by OPI V noted above and as a result may be deemed to beneficially own such securities. OrbiMed Advisors exercises investment and voting power through a management committee comprised of Carl L. Gordon, Ph.D., Sven H. Borho and Jonathan T. Silverstein, each of whom disclaims beneficial ownership of the shares held by OPI V, except to the extent of his or her proportionate pecuniary interest therein, if any. Dr. Gordon also serves as a director of Adicet. The address of OrbiMed Advisors, OrbiMed GP and OPI V is 601 Lexington Avenue, 54th floor, New York, New York 10022.

(2) Consists of 7,281,335 shares of capital stock held directly by OrbiMed Israel Partners Limited Partnership (referred to as "OIP LP") and 2,359,734 shares of capital stock held directly by OrbiMed Israel Partners II, L.P. (referred to as "OIP II") (collectively referred to as the "OrbiMed Israel Entities"). OrbiMed Israel BioFund GP Limited Partnership (referred to as "BioFund GP LP") is the general partner of OIP LP and OrbiMed Israel GP Ltd. (referred to as "Israel GP") is the general partner of BioFund GP LP. As a result, Israel GP and BioFund GP LP may be deemed to have shared voting and investment power over all of the shares of capital stock held by OIP LP and both Israel GP and BioFund GP LP may be deemed to directly or indirectly, including by reason of their mutual affiliation, to be the beneficial owners of the shares held by OIP LP. OrbiMed Israel GP II, L.P. (referred to as "Israel GP II") is the general partner of OIP II. OrbiMed Advisors Israel II Limited (referred to as "Advisors Israel II") is the general partner of Israel GP II. As a result, Advisors Israel II and Israel GP II may be deemed to have shared voting and investment power over the securities held by OIP II, and both Advisors Israel II and Israel GP II may be deemed to directly or indirectly, including by reason of their mutual affiliation, to be the beneficial owners of the shares held by OIP II. Advisors Israel II exercises this investment power through an investment committee comprised of Carl L. Gordon, Jonathan T. Silverstein, Nissim Darvish, Anat Naschitz, and Erez Chimovits, each of whom disclaims beneficial ownership of the shares held by OIP II, except to the extent of his or her proportionate pecuniary interest therein, if any. Mr. Chimovitz and Dr. Gordon also serve as directors of Adicet. The address of Israel GP, BioFund GP LP, Israel GP II, and Advisors Israel II is 89 Medinat HaYehudim St., Build E, 11th Floor, Herzliya 46766 Israel.

(3) Consists of 8,906,940 shares of capital stock held by aMoon 2 Fund Limited Partnership (referred to as "aMoon"). aMoon 2 Fund G.P. Limited Partnership (referred to as "aMoon G.P.") is the sole general partner of aMoon. aMoon General Partner Ltd. (referred to as "aMoon Ltd.") is the sole general partner of aMoon G.P. Dr. Yair C. Schindel is the sole shareholder of aMoon Ltd. By virtue of such relationships, aMoon G.P., aMoon Ltd. and Dr. Schindel may be deemed to have shared voting and investment power with respect to the capital stock held by aMoon. Each of aMoon G.P., aMoon Ltd. and Dr. Schindel disclaims beneficial ownership of the shares held by aMoon, except to the extent of its or his pecuniary interest therein, if any. Dr. Schindel also serves as a director of Adicet. The address of aMoon G.P., aMoon Ltd. and aMoon is 34 Yerushalaim Rd, Beit Gamla, 6th Floor, Ra'anana, 4350110, Israel.

(4) Consists of 7,904,074 shares of capital stock held by Novartis Bioventures Ltd. Novartis Bioventures Ltd. is a Swiss corporation and an indirect wholly owned subsidiary of Novartis AG. As a result, Novartis Bioventures Ltd. and Novartis AG may be deemed to have shared voting and investment power over such securities. The address of these entities is Lichtstrasse 35, CH-4056 Basel, Switzerland. Michal Silverberg, a member of Adicet's Board, is also an employee of a corporation that is affiliated with Novartis Bioventures Ltd. Ms. Silverberg disclaims beneficial ownership of the securities held by Novartis Bioventures Ltd., except to the extent of her pecuniary interest arising as a result of her employment by such affiliate of Novartis Bioventures Ltd.

(5) Consists of (i) 5,063,006 shares held in a grantor retained annuity trust ("GRAT") of which Dr. Jakobovits' spouse is the trustee and Dr. Jakobovits the sole annuitant and current beneficiary, (ii) 1,095,154 shares held in a GRAT of which Dr. Jakobovits' spouse is the trustee and Dr. Jakobovits the sole annuitant, and current beneficiary, (iii) 625,000 shares held in a trust of which Dr. Jakobovits' spouse is the trustee and Dr. Jakobovits' child is the beneficiary and (iv) 625,000 shares held in a trust of which Dr. Jakobovits' spouse is the trustee and Dr. Jakobovits' child is the beneficiary.

(6) The address for Regeneron Pharmaceuticals, Inc. is 777 Old Saw Mill River Road, Tarrytown, NY 10591.

(7) Represents shares of common stock that Mr. Santel has the right to acquire from Adicet within 60 days of June 16, 2020 pursuant to the exercise of stock options.
(8) Represents shares of common stock that Dr. Singhal has the right to acquire from Adicet within 60 days of June 16, 2020 pursuant to the exercise of stock options.
(9) Represents shares of common stock that Dr. Abbot has the right to acquire from Adicet within 60 days of June 16, 2020 pursuant to the exercise of stock options.
(10) Represents shares of common stock that Ms. Nursella has the right to acquire from Adicet within 60 days of June 16, 2020 pursuant to the exercise of stock options.
(11) Represents shares of common stock that Ms. Krehlik has the right to acquire from Adicet within 60 days of June 16, 2020 pursuant to the exercise of stock options.
(12) Dr. Galimi does not beneficially own or hold any shares or options or warrants for Adicet capital stock that are exercisable within 60 days of June 16, 2020.
(13) Consists of 5,344,164 shares of capital stock held by Johnson & Johnson Innovation-JJDC, Inc., a New Jersey corporation (referred to as "JJDC"). JJDC is a wholly owned subsidiary of Johnson & Johnson, a New Jersey corporation (referred to as "J&J"). The shares reported as being held by JJDC are directly beneficially owned by JJDC. Dr. Xavier is the Vice President, Venture Investments for JJDC and also serves as a director of Adicet. J&J may be deemed to indirectly beneficially own the shares that are directly beneficially owned by JJDC. The principal business address of J&J is One Johnson & Johnson Plaza, New Brunswick, NJ 08933, and the principal business address of JJDC is 410 George Street, New Brunswick, NJ 08901.
(14) Consists of (i) 78,099,250 shares beneficially owned by Adicet's current directors as of June 16, 2020 and (ii) 5,006,806 shares subject to options held by Adicet's current executive officers exercisable within 60 days of June 16, 2020 and does not double count shares that are beneficially owned by more than one executive officer and/or director.

PRINCIPAL STOCKHOLDERS OF COMBINED COMPANY

Except where specifically noted, the following information and all other information contained in this proxy statement/prospectus/information statement do not give effect to the reverse stock split.

The following table and the related notes present certain information with respect to the beneficial ownership of the common stock of the combined company upon consummation of the merger, assuming the closing of the merger will occur on August 31, 2020, by:

- each director and named executive officer of the combined company;
- all of the combined company's directors and executive officers as a group; and
- each person or group who is known to the management of Adicet or resTORbio to become the beneficial owner of more than 5% of the common stock of the combined company upon the consummation of the merger.

Unless otherwise indicated in the footnotes to the following table, Adicet and resTORbio believe that each of the persons named has sole voting and investment power with respect to the shares indicated as beneficially owned.

The following table assumes (i) all outstanding unvested resTORbio restricted stock units will be accelerated in full effective as of immediately prior to the effective time of the merger, and for each outstanding and unsettled resTORbio restricted stock unit, the holder thereof shall receive a number of shares of resTORbio common stock equal to the number of vested and unsettled shares underlying such resTORbio restricted stock units (reduced by the number of shares of resTORbio common stock necessary to satisfy applicable tax withholding obligations at the maximum statutory rate); (ii) that each unexpired, unexercised and unvested resTORbio option shall be accelerated in full effective as of immediately prior to the effective time of the merger; (iii) that each unexpired and unexercised resTORbio option with an exercise price that equals or exceeds the in-the-money price shall be cancelled for no consideration; (iv) each unexpired and unexercised resTORbio option with an exercise price that is less than the in-the-money price shall remain outstanding after the close of the merger in accordance with its terms; (v) no exercise of outstanding options to purchase shares of Adicet capital stock or resTORbio common stock prior to the closing of the merger, (vi) an exchange ratio of 0.8559, (vii) that the closing of the merger will occur on August 31, 2020, and (viii) that immediately prior to the merger, Adicet will have 114,736,490 shares of its capital stock outstanding and resTORbio will have 36,843,920 shares of its common stock outstanding. Based on these assumptions, there will be a total of 135,046,881 shares of combined company common stock outstanding following the closing of the merger. Shares of the combined company's common stock that may be acquired by an individual or group within 60 days of August 31, 2020, pursuant to the exercise of options or warrants, are deemed to be outstanding for the purpose of computing the percentage ownership of such individual or group, but are not deemed to be outstanding for the purpose of computing the percentage ownership of the combined company's common stock of any other person shown in the table. Unless otherwise indicated, the address for the following stockholders is: c/o Adicet Bio, Inc., 200 Constitution Drive, Menlo Park, California 94025.

	Beneficial Ownership	
Beneficial Owner	Number of Shares	Percent of Total
Greater than 5% stockholders		
OrbiMed US Entities (1)	38,120,481	28.2%
Novartis Entities (2)	8,786,332	6.5%
OrbiMed Israel Entities (3)	8,251,789	6.1%
aMoon 2 Fund Limited Partnership (4)	7,623,448	5.7%
Executive Officers and Directors		
Chen Schor (5)	2,098,763	1.6%
Lloyd Klickstein (6)	159,600	*%
Stewart Abbot (7)	440,025	*%
Francesco Galimi (8)	240,078	*%
Carrie Krehlik (9)	120,275	*%

Beneficial Owner	Beneficial Ownership	
	Number of Shares	Percent of Total
Jeffrey Chodakewitz (10)	14,414	*%
Carl Gordon (1) (3)	46,372,270	34.3%
Erez Chimovits (3)	8,251,789	6.1%
Yair Schindel (4)	7,623,448	5.7%
Aya Jakobovits (11)	6,340,638	4.7%
All current directors and executive officers as a group (10 people) (12)	63,409,511	46.5%

* Represents beneficial ownership of less than one percent.

(1) Consists of 33,290,094 shares of common stock held directly by OrbiMed Private Investments V, LP (referred to as "OPI V") and 4,830,387 shares of common stock held directly by OrbiMed Private Investments VI, LP (referred to as "OPI VI") (collectively referred to as the "OrbiMed US Entities"). OrbiMed Capital GP V LLC (referred to as "OrbiMed GP V") is the general partner of OPI V, and OrbiMed Advisors LLC (referred to as "OrbiMed Advisors"), a registered investment adviser under the Investment Advisors Act of 1940, as amended, is the managing member of OrbiMed GP V. OrbiMed Capital GP VI LLC (referred to as "OrbiMed GP VI") is the general partner of OPI VI, and OrbiMed Advisors is the managing member of OrbiMed GP VI. By virtue of such relationships, (i) OrbiMed GP V and OrbiMed Advisors may be deemed to have voting and investment power with respect to the shares held by OPI V noted above and as a result may be deemed to beneficially own such securities and (ii) OrbiMed GP VI and OrbiMed Advisors may be deemed to have voting and investment power with respect to the shares held by OPI VI noted above and as a result may be deemed to beneficially own such securities. OrbiMed Advisors exercises investment and voting power through a management committee comprised of Carl L. Gordon, Ph.D., Sven H. Borho and Jonathan T. Silverstein, each of whom disclaims beneficial ownership of the shares held by OPI V and OPI VI, except to the extent of his or her proportionate pecuniary interest therein, if any. Dr. Gordon is also expected to serve as a director of the combined company. The address of OrbiMed Advisors, OrbiMed GP V, OrbiMed GP VI, OPI V and OPI VI is 601 Lexington Avenue, 54th floor, New York, New York 10022.

(2) Consists of 6,765,095 shares of common stock held by Novartis Bioventures Ltd. and 2,021,237 shares of common stock held by Novartis Institutes for BioMedical Research, Inc. (referred to as "NIBR") (collectively referred to as the "Novartis Entities"). Novartis Bioventures Ltd. is a Swiss corporation and an indirect wholly owned subsidiary of Novartis AG. NIBR is an indirect wholly owned subsidiary of, and controlled by, Novartis AG. As a result, Novartis Bioventures Ltd. and Novartis AG may be deemed to have shared voting and investment power over the securities held by Novartis Bioventures Ltd. and NIBR and Novartis AG may be deemed to have shared voting and investment power over the securities held by NIBR. The address for each of Novartis Bioventures Ltd. and Novartis AG is Lichtstrasse 35, CH-4056 Basel, Switzerland. The address for NIBR is 250 Massachusetts Avenue, Cambridge, MA 02139.

(3) Consists of 6,232,093 shares of common stock held directly by OrbiMed Israel Partners Limited Partnership (referred to as "OIP LP") and 2,019,696 shares of common stock held directly by OrbiMed Israel Partners II, L.P. (referred to as "OIP II") (collectively referred to as the "OrbiMed Israel Entities"). OrbiMed Israel BioFund GP Limited Partnership (referred to as "BioFund GP LP") is the general partner of OIP LP and OrbiMed Israel GP Ltd. (referred to as "Israel GP") is the general partner of BioFund GP LP. As a result, Israel GP and BioFund GP LP may be deemed to have shared voting and investment power over all of the shares of capital stock held by OIP LP and both Israel GP and BioFund GP LP may be deemed to directly or indirectly, including by reason of their mutual affiliation, to be the beneficial owners of the shares held by OIP LP. OrbiMed Israel GP II, L.P. (referred to as "Israel GP II") is the general partner of OIP II. OrbiMed Advisors Israel II Limited (referred to as "Advisors Israel II") is the general partner of Israel GP II. As a result, Advisors Israel II and Israel GP II may be deemed to have shared voting and investment power over the securities held by OIP II, and both Advisors Israel II and Israel GP II may be deemed to directly or indirectly, including by reason of their mutual affiliation, to be the beneficial owners of the shares held by OIP II. Advisors Israel II exercises this investment power through an investment committee comprised of Carl L. Gordon, Jonathan T. Silverstein, Nissim Darvish, Anat Naschitz, and Erez Chimovits, each of whom

disclaims beneficial ownership of the shares held by OIP II, except to the extent of his or her proportionate pecuniary interest therein, if any. Mr. Chimovitz and Dr. Gordon are expected to serve as directors of the combined company. The address of Israel GP, BioFund GP LP, Israel GP II, and Advisors Israel II is 89 Medinat HaYehudim St., Build E, 11th Floor, Herzliya 46766 Israel.

(4) Consists of 7,623,448 shares of common stock held by aMoon 2 Fund Limited Partnership (referred to as "aMoon"). aMoon 2 Fund G.P. Limited Partnership (referred to as "aMoon G.P.") is the sole general partner of aMoon. aMoon General Partner Ltd. (referred to as "aMoon Ltd.") is the sole general partner of aMoon G.P. Dr. Yair C. Schindel is the sole shareholder of aMoon Ltd. By virtue of such relationships, aMoon G.P., aMoon Ltd. and Dr. Schindel may be deemed to have shared voting and investment power with respect to the common stock held by aMoon. Each of aMoon G.P., aMoon Ltd. and Dr. Schindel disclaims beneficial ownership of the shares held by aMoon, except to the extent of its or his pecuniary interest therein, if any. Dr. Schindel is expected to serve as a director of the combined company. The address of aMoon G.P., aMoon Ltd. and aMoon is 34 Yerushalaim Rd, Beit Gamla, 6th Floor, Ra'anana, 4350110, Israel.

(5) Consists of (i) 531,400 shares of common stock held directly by Mr. Schor; (ii) 599,363 shares held by an irrevocable family trust having an independent trustee; (iii) 25,000 shares held by a revocable family trust of which the reporting person is the trustee; (iv) 643,000 shares held by an additional irrevocable family trust having an independent trustee ; (v) 25,000 shares held by a revocable trust of which Mr. Schor's spouse is the trustee; (vi) 275,000 shares held by a GRAT; and (vi) 258,000 shares of common stock issuable to Mr. Schor upon the exercise of options exercisable within 60 days after August 31, 2020.

(6) Consists of (i) 70,933 shares of common stock held directly by Dr. Klickstein; and (ii) 88,667 shares of common stock issuable to Dr. Klickstein upon the exercise of options exercisable within 60 days after August 31, 2020.

(7) Consists of 440,025 shares of common stock issuable to Dr. Abbot upon the exercise of options exercisable within 60 days after August 31, 2020

(8) Consists of 240,078 shares of common stock issuable to Dr. Galimi upon the exercise of options exercisable within 60 days after August 31, 2020.

(9) Consists of 120,275 shares of common stock issuable to Ms. Krehlik upon the exercise of options exercisable within 60 days after August 31, 2020.

(10) Consists of 14,414 shares of common stock issuable to Dr. Chodakewitz upon the exercise of options exercisable within 60 days after August 31, 2020.

(11) Consists of (i) 4,333,422 shares held in a GRAT of which Dr. Jakobovits' spouse is the trustee and Dr. Jakobovits the sole annuitant and current beneficiary, (ii) 937,342 shares held in a GRAT of which Dr. Jakobovits' spouse is the trustee and Dr. Jakobovits the sole annuitant and current beneficiary, (iii) 534,937 shares held in a trust of which Dr. Jakobovits' spouse is the trustee and Dr. Jakobovits' child is the beneficiary and (iv) 534,937 shares held in a trust of which Dr. Jakobovits' spouse is the trustee and Dr. Jakobovits' child is the beneficiary.

(12) Consists of the shares beneficially owned by all executive officers and directors of the combined company and does not double count shares that are beneficially owned by more than one executive officer and/or director.

OTHER BUSINESS AT THE SPECIAL MEETING

resTORbio knows of no other matters that will be presented for consideration at the special meeting.

LEGAL MATTERS

Goodwin Procter LLP will pass on the validity of resTORbio common stock offered by this proxy statement/prospectus/information statement. Certain U.S. federal income tax consequences relating to the merger will be passed upon by Morrison & Foerster LLP.

EXPERTS

The consolidated financial statements of resTORbio, Inc. as of December 31, 2019 and 2018, and for each of the years in the three-year period ended December 31, 2019, have been included herein and in the registration statement in reliance upon the report of KPMG LLP, independent registered public accounting firm, appearing elsewhere herein, and upon the authority of said firm as experts in accounting and auditing.

The financial statements of Adicet Bio, Inc. as of December 31, 2019 and 2018 and for the years then ended included in this Prospectus have been so included in reliance on the report (which contains an explanatory paragraph relating to Adicet's ability to continue as a going concern as described in Note 1 to the financial statements) of PricewaterhouseCoopers LLP, an independent registered public accounting firm, given on the authority of said firm as experts in auditing and accounting.

WHERE YOU CAN FIND MORE INFORMATION

resTORbio files annual, quarterly and special reports, proxy statements and other information with the SEC. You may read and copy any reports, statements or other information that resTORbio files at the SEC public reference rooms in Washington, D.C.; New York, New York; and Chicago, Illinois. Please call the SEC at 1-800-SEC-0330 for further information on the public reference rooms. resTORbio SEC filings are also available to the public from commercial document retrieval services and on the website maintained by the SEC at http://www.sec.gov. Reports, proxy statements and other information concerning resTORbio also may be inspected at the offices of the National Association of Securities Dealers, Inc., Listing Section, 1735 K Street, Washington, D.C. 20006.

As of the date of this proxy statement/prospectus/information statement, resTORbio has filed a registration statement on Form S-4 to register with the SEC resTORbio common stock that resTORbio will issue to Adicet's stockholders in the merger. This proxy statement/prospectus/information statement is a part of that registration statement and constitutes a prospectus of resTORbio, as well as a proxy statement of resTORbio for its special meeting and an information statement for the purpose of Adicet for its written consent.

resTORbio has supplied all information contained in this proxy statement/prospectus/information statement relating to resTORbio, and Adicet has supplied all information contained in this proxy statement/prospectus/information statement relating to Adicet.

If you would like to request documents from resTORbio or Adicet, please send a request in writing or by telephone to either resTORbio or Adicet at the following addresses:

resTORbio, Inc.
500 Boylston Street, 13th Floor
Boston, Massachusetts 02116
Telephone: (857) 315-5528
Attn: Chief Executive Officer

Adicet Bio, Inc.
200 Construction Drive
Menlo Park, California 94025
Telephone: (650) 503-9095
Attn: Chief Executive Officer

If you have more questions about this proxy statement/prospectus/information statement, the merger or how to submit your proxy, or if you need additional copies of this proxy statement/prospectus/information statement or the enclosed proxy card or voting instructions, please contact resTORbio's proxy solicitor at:

The Proxy Advisory Group, LLC
18 East 41st Street, Suite 2000
New York, NY 10017-6219
(212) 616-2181

TRADEMARK NOTICE

resTORbio uses various trademarks and trade names in its business, including without limitation its corporate name and logo. This proxy statement/prospectus/information statement and the information incorporated herein by reference contain references to trademarks, service marks and trade names owned by resTORbio or other companies. Solely for convenience, trademarks, service marks and trade names referred to in this proxy statement/prospectus/information statement and the information incorporated herein, including logos, artwork, and other visual displays, may appear without the ® or ™ symbols, but such references are not intended to indicate, in any way, that resTORbio will not assert, to the fullest extent under applicable law, its rights or the rights of the applicable licensor to these trademarks, service marks and trade names. resTORbio does not intend its use or display of other companies' trade names, service marks or trademarks to imply a relationship with, or endorsement or sponsorship of resTORbio by, any other companies. All trademarks, service marks and trade names included or incorporated by reference into this proxy statement/prospectus/information statement or any related free writing prospectus are the property of their respective owners.

OTHER MATTERS

Householding

Stockholders residing in the same household who hold their stock through a bank or broker may receive only one copy of the proxy materials in accordance with a notice sent earlier by their bank or broker unless their bank or broker has received contrary instructions from one or more of the stockholders. This practice will continue unless instructions to the contrary are received by your bank or broker from one or more of the stockholders within the household. resTORbio will promptly deliver a separate copy of the proxy materials to such stockholders if you make a written or oral request to resTORbio's corporate secretary at 500 Boylston Street, 13th Floor, Boston, Massachusetts 02116, Attention: Corporate Secretary, telephone: 857-315-5528.

If you hold your shares in "street name" and reside in a household that received only one copy of the proxy materials, you can request to receive a separate copy in the future by following the instructions sent by your bank or broker. If your household is receiving multiple copies of the proxy materials, you may request that only a single set of materials be sent by following the instructions sent by your bank or broker.

Stockholder Proposals

A stockholder who would like to have a proposal considered for inclusion in resTORbio's 2021 proxy statement must submit the proposal in accordance with the procedures outlined in Rule 14a-8 of the Exchange Act so that it is received by resTORbio no later than November 27, 2020. However, if the date of the 2021 Annual Meeting of Stockholders is changed by more than 30 days from the date of the previous year's meeting, then the deadline is a reasonable time before resTORbio begins to print and send the proxy statement for its 2021 Annual Meeting of Stockholders. SEC rules set standards for eligibility and specify the types of stockholder proposals that may be excluded from a proxy statement. As specified in the resTORbio bylaws, director nominations and the proposal of business to be considered by stockholders may be made only pursuant to a notice of meeting, brought specifically by or at the direction of the resTORbio Board or by a stockholder of record at the time of giving the stockholder's notice who is entitled to vote at the meeting and who has complied with the notice procedures that are provided in the resTORbio bylaws. Stockholder proposals should be addressed to resTORbio, Inc., 500 Boylston Street, 13th Floor, Boston, Massachusetts 02116, Attention: Corporate Secretary.

Communication with resTORbio's Board of Directors

Any interested party with concerns about resTORbio may report such concerns to the resTORbio Board or the chairman of the resTORbio Board and nominating and corporate governance committee, by submitting a written

communication to the attention of such director at the following address: c/o resTORbio, Inc., 500 Boylston Street, 13th Floor, Boston, Massachusetts 02116. You may submit your concern anonymously or confidentially by postal mail. You may also indicate whether you are a stockholder, customer, supplier, or other interested party.

A copy of any such written communication may also be forwarded to resTORbio's legal counsel and a copy of such communication may be retained for a reasonable period of time. The director may discuss the matter with resTORbio's legal counsel, with independent advisors, with non-management directors, or with resTORbio's management, or may take other action or no action as the director determines in good faith, using reasonable judgment, and applying his or her own discretion.

Communications may be forwarded to other directors if they relate to important substantive matters and include suggestions or comments that may be important for other directors to know. In general, communications relating to corporate governance and long-term corporate strategy are more likely to be forwarded than communications relating to ordinary business affairs, personal grievances, and matters as to which resTORbio tends to receive repetitive or duplicative communications.

The audit committee oversees the procedures for the receipt, retention, and treatment of complaints received by resTORbio regarding accounting, internal accounting controls, or audit matters, and the confidential, anonymous submission by employees of concerns regarding questionable accounting, internal accounting controls or auditing matters. resTORbio has also established a toll-free telephone number for the reporting of such activity, which is 1-866-207-4643.

RESTORBIO, INC.
INDEX TO CONSOLIDATED FINANCIAL STATEMENTS

Report of Independent Registered Public Accounting Firm

To the Stockholders and Board of Directors
resTORbio, Inc.:

Opinion on the Consolidated Financial Statements

We have audited the accompanying consolidated balance sheets of resTORbio, Inc. and subsidiary (the Company) as of December 31, 2019 and 2018, the related consolidated statements of operations and comprehensive loss, redeemable convertible preferred stock and stockholders' equity (deficit), and cash flows for each of the years in the three-year period ended, December 31, 2019, and the related notes (collectively, the consolidated financial statements). In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2019 and 2018, and the results of its operations and its cash flows for each of the years in the three-year period ended December 31, 2019, in conformity with U.S. generally accepted accounting principles.

Basis for Opinion

These consolidated financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these consolidated financial statements based on our audits. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) (PCAOB) and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free of material misstatement, whether due to error or fraud. 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 consolidated financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the consolidated financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements. We believe that our audits provide a reasonable basis for our opinion.

/s/ KPMG LLP

We have served as the Company's auditor since 2017.

Boston, Massachusetts
March 12, 2020

resTORbio, Inc.
Consolidated Balance Sheets
(In thousands, except share and per share data)

	December 31, 2019	December 31, 2018
Assets		
Current assets:		
Cash and cash equivalents	$ 33,774	$ 7,042
Marketable securities	57,699	100,986
Prepaid expenses	1,707	1,491
Other current assets	73	15
Total current assets	93,253	109,534
Restricted cash	245	84
Property and equipment, net	414	321
Total assets	$ 93,912	$109,939
Liabilities and stockholders' equity		
Current liabilities:		
Accounts payable	$ 6,716	$ 2,989
Accrued liabilities	5,483	2,727
Total current liabilities	12,199	5,716
Other liabilities	15	19
Total liabilities	12,214	5,735
Commitments and contingencies (see Note 12)		
Stockholders' equity:		
Preferred stock, $0.0001 par value, 10,000,000 shares authorized as of December 31, 2019 and 2018; none issued and outstanding as of December 31, 2019 and 2018	—	—
Common stock, $0.0001 par value, 150,000,000 shares authorized as of December 31, 2019 and 2018; 36,444,732 and 28,055,344 shares issued and outstanding as of December 31, 2019 and 2018, respectively; 36,444,732 and 28,054,344 shares vested as of December 31, 2019 and 2018, respectively	4	3
Additional paid-in capital	235,777	175,635
Accumulated deficit	(154,132)	(71,393)
Other comprehensive income (loss)	49	(41)
Total stockholders' equity	81,698	104,204
Total liabilities and stockholders' equity	$ 93,912	$109,939

See accompanying notes to these consolidated financial statements.

resTORbio, Inc.
Consolidated Statements of Operations and Comprehensive Loss
(In thousands, except share and per share data)

	Year Ended December 31,		
	2019	2018	2017
Operating expenses:			
Research and development	$ 73,634	$ 31,065	$ 16,839
General and administrative	11,823	8,640	2,043
Total operating expenses	85,457	39,705	18,882
Loss from operations	(85,457)	(39,705)	(18,882)
Interest income	2,817	2,124	—
Other expense, net	(63)	(7)	(14,896)
Loss before income taxes	(82,703)	(37,588)	(33,778)
Income tax expense	36	26	—
Net loss	$ (82,739)	$ (37,614)	$ (33,778)
Net loss per share, basic and diluted	$ (2.41)	$ (1.42)	$ (8.42)
Weighted-average common shares used in computing net loss per share, basic and diluted	34,306,374	26,439,216	4,009,513
Other comprehensive loss:			
Net unrealized gains (losses) on marketable securities	$ 90	$ (41)	$ —
Total other comprehensive income (loss)	90	(41)	—
Comprehensive loss	$ (82,649)	$ (37,655)	$ (33,778)

See accompanying notes to these consolidated financial statements.

resTORbio, Inc.
Consolidated Statements of Redeemable Convertible Preferred Stock and Stockholders' Equity (Deficit)
(In thousands, except share data)

	Series A Redeemable Convertible Preferred Stock		Series B Redeemable Convertible Preferred Stock		Common Stock		Additional Paid In Capital	Accumulated Deficit	Comprehensive Income (Loss)	Stockholders' (Deficit) Equity
	Shares	Amount	Shares	Amount	Shares	Amount				
Balance at December 31, 2016	—	$ —	—	$ —	2,082,860	$ 1	$ —	$ (1)	$ —	$ —
Issuance of common shares to PureTech	—	—	—	—	1,886,363	—	—	—	—	—
Issuance of Series A redeemable convertible preferred stock, net of tranche liability	15,527,951	41,674	—	—	—	—	1,379	—	—	1,379
Issuance of Series B redeemable convertible preferred stock, net of issuance costs of $54	—	—	4,792,716	39,946	—	—	—	—	—	—
Vesting of restricted stock	—	—	—	—	593,417	—	—	—	—	—
Stock-based compensation expense	—	—	—	—	—	—	470	—	—	470
Net loss	—	—	—	—	—	—	—	(33,778)	—	(33,778)
Balance at December 31, 2017	15,527,951	$ 41,674	4,792,716	$ 39,946	4,562,640	$ 1	$ 1,849	$ (33,779)	$ —	$ (31,929)
Conversion of convertible preferred stock into common stock upon the closing of initial public offering	(15,527,951)	(41,674)	(4,792,716)	(39,946)	15,870,559	1	81,619	—	—	81,620
Issuance of common stock upon closing of initial public offering, net of issuance costs of $8,379	—	—	—	—	6,516,667	1	89,369	—	—	89,370
Vesting of restricted stock	—	—	—	—	1,097,449	—	865	—	—	865
Exercise of stock options	—	—	—	—	7,029	—	5	—	—	5
Stock-based compensation expense	—	—	—	—	—	—	1,928	—	—	1,928
Net loss	—	—	—	—	—	—	—	(37,614)	—	(37,614)
Net unrealized losses on marketable securities	—	—	—	—	—	—	—	—	(41)	(41)
Balance at December 31, 2018	—	$ —	—	$ —	28,054,344	$ 3	$ 175,635	$ (71,393)	$ (41)	$ 104,204
Issuance of common stock upon closing of public offering, net of issuance costs of $3,683	—	—	—	—	7,687,934	1	49,746	—	—	49,747
Issuance of common stock pursuant to the at-the-market offering, net of issuance costs of $285	—	—	—	—	687,800	—	6,716	—	—	6,716
Vesting of restricted stock	—	—	—	—	1,000	—	1	—	—	1
Vesting of restricted stock units, net of shares withheld for taxes					6,625	—	(20)	—	—	(20)
Exercise of stock options	—	—	—	—	7,029	—	6	—	—	6
Stock-based compensation expense	—	—	—	—	—	—	3,693	—	—	3,693
Net loss	—	—	—	—	—	—	—	(82,739)	—	(82,739)
Net unrealized gains on marketable securities	—	—	—	—	—	—	—	—	90	90
Balance at December 31, 2019	—	$ —	—	$ —	36,444,732	$ 4	$ 235,777	$ (154,132)	$ 49	$ 81,698

See accompanying notes to these consolidated financial statements.

resTORbio, Inc.
Consolidated Statements of Cash Flows
(In thousands)

	Year Ended December 31,		
	2019	2018	2017
Operating activities:			
Net loss	$ (82,739)	$ (37,614)	$(33,778)
Adjustments to reconcile net loss to net cash used in operating activities:			
Accretion on marketable securities	(1,020)	(673)	—
Depreciation and amortization expense	125	80	5
Loss on disposal of property and equipment	53	—	—
Stock-based compensation expense	3,694	2,793	470
Change in fair value of tranche liability	—	—	14,896
Expense related to acquisition of intellectual property	—	—	3,157
Changes in operating assets and liabilities:			
Prepaid expenses and other current assets	(274)	(630)	(876)
Accounts payable	3,727	1,597	1,392
Accrued liabilities	2,756	(1,022)	3,749
Other liabilities	(4)	19	—
Net cash used in operating activities	(73,682)	(35,450)	(10,985)
Investing activities:			
Purchases of property and equipment	(271)	(362)	(44)
Maturities of marketable securities	141,500	7,500	—
Purchase of marketable securities	(97,103)	(107,854)	—
Net cash provided by (used in) investing activities	44,126	(100,716)	(44)
Financing activities:			
Proceeds from issuance of Series A redeemable convertible preferred stock	—	—	25,000
Proceeds from issuance of Series B redeemable convertible preferred stock, net	—	—	39,946
Proceeds from public offering, net of issuance costs	49,747	90,908	—
Proceeds from at-the-market offering, net of issuance costs	6,716	—	—
Deferred offering costs	—	(970)	(568)
Taxes paid related to net share settlement of restricted stock units	(20)	—	—
Proceeds from exercise of stock options	6	5	—
Net cash provided by financing activities	56,449	89,943	64,378
Net increase (decrease) in cash, cash equivalents and restricted cash	26,893	(46,223)	53,349
Cash, cash equivalents and restricted cash at beginning of period	7,126	53,349	—
Cash, cash equivalents and restricted cash at end of period	$ 34,019	$ 7,126	$ 53,349
Supplemental disclosure of non-cash investing and financing activities:			
Cash paid for income taxes	$ 62	$ —	$ —
Conversion of redeemable convertible preferred stock into common stock	$ —	$ 81,620	$ —

See accompanying notes to these consolidated financial statements.

resTORbio, Inc.
NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

1. Organization

resTORbio, Inc. (collectively referred to with its wholly owned, controlled subsidiary, resTORbio Securities Corp. as "resTORbio" or the "the Company") was incorporated in the State of Delaware on July 5, 2016. The Company is a clinical-stage biopharmaceutical company developing innovative medicines that target the biology of aging to prevent or treat aging-related diseases with the potential to extend healthy lifespan. The Company's principal operations are located in Boston, Massachusetts.

In November 2019, the Company announced that top line data from the PROTECTOR 1 Phase 3 study, evaluating the safety and efficacy of RTB101 in preventing clinically symptomatic respiratory illness in adults age 65 and older, did not meet its primary endpoint and the Company has stopped the development of RTB101 for clinically symptomatic respiratory illness. In addition, in February 2020, the Company retained JMP Securities LLC as a financial advisor to assist it in its evaluation of a broad range of strategic alternatives to enhance stockholder value, including additional capital raising transactions, an acquisition, merger, business combination, licensing and/or other strategic transaction involving the Company. There is no assurance that the review of strategic alternatives will result in the Company changing its business plan, pursuing any particular transaction, or, if it pursues any such transaction, that it will be completed.

Since inception, the Company has been primarily involved in research and development activities. The Company devotes substantially all of its efforts to product research and development, initial market development and raising capital. The Company has not generated any product revenue related to its primary business purpose to date and is subject to a number of risks similar to those of other early stage companies, including dependence on key individuals, competition from other companies, the need for development of commercially viable products and the need to obtain adequate additional financing to fund the development of its product candidates. The Company is also subject to a number of risks similar to other companies in the life sciences industry, including regulatory approval of products, uncertainty of market acceptance of products, competition from substitute products and larger companies, the need to obtain additional financing, compliance with government regulations, protection of proprietary technology, dependence on third parties, product liability and dependence on key individuals.

Public Offering

On March 22, 2019, the Company completed an underwritten public offering, whereby the Company sold 7,200,000 shares of its common stock at a price of $6.95 per share. The aggregate net proceeds received by the Company from the offering were approximately $46.6 million, after deducting underwriting discounts and commissions and other offering expenses payable by the Company of $3.5 million. In addition, the Company granted the underwriters a 30-day option to purchase up to an additional 1,080,000 shares of common stock at the public offering price, less underwriting discounts and commissions. On April 10, 2019, the Company sold an additional 487,934 shares of its common stock at a price of $6.95 per share. The aggregate net proceeds received by the Company were approximately $3.2 million, after deducting underwriting discounts and commissions and other offering expenses payable by the Company of $0.2 million. The remainder of the option expired unexercised.

At-the-Market Offering

On February 1, 2019, the Company filed a Registration Statement on Form S-3 (the "Shelf") with the Securities and Exchange Commission (the "SEC") in relation to the registration of common stock, preferred stock, warrants and/or units of any combination thereof (collectively, the "Securities"). The Company also simultaneously entered into a Controlled Equity Offering Sales Agreement (the "Sales Agreement") with SVB

Leerink LLC and Cantor Fitzgerald & Co. (collectively, the "Sales Agents"), to provide for the offering, issuance and sale by the Company of up to an aggregate of $50.0 million of its common stock from time to time in "at-the-market" offerings under the Shelf and subject to the limitations thereof. The Company will pay to the Sales Agents cash commissions of 3.0 percent of the gross proceeds of sales of common stock under the Sales Agreement. Beginning in June 2019 through September 19, 2019, based on settlement date, the Company sold approximately 688,000 shares of common stock at a weighted-average selling price of $10.18 per share in accordance with the Sales Agreement for aggregate net proceeds of $6.7 million, after payment of cash commissions of 3.0 percent of the gross proceeds to the Sales Agent and incurred issuance costs of approximately $75,000 related to legal, accounting, and other fees in connection with the sale. As of December 31, 2019, $43.0 million remained available for sale under the Sales Agreement.

Liquidity

In the course of its development activities, the Company has sustained operating losses and expects such losses to continue over the next several years. The Company's ultimate success depends on the outcome of its research and development activities. The Company has incurred net losses from operations since inception and has an accumulated deficit of $154.1 million as of December 31, 2019. As of December 31, 2019, the Company had $91.5 million of cash, cash equivalents, and marketable securities, which the Company believes will be sufficient to fund the Company's current operating plan through at least the next twelve months from the date of filing this proxy statement/prospectus/information statement.

2. Summary of Significant Accounting Policies

Basis of Presentation and Use of Estimates

The accompanying consolidated financial statements have been prepared in accordance with U.S. generally accepted accounting principles ("U.S. GAAP"). The Company's fiscal year end is December 31st. Any reference in these notes to applicable guidance is meant to refer to the authoritative United States generally accepted accounting principles as found in the Accounting Standards Codification ("ASC") and Accounting Standards Updates ("ASUs") of the Financial Accounting Standards Board ("FASB"). The preparation of financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities, as of the date of the consolidated financial statements, and the reported amounts of any expenses during the reporting period. On an ongoing basis, management evaluates its estimates, including those related to accrued liabilities stock-based compensation expense. Management bases its estimates on historical experience, and on various other market-specific relevant assumptions that management believes to be reasonable, under the circumstances. Actual results may differ from those estimates or assumptions.

The consolidated financial statements include the accounts of resTORbio, Inc. and its wholly owned subsidiary, resTORbio Securities Corp. All inter-company transactions and balances have been eliminated in consolidation.

Marketable securities

The Company classifies marketable securities with remaining maturities when purchased of greater than three months as available-for-sale. Marketable securities with a remaining maturity date greater than one year are classified as non-current. Available-for-sale securities are maintained by investment managers and consist of U.S. treasury securities and U.S. government agency securities. Available-for-sale securities are carried at fair value with the unrealized gains and losses included in other comprehensive income (loss) as a component of stockholders' equity until realized. Any premium or discount arising at purchase is amortized and/or accreted to interest income and/or expensed over the life of the instrument.

If any adjustment to fair value reflects a decline in the value of the investment, the Company considers all available evidence to evaluate the extent to which the decline is "other-than-temporary" and, if so, marks the investment to market through a change to the Company's statement of operations and comprehensive loss.

Restricted Cash

The Company maintains a letter of credit for the benefit of the landlord in connection with the Company's office lease. As of December 31, 2019 and 2018, restricted cash (non-current) related to this letter of credit consisted of $245,000 and $84,000, respectively.

Fair Value Measurements

Fair value is defined as the price at which an asset could be exchanged in a current transaction between knowledgeable, willing parties. A liability's fair value is defined as the amount that would be paid to transfer the liability to a new obligor, not the amount that would be paid to settle the liability with the creditor. Where available, fair value is based on observable market prices, or parameters derived from such prices. Where observable prices or inputs are not available, valuation models are applied. These valuation techniques involve some level of management estimation and judgment. The degree of management estimation and judgment is dependent on the price transparency for the instruments, or market, and the instruments' complexity. The authoritative accounting guidance describes a fair value hierarchy based on three levels of inputs that may be used to measure fair value, of which the first two are considered observable and the last is considered unobservable. These levels of inputs are as follows:

Level 1—Observable inputs such as unadjusted, quoted prices in active markets for identical assets or liabilities at the measurement date.

Level 2—Inputs (other than quoted prices included in Level 1) are either directly or indirectly observable for the asset or liability. These include quoted prices for similar assets or liabilities in active markets and quoted prices for identical or similar assets or liabilities in markets that are not active.

Level 3—Unobservable inputs that reflect management's best estimate of what market participants would use in pricing the asset or liability at the measurement date. Consideration is given to the risk inherent in the valuation technique and the risk inherent in the inputs to the model.

The following table summarizes assets measured at fair value on a recurring basis at December 31, 2019 (in thousands):

Description	December 31, 2019	Active Markets (Level 1)	Observable Inputs (Level 2)	Unobservable Inputs (Level 3)
Money market funds (included in cash and cash equivalents)	$ 33,774	$33,774	$ —	$ —
U.S. treasury securities (included in marketable securities)	57,699	57,699	—	—
Total	$ 91,473	$91,473	$ —	$ —

The following table summarizes assets measured at fair value on a recurring basis at December 31, 2018 (in thousands):

Description	December 31, 2018	Active Markets (Level 1)	Observable Inputs (Level 2)	Unobservable Inputs (Level 3)
Money market funds (included in cash and cash equivalents)	$ 6,804	$ 6,804	$ —	$ —
U.S. treasury securities (included in cash and cash equivalents)	238	238	—	—
U.S. treasury securities (included in marketable securities)	100,986	100,986	—	—
Total	$ 108,028	$108,028	$ —	$ —

To the extent that valuation is based on models or inputs that are less observable or unobservable in the market, the determination of fair value requires more judgment. Accordingly, the degree of judgment exercised by the Company in determining fair value is greatest for instruments categorized in Level 3. A financial instrument's level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement.

An entity may elect to measure many financial instruments and certain other items at fair value at specified election dates. Subsequent unrealized gains and losses on items for which the fair value option has been elected will be reported in net loss. The Company did not elect to measure any additional financial instruments or other items at fair value.

There have been no changes to the valuation methods utilized by the Company during the years ended December 31, 2019 and 2018. The Company evaluates transfers between levels at the end of each reporting period. There were no transfers of financial instruments between levels during the years ended December 31, 2019 and 2018.

Concentration of Credit Risk

Financial instruments that potentially subject the Company to a concentration of credit risk consist of cash, cash equivalents and marketable securities. The Company's cash, cash equivalents and marketable securities are held by financial institutions in the United States. Amounts on deposit may at times exceed federally insured limits. Management believes that the financial institution is financially sound, and accordingly, minimal credit risk exists with respect to the financial institution.

Concentration of Manufacturing Risk

As of December 31, 2019, the Company had manufacturing arrangements with vendors for the supply of materials for use in preclinical and clinical studies. If the Company were to experience any disruptions in either party's ability or willingness to continue to provide manufacturing services, the Company may experience significant delays in its product development timelines and may incur substantial costs to secure alternative sources of manufacturing.

Property and Equipment

Property and equipment are stated at cost, less accumulated depreciation. Depreciation is recorded using the straight-line method over the estimated useful lives of the respective assets. Depreciation begins at the time the asset is placed in service. Maintenance and repairs that do not improve or extend the lives of the respective assets are expensed to operations as incurred. Upon sale or retirement of assets, the cost and related accumulated depreciation are removed from the consolidated balance sheets and the resulting gain or loss is reflected in the consolidated statements of operations and comprehensive loss.

The estimated useful lives of property and equipment are as follows:

	Useful Life (in years)
Leasehold improvements	Lesser of useful life or remaining lease term
Machinery and equipment	2-8 years
Furniture and fixtures	3-5 years
Computers	1-5 years
Office equipment	3-5 years
Software	3-5 years

Impairment of Long-Lived Assets

The Company evaluates its long-lived assets, including property and equipment, for impairment whenever events or changes in circumstances indicate that the carrying value of these assets may not be recoverable. Recoverability of these assets is measured by comparison of the carrying amount of each asset to the future undiscounted cash flows the asset is expected to generate over its remaining life. If the asset is considered to be impaired, the amount of any impairment is measured as the difference between the carrying value and the fair value of the impaired asset. The Company has recorded no impairment during any of the periods presented.

Accrued Research and Development Costs

The Company accrues for estimated costs of research and development activities conducted by third-party service providers, which include the conduct of preclinical studies and clinical trials, and contract manufacturing activities. The Company records the estimated costs of research and development activities based upon the estimated amount of services provided and includes these costs in accrued liabilities in the consolidated balance sheets and within research and development expenses in the consolidated statements of operations and comprehensive loss. These costs are a significant component of the Company's research and development expenses. The Company accrues for these costs based on factors such as estimates of the work completed and in accordance with agreements established with its third-party service providers. The Company estimates the amount of work completed by its third-party service providers through discussions with internal personnel and external service providers as to the progress or stage of completion of the services and the agreed-upon fee to be paid for such services. The majority of the Company's service providers invoice in arrears for services performed, on a pre-determined schedule or when contractual milestones are met; however, some require advance payments. The Company makes significant judgments and estimates in determining the accrued balance in each reporting period based on the facts and circumstances known at that time. As actual costs become known, the Company adjusts its accrued estimates. Although the Company does not expect its estimates to be materially different from amounts actually incurred, its understanding of the status and timing of services performed, the number of patients enrolled, and the rate of patient enrollment may vary from its estimates and could result in it reporting amounts that are too high or too low in any particular period. The Company's accrued expenses are dependent, in part, upon the receipt of timely and accurate reporting from clinical research organizations, or CROs, clinical manufacturing organizations, or CMOs, and other third-party service providers. To date, there have been no material differences between estimated costs of research and development activities accrued by the Company each reporting period and amounts actually incurred.

Research and Development Costs

Research and development costs are expensed as incurred and consist of personnel costs, lab supplies and other costs, as well as fees paid to third parties to conduct research and development activities on the Company's behalf. Amounts incurred in connection with license agreements are also included in research and development expenses. The Company records payments made to outside vendors for services performed or goods being delivered for use in research and development activities as either prepaid expenses or accrued expenses, depending on the timing of when services are performed or goods are delivered.

Equity-Based Compensation Expense

The Company recognizes equity-based compensation expense for awards of equity instruments to employees and non-employees based on the grant date fair value of those awards in accordance with FASB ASC Topic 718, *Stock Compensation* ("ASC 718"). ASC 718 requires all equity-based compensation awards to employees and non-employee directors, including grants of restricted stock, restricted stock units, and stock options, to be recognized as expense in the consolidated statements of operations and comprehensive loss based on their grant date fair values. The Company estimates the fair value of stock options using the Black-Scholes option pricing model. The Company uses the value of its common stock to determine the fair value of restricted stock and restricted stock units.

The Company accounts for restricted stock and common stock options issued to non-employees under FASB ASC Topic 505-50, *Equity- Based Payments to Non-Employees* ("ASC 505-50"). As such, the value of such awards is periodically remeasured and income or expense is recognized over their vesting terms. Compensation cost related to awards with service-based vesting schedules is recognized using the straight-line method. The Company determines the fair value of the restricted stock and common stock granted to non-employees as either the fair value of the consideration received or the fair value of the equity instruments issued.

The Black-Scholes option pricing model requires the input of certain subjective assumptions, including (i) the expected share price volatility, (ii) the expected term of the award, (iii) the risk-free interest rate and (iv) the expected dividend yield. Due to the lack of company-specific historical and implied volatility data, the Company has based its estimate of expected volatility on the historical volatility of a group of similar companies that are publicly traded. The historical volatility is calculated based on a period of time commensurate with the expected term assumption. The group of representative companies have characteristics similar to the Company, including stage of product development and focus on the life science industry. The Company uses the simplified method, which is the average of the final vesting tranche date and the contractual term, to calculate the expected term for options granted to employees as it does not have sufficient historical exercise data to provide a reasonable basis upon which to estimate the expected term. For options granted to non-employees, the Company utilizes the contractual term of the arrangement as the basis for the expected term assumption. The risk-free interest rate is based on a treasury instrument whose term is consistent with the expected term of the stock options. The Company uses an assumed dividend yield of zero as the Company has never paid dividends and has no current plans to pay any dividends on its common stock.

The Company expenses the fair value of its equity-based compensation awards granted to employees on a straight-line basis over the associated service period, which is generally the period in which the related services are received. The Company measures equity-based compensation awards granted to non-employees at fair value as the awards vest and recognizes the resulting value as compensation expense at each financial reporting period. The Company accounts for award forfeitures as they occur.

Income Taxes

The Company uses the asset and liability method of accounting for income taxes in accordance with FASB ASC Topic 740, *Income Taxes*. Under this method, deferred tax assets and liabilities are determined based on the differences between the financial reporting and the tax basis of assets and liabilities and are measured using the enacted tax rates and laws that will be in effect when the differences are expected to reverse. The Company must then assess the likelihood that the resulting deferred tax assets will be realized. A valuation allowance is provided when it is more likely than not that some portion, or all of a deferred tax asset will not be realized. Due to the Company's lack of earnings history, the net deferred tax assets have been fully offset by a valuation allowance.

The Company recognizes benefits of uncertain tax positions if it is more likely than not that such positions will be sustained upon examination based solely on their technical merits, as the largest amount of benefit that is

more likely than not to be realized upon the ultimate settlement. The Company's policy is to recognize interest and penalties related to the underpayment of income taxes as a component of income tax expense or benefit. To date, the Company has no uncertain tax positions and there have been no interest charges or penalties related to unrecognized tax benefits.

Net Loss per Share

Basic net loss per share is calculated by dividing the net loss by the weighted average number of shares of common stock outstanding during the period without consideration of common stock equivalents. Diluted net loss per common share is the same as basic net loss per common share for all periods presented, since the effects of potentially dilutive securities are antidilutive.

Recently Adopted Accounting Pronouncements

In May 2017, the FASB issued ASU 2017-09, *Compensation—Stock Compensation* (Topic 718): Scope of Modification Accounting ("ASU 2017-09"). ASU 2017-09 provides guidance about which changes to the terms or conditions of a share-based payment award require an entity to apply modification accounting in Topic 718. The guidance is effective for annual periods beginning after December 15, 2017, with early adoption permitted, including adoption in any interim period for which financial statements have not yet been issued. The Company adopted the provisions of ASU 2017-09 on January 1, 2018. No modifications of share-based payment awards have occurred as of December 31, 2019.

In November 2016, the FASB issued ASU 2016-18, *Statement of Cash Flows* ("ASU 2016-18"), which requires that amounts generally described as restricted cash and restricted cash equivalents should be included with cash and cash equivalents when reconciling the beginning-of-period and end-of-period total amounts shown on the statement of cash flows. ASU 2016-18 is effective for fiscal years beginning after December 15, 2018 and interim periods in fiscal years beginning after December 15, 2019, with early adoption permitted. The Company adopted ASU 2016-18 on December 31, 2019. Upon adoption of ASU 2016-18, the Company applied the retrospective transition method for each period presented and included $0 and $84,000 of restricted cash in the beginning-of-period and end-of-period cash, cash equivalents and restricted cash balance, respectively, in the consolidated statement of cash flows for the year ended December 31, 2018.

Recently Issued Accounting Pronouncements

In February 2016, the FASB issued ASU 2016-02, *Leases* ("ASU 2016-02"), which requires a lessee to recognize a right-of-use asset and a lease liability for operating leases, initially measured at the present value of the future lease payments, in the balance sheet. ASU 2016-02 also requires a lessee to recognize a single lease cost, calculated so that the cost of the lease is allocated over the lease term, generally on a straight-line basis. This new guidance is effective for fiscal years beginning after December 15, 2020. Early adoption is permitted. The adoption of this standard is expected to have an impact on the amount of the Company's assets and liabilities presented. The Company expects to utilize the new transition method described in ASU No. 2018-11 and use the effective date as the Company's date of initial application for the new standard. The Company expects to elect the available package of practical expedients in transition which would allow it to not re-assess whether existing or expired arrangements contain a lease, the lease classification of existing or expired leases, or whether previous initial direct costs would qualify for capitalization under the new lease standard. As of December 31, 2019, the Company has not elected to early adopt the guidance and is currently evaluating the impact that the adoption of ASU 2016-02 will have on its consolidated financial statements.

In June 2016, the FASB issued ASU No. 2016-13, "*Financial Instruments—Credit Losses (Topic 326): Measurement of Credit Losses on Financial Instruments*". This ASU requires that credit losses be reported using an expected losses model rather than the incurred losses model that is currently used, and establishes additional disclosures related to credit risks. For available-for-sale debt securities with unrealized losses, this standard now

requires allowances to be recorded instead of reducing the amortized cost of the investment. ASU 2016-13 limits the amount of credit losses to be recognized for available-for-sale debt securities to the amount by which carrying value exceeds fair value and requires the reversal of previously recognized credit losses if fair value increases. ASU 2016-13 will be effective for fiscal years beginning after December 15, 2020 with early adoption permitted, and requires adoption using a modified retrospective approach, with certain exceptions. Based on the composition of the Company's investment portfolio as of December 31, 2019, current market conditions and historical credit loss activity, the adoption of this standard is not expected to have a material impact on the Company's consolidated financial statements.

In July 2017, the FASB issued ASU 2017-11, *Accounting for Certain Financial Instruments with Down Round Features* ("ASU 2017-11"), which updates the guidance related to the classification analysis of certain equity-linked financial instruments (or embedded features) with down round features. Under ASU 2017-11, a down round feature no longer precludes equity classification when assessing whether the instrument is indexed to an entity's own stock. As a result, a freestanding equity-linked financial instrument (or embedded conversion option) no longer would be accounted for as a derivative liability at fair value as a result of the existence of a down round feature. For freestanding equity classified financial instruments, the amendments require entities that present earnings per share ("EPS") in accordance with Topic 260 to recognize the effect of the down round feature when it is triggered. That effect is treated as a dividend and as a reduction of income available to common shareholders in basic EPS. ASU 2017-11 is effective for public entities for all annual and interim periods beginning after December 15, 2019. Early adoption is permitted. The Company does not expect the impact of ASU 2017-11 to be material to its consolidated financial statements.

In June 2018, the FASB issued ASU No. 2018-07, *Compensation—Stock Compensation (Topic 718), Improvements to Nonemployee Share-Based Payment Accounting* ("ASU 2018-07"), which intends to simplify aspects of share-based compensation issued to non-employees by making the guidance consistent with the accounting for employee share-based compensation. For public entities, ASU 2018-07 is required to be adopted for annual periods beginning after December 15, 2018, including interim periods within those fiscal years. For non-public entities and emerging growth companies that choose to take advantage of the extended transition period, ASU 2018-07 is effective for annual periods beginning after December 15, 2019. Early adoption is permitted for all entities but no earlier than the Company's adoption of ASC 606. The Company does not expect the impact of ASU 2018-07 to be material to its consolidated financial statements.

3. Marketable Securities

As of December 31, 2019, the fair value of marketable securities by type of security was as follows (in thousands):

Description	Amortized Cost	Unrealized Gains	Unrealized Losses	Fair Value
U.S. government agency treasuries and securities	$ 57,650	$ 49	$ —	$57,699
Total	$ 57,650	$ 49	$ —	$57,699

As of December 31, 2018, the fair value of marketable securities by type of security was as following (in thousands):

Description	Amortized Cost	Unrealized Gains	Unrealized Losses	Fair Value
U.S. government agency treasuries and securities	$101,027	$ 4	$ (45)	$100,986
Total	$101,027	$ 4	$ (45)	$100,986

The estimated fair value and amortized cost of the Company's available-for-sale securities by contractual maturity are summarized as follows:

	December 31, 2019	
	Amortized Cost	Fair Value
	(In thousands)	
Due in one year or less	$ 57,650	$ 57,699
Total	$ 57,650	$ 57,699

	December 31, 2018	
	Amortized Cost	Fair Value
	(In thousands)	
Due in one year or less	$ 101,027	$100,986
Total	$ 101,027	$100,986

4. Property and Equipment, Net

Property and equipment, net consists of the following:

	As of December 31,	
	2019	2018
	(In thousands)	
Leasehold improvements	$ 17	$ 65
Machinery and equipment	—	38
Furniture and fixtures	397	194
Computers	125	76
Office equipment	11	11
Software	22	22
Total property and equipment	572	406
Less: accumulated depreciation	(158)	(85)
Property and equipment, net	$ 414	$ 321

Depreciation expense was $0.1 million, $80,000, and $5,000 for the years ended December 31, 2019, 2018, and 2017, respectively.

5. Accrued Liabilities

Accrued liabilities consist of the following:

	As of December 31,	
	2019	2018
	(In thousands)	
Accrued payroll and related expenses	$1,643	$1,189
Accrued restructuring cost (see Note 15)	516	—
Accrued research and development expenses	3,171	1,028
Other	153	510
Total accrued liabilities	$5,483	$2,727

6. License Agreements

Novartis License Agreement

On March 23, 2017, the Company entered into an exclusive license agreement with Novartis International Pharmaceutical Ltd. ("Novartis"). Under the agreement, Novartis granted the Company an exclusive, field-restricted, worldwide license, to certain intellectual property rights owned or controlled by Novartis, to develop, commercialize and sell one or more therapeutic products comprising RTB101 or RTB101 in combination with everolimus in a fixed dose combination. The exclusive field under the license agreement is for the treatment, prevention and diagnosis of disease and other conditions in all indications in humans and animals.

As consideration for the licensed rights, the Company issued Novartis Institutes for Biomedical Research ("NIBR") 2,587,992 shares of the Company's Series A Preferred Stock. The fair value of the Novartis license was $3.2 million based on the fair value of the Series A Preferred Stock which was determined to be $1.22 per share based on an independent third-party valuation and is recorded as research and development expenses in the consolidated statements of operations and comprehensive loss.

The agreement may be terminated by either party upon a material breach by the other party that is not cured within 60 days after written notice. The Company may terminate the agreement in its entirety or on a product-by-product or country-by-country basis with or without cause with 60 days' prior written notice.

Novartis may terminate the portion of the agreement related to everolimus if the Company fails to use commercially reasonable efforts to research, develop and commercialize a product utilizing everolimus for a period of three years. Novartis may terminate the license agreement upon the Company's bankruptcy, insolvency, dissolution or winding up.

As additional consideration for the license, the Company is required to pay up to an aggregate of $4.3 million upon the satisfaction of clinical milestones, up to an aggregate of $24 million upon the satisfaction of regulatory milestones for the first indication approved, and up to an aggregate of $18 million upon the satisfaction of regulatory milestones for the second indication approved. In addition, the Company is required to pay up to an aggregate of $125 million upon the satisfaction of commercial milestones, based on the amount of annual net sales. The Company is also required to pay tiered royalties ranging from a mid single-digit percentage to a low teen-digit percentage on annual net sales of products. These royalty obligations last on a product-by-product and country-by-country basis until the latest of (i) the expiration of the last valid claim of a Novartis patent covering a subject product, (ii) the expiration of any regulatory exclusivity for the subject product in a country, or (iii) the 10th anniversary of the first commercial sale in the country, and are subject to a reduction after the expiration of the last valid claim of a Novartis patent or the introduction of a generic equivalent of a product in a country.

Milestone payments to Novartis are recorded as research and development expenses in the consolidated statements of operations and comprehensive loss once achievement of each associated milestone has occurred or the achievement is considered probable. In May 2017, the Company initiated a Phase 2b clinical trial for a first indication, triggering the first milestone payment under the agreement. Accordingly, the Company paid the related $0.3 million payment in May 2017. In May 2019, the Company initiated a Phase 3 clinical trial for the first indication, triggering another milestone payment of $2.5 million under the agreement. As of December 31, 2019, none of the remaining clinical milestones, regulatory milestones, sales milestones, or royalties had been reached or were probable of achievement.

7. Research Funding Agreement

Silverstein Foundation

On March 6, 2018, the Company and the Silverstein Foundation for Parkinson's with GBA (the "Silverstein Foundation") entered into a research funding agreement (the "Silverstein Funding Agreement"). One of the

Company's directors is a co-founder and current trustee of the Silverstein Foundation. Under the terms of the Silverstein Funding Agreement, the Silverstein Foundation will partially fund the preclinical research, development work, and Phase 2 clinical trial expenses (the "Research") to be conducted and borne by the Company in connection with the development of RTB101, alone or in combination with other products (the "Product").

Upon execution of the Silverstein Funding Agreement, the Silverstein Foundation paid the Company an upfront sum of $0.5 million (the "Funding Amount"). The Company is entitled to use the Funding Amount solely to conduct the Research and is obligated to repay the Funding Amount in full to the Silverstein Foundation if it successfully conducts a positive Phase 3 clinical trial of the Product for PD. The Company is solely responsible for commencing and conducting the Research and will furnish periodic progress updates to the Silverstein Foundation throughout the term of the Silverstein Funding Agreement. After completing the Research, the Company must provide the Silverstein Foundation with a formal report describing the work performed and the results of the Research.

The Company recognizes proceeds received from the Silverstein Foundation as a reduction to research and development expenses, rather than as revenue, in the consolidated statements of operations and comprehensive loss because the corresponding Silverstein Funding Agreement does not contain specified performance obligations other than to conduct research on a particular program or in a particular field and there are no obligations to deliver specified products or technology.

For funds received under the Silverstein Funding Agreement, the Company recognizes a reduction in research and development expenses. During the year ended December 31, 2018, $0.5 million qualifying expenses have been incurred. Therefore, all amounts received have been recorded as a reduction of the research and development expense.

National Institute of Health

In May 2019, the Company was awarded a 5-year grant for up to $1.5 million from the National Institutes of Health (the "NIH") to study RTB101 and the regulation of antiviral immunity in the elderly. The Company is entitled to use the award solely to conduct the research. The Company is solely responsible for commencing and conducting the research and will furnish periodic progress updates to the NIH throughout the term of the award. After completing the research, the Company must provide the NIH with a formal report describing the work performed and the results of the research.

For funds received under the NIH funding agreement, the Company recognizes a reduction in research and development expenses in an amount equal to the qualifying expenses incurred in each period up to the amount funded by the NIH. Qualifying expenses incurred by the Company in advance of funding by the NIH are recorded in the consolidated balance sheets as other current assets. As of December 31, 2019, $0.1 million qualifying expenses have been incurred and $41,000 have been funded by the NIH. Therefore, $61,000 is included in other current assets on the accompanying balance sheet as of December 31, 2019.

8. Preferred Stock

As of December 31, 2019 and 2018, the Company had 10,000,000 shares of preferred stock authorized and none was issued and outstanding.

9. Common Stock

General

As of December 31, 2019, the Company had 150,000,000 shares of common stock authorized, of which 36,444,732 shares were issued and outstanding. The common stock has the following characteristics:

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 the Company's 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 the Company's Certificate of Incorporation or pursuant to Delaware General Corporation Law. There shall be no cumulative voting.

Dividends

The holders of shares of common stock are entitled to receive dividends, if and when declared by the Board of Directors. Cash dividends may not be declared or paid to the holders of common stock until paid on the preferred stock. As of December 31, 2019, no dividends have been declared or paid since the Company's inception.

Liquidation

After payment to the holders of shares of preferred stock of their liquidation preference, the holders of the common stock are entitled to share ratably in the Company's assets available for distribution to stockholders, in the event of any voluntary or involuntary liquidation, dissolution or winding up of the Company or upon the occurrence of a deemed liquidation event.

Reserve for future issuance

As of December 31, 2019 and 2018, the Company has reserved the following number of shares of common stock for future issuance upon the exercise of options, vesting of restricted stock units or grant of equity awards:

	As of December 31,	
	2019	2018
Options issued and outstanding	2,562,800	1,122,677
Unvested restricted stock units	828,935	24,960
Options available for future grants	212,308	1,350,582
Shares available for issuance under the 2018 ESPP	555,583	275,030
Total	4,159,626	2,773,249

10. Stock-based Compensation

In 2017, the Company adopted the 2017 Stock Incentive Plan (the "2017 Plan"). Under the 2017 Plan, shares of the Company's common stock have been reserved for the issuance of stock options, restricted stock awards and restricted stock units to employees, directors, and consultants under terms and provisions established by the Board of Directors. A total of 537,914 shares were reserved for issuance under the 2017 Plan. Under the terms of the 2017 Plan, options may be granted at an exercise price not less than fair market value. The terms of options granted under the 2017 Plan may not exceed ten years. The Board shall determine the terms and

conditions of a restricted stock Award, including the conditions for vesting and repurchase (or forfeiture) and the issue price, if any. On October 11, 2017, the Company increased the number of shares of common stock available for issuance under the 2017 Plan from 537,914 shares to 630,662 shares. On November 29, 2017, the Company increased the number of shares of common stock available for issuance under the 2017 Plan from 630,662 shares to 1,866,009 shares.

In connection with the Company's IPO, the Board adopted, and the Company's stockholders approved the 2018 Stock Option and Incentive Plan ("2018 Plan"), which became effective on the date immediately preceding the date on which the Company's registration statement became effective. The 2018 Plan provides for the grant of incentive stock options, non-statutory stock options, restricted stock awards, restricted stock units, stock appreciation rights, and other stock-based awards. The Company's employees, officers, directors, consultants and advisors are eligible to receive awards under the 2018 Plan. The number of shares of common stock that were initially reserved for issuance under the 2018 Plan was 2,200,260 shares. The 2018 Plan provides that the number of shares reserved and available for issuance under the plan will automatically increase each January 1, beginning on January 1, 2019, by 4% of the outstanding number of shares of the Company's common stock on the immediately preceding December 31 or such lesser number of shares as determined by the Board. On January 1, 2019, as a result of the foregoing evergreen provision, the number of common stock available for issuance under the 2018 Plan automatically increased from 2,200,260 to 3,322,473 shares.

Since the date of effectiveness of the 2018 Plan, the Company has not and will not grant any further awards under the 2017 Plan. However, any shares of common stock subject to awards under the 2017 Plan that expire, terminate, or otherwise are surrendered, canceled, forfeited or repurchased without having been fully exercised or resulting in any common stock being issued will become available for issuance under the 2018 Plan. As of December 31, 2019, no such shares became available for issuance under the 2018 Plan.

Stock-based Compensation Expense

Total stock-based compensation expense is recognized for stock-based awards granted to employees and non-employees and has been reported in the Company's consolidated statements of operations and comprehensive loss as follows:

	Year Ended December 31,		
	2019	2018	2017
	(In thousands)		
Research and development	$1,542	$1,236	$246
General and administrative	2,152	1,557	224
Total stock-based compensation expense	$3,694	$2,793	$470

Stock Options

The following table summarizes stock option activity under the Plan:

	Shares Available for Grant	Number of Options Outstanding	Weighted-Average Exercise Price per Option ($)	Weighted-Average Remaining Contract Term (Years)	Aggregate Intrinsic Value ($)
			(In thousands)		
Outstanding, December 31, 2018	1,350,582	1,122,677	11.63	9.22	
Shares reserved for issuance	1,122,213				
Options granted	(1,896,527)	1,896,527	6.28		
Restricted stock units granted	(813,335)				
Options exercised	—	(7,029)	0.79		
Options forfeited	449,375	(449,375)	10.77		
Outstanding, December 31, 2019	212,308	2,562,800	7.85	8.84	200
Exercisable, December 31, 2019		461,150	11.40	7.06	37
Vested and expected to vest, December 31, 2019		2,562,800	7.85	8.84	200

The aggregate intrinsic values of options outstanding, exercisable, vested and expected to vest were calculated as the difference between the exercise price of the options and the fair value of the Company's common stock as of December 31, 2019. The aggregate intrinsic value of options exercised during the year ended December 31, 2019, was $67,000. The aggregate intrinsic values of options exercised during the year ended December 31, 2018 was $78,000.

During the year ended December 31, 2019, the Company granted options to employees and directors to purchase an aggregate of 1,886,687 common shares with a weighted-average grant date fair value of $4.83. During the year ended December 31, 2018, the Company granted options to employees to purchase an aggregate of 926,838 common shares with a weighted-average grant date fair value of $9.23. During the year ended December 31, 2019, the Company granted options to non-employees to purchase an aggregate of 9,840 common shares with a weighted-average grant date fair value of $7.61. During the year ended December 31, 2018, the Company granted options to non-employees to purchase an aggregate of 7,200 common shares with a weighted-average grant date fair value of $12.51.

As of December 31, 2019, the total unrecognized compensation expense related to unvested employee options was $9.4 million which the Company expects to recognize over an estimated weighted-average period of 2.80 years. As of December 31, 2019, the total unrecognized compensation expense related to unvested non-employee options was $26,000 which the Company expects to recognize over an estimated weighted-average period of 2.14 years.

The fair value of stock options for employees and non-employees was estimated using a Black-Scholes option pricing model with the following assumptions:

	Year Ended December 31,		
	2019	2018	2017
Employees:			
Fair value of common stock	$ 1.27 - $10.66	$ 8.57 - $15.45	$ 0.79 - $9.33
Expected term (in years)	5.5 - 6.1	5.8 - 6.2	5.9 - 6.2
Expected volatility	92.0% - 104.9%	75.9% - 90.6%	74.4% - 74.5%
Risk-free interest rate	1.4% - 2.6%	2.4% - 3.1%	1.9% - 2.2%
Expected dividend yield	0.0%	0.0%	0.0%
Non-employees:			
Fair value of common stock	$ 1.23 - $10.26	$ 8.62 - $15.45	$ 0.79 - $10.28
Expected term (in years)	7.4 - 10.0	8.4 - 10.0	9.4 - 10.0
Expected volatility	89.7% - 99.5%	78.0% - 91.2%	74.6% - 77.0%
Risk-free interest rate	1.7% - 2.8%	2.7% - 3.1%	2.3% - 2.4%
Expected dividend yield	0.0%	0.0%	0.0%

Restricted Stock

On April 17, 2018, the Company granted 2,000 shares of restricted stock to a consultant. The restrictions lapsed in four equal quarterly installments and was fully vested on the first anniversary of such grant. Compensation expenses of such unvested shares was remeasured at fair value until vested at each reporting date.

The summary of restricted stock activity and related information follows:

	Number of Restricted Shares Outstanding
Unvested shares—December 31, 2018	1,000
Vested	(1,000)
Unvested shares—December 31, 2019	—

The Company recognized $4,000, $0.9 million and $0.4 million of stock-based compensation expense related to restricted shares during the years ended December 31, 2019, 2018 and 2017, respectively. As of December 31, 2019, there was no unrecognized stock-based compensation expense related to unvested restricted stock.

Restricted Stock Units

In May 2018, the Company granted 24,960 restricted stock units to an employee with a grant date fair value of $9.03 per share. In December 2019, the Company granted 813,335 restricted stock units to employees with a weighted-average grant date fair value of $1.27.

The summary of restricted stock unit activity and related information follows:

	Number of Restricted Stock Units Outstanding
Unvested shares—December 31, 2018	24,960
Granted	813,335
Vested	(9,360)
Unvested shares—December 31, 2019	828,935

The Company recognized $74,000 and $35,000, of stock-based compensation expense related to restricted stock units during the years ended December 31, 2019 and 2018, respectively. As of December 31, 2019, there was $1.1 million of unrecognized stock-based compensation expense related to unvested restricted stock units which the Company expects to recognize over a remaining weighted-average period of 3.75 years.

2018 Employee Stock Purchase Plan

The Board adopted and the Company's stockholders approved the 2018 Employee Stock Purchase Plan ("2018 ESPP"), which became effective on the date immediately preceding the date on which the Company's registration statement became effective. The 2018 ESPP enables eligible employees to purchase shares of the Company's Common Stock at a discount. The number of shares of common stock that were initially reserved for issuance under the 2018 ESPP was 275,030 shares. The 2018 ESPP provides that the number of shares reserved and available for issuance will automatically increase each January 1, beginning on January 1, 2019 and increasing each January 1 thereafter through January 1, 2028, by the least of (i) 1% of the outstanding number of shares of the Company's common stock on the immediately preceding December 31; (ii) 543,926 shares or (iii) such number of shares as determined by the ESPP administrator. On January 1, 2019, as a result of the foregoing evergreen provision, the number of common stock available for issuance under the 2018 ESPP automatically increased from 275,030 to 555,583 shares. No shares have been issued under the 2018 ESPP during the years ended December 31, 2019 and 2018.

11. Income Taxes

Provision for Income Taxes

For the years ended December 31, 2019, 2018, and 2017, the Company did not record a federal current or deferred income tax expense. For the years ended December 31, 2019 and 2018, the Company did record a state current tax expense. The Company's consolidated loss before income taxes consists solely of a domestic loss.

A reconciliation of income tax expense computed at the statutory federal income tax rate to income taxes as reflected in the consolidated financial statements is as follows:

	Year Ended December 31,		
	2019	2018	2017
	(In thousands)		
Income tax benefit at federal statutory rate	$(17,368)	$ (7,899)	$(11,484)
State taxes	(5,314)	(2,340)	(1,011)
Tax credits	(2,910)	(817)	(222)
Stock-based compensation	753	764	140
Federal tax rate change	—	—	2,202
Change in fair value of tranche rights	—	3	5,065
Other	25	241	—
Change in valuation allowance	24,850	10,074	5,310
Income tax expense	$ 36	$ 26	$ —
Effective tax rate	0.0%	0.0%	0.0%

On December 22, 2017, the Tax Cuts and Jobs Act (“TCJA”) was signed into United States law. The TCJA includes a number of changes to existing tax law, including, among other things, a permanent reduction in the federal corporate income tax rate from 34% to 21%, effective as of January 1, 2018, as well as limitation of the deduction for net operating losses to 80% of annual taxable income and elimination of net operating loss carrybacks, in each case, for losses arising in taxable years beginning after December 31, 2017 (though any such net operating losses may be carried forward indefinitely). The tax rate change resulted in (i) a reduction in the gross amount of our deferred tax assets as of December 31, 2017, without an impact on the net amount of our deferred tax assets, which are recorded with a full valuation allowance, and (ii) no income tax expense or benefit being recognized as of the enactment date of the TCJA.

Deferred Tax Assets and Liabilities

Deferred income taxes reflect the net tax effects of loss and credit carryforwards and temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for income tax purposes. Significant components of deferred income taxes were as follows:

	As of December 31,	
	2019	2018
	(In thousands)	
Deferred tax assets:		
Net operating losses	$ 34,938	$ 13,054
Capitalized license	771	835
Research credits	4,151	1,007
Accruals	401	514
Stock-based compensation	53	51
Net unrealized loss	—	11
Total gross deferred tax assets	40,314	15,472
Less valuation allowance	(40,221)	(15,395)
Total deferred tax assets	93	77
Deferred tax liabilities:		
Net unrealized gain	13	—
Depreciation and amortization	80	77
Total gross deferred tax liability	93	77
Net deferred tax assets	$ —	$ —

Realization of deferred tax assets is dependent upon future earnings, if any, the timing and amount of which are uncertain. Due to the lack of earnings history, the net deferred tax assets have been fully offset by a valuation allowance. A valuation allowance of $40.2 million and $15.4 million has been recorded for the years ended December 31, 2019 and 2018, respectively.

Net Operating Loss and Tax Credit Carryforwards

As of December 31, 2019, the Company had net operating loss carryforwards for federal income tax purposes of approximately $127.0 million, of which $14.0 million will begin to expire in 2036 and $113.0 million can be carried forward indefinitely. As of December 31, 2019, the Company had total state net operating loss carryforwards of approximately $130.8 million which will begin to expire in 2036. Utilization of some of the federal and state net operating loss and credit carryforwards are subject to annual limitations due to the “change of ownership” provisions under Sections 382 and 383 of the Internal Revenue Code of 1986, as amended, and similar state provisions. The annual limitations may result in the expiration of net operating losses and credits before utilization. The Company has not performed an ownership change analysis.

As of December 31, 2019 and 2018, the Company had federal research credits of $3.8 million and $0.9 million, respectively, which will begin to expire in 2037 and state research credits of $0.5 million and $0.2 million, respectively, which will begin to expire in 2032. These tax credits are subject to the same limitations discussed above. The Company has not yet conducted a study of its research and development credit carryforwards. This study may result in an increase or decrease to the Company’s credit carryforwards, however, until a study is completed and any adjustment is known, no amounts are being presented as an uncertain tax position. A full valuation allowance has been provided against the Company’s credits, and if an adjustment is required, this adjustment would be offset by an adjustment to the valuation allowance. As a result, there would be no impact to the statements of operations and comprehensive loss or statements of cash flows if an adjustment were required.

Unrecognized Tax Benefits

The Company has incurred net operating losses since inception and has no significant unrecognized tax benefits. If in the future the Company recognizes uncertain tax positions, the Company's effective tax rate will be reduced. Currently, the Company has a full valuation allowance against its net deferred tax asset which would impact the timing of the effective tax rate benefit should any of these uncertain tax positions be favorably settled in the future. Any adjustments to uncertain tax positions would result in an adjustment of net operating loss or tax credit carry forwards rather than resulting in a cash outlay. As of December 31, 2019, the Company had no unrecognized tax benefits and no accrued interest or penalties related to uncertain tax positions.

Income tax returns are filed in the U.S. and Massachusetts. The Company is not currently under examination. Due to net operating losses and research credit carryovers, all of the tax years remain open to examination.

12. Commitments and Contingences

Litigation

The Company is not a party to any litigation and does not have contingency reserves established for any litigation liabilities as of December 31, 2019.

Lease

In April 2019, the Company amended its multi-year lease agreement to relocate its office space in Boston, Massachusetts under an operating lease agreement. The amended lease term is for a period of seven years from the date of relocation on August 1, 2019. The initial annual base rent of the relocation premises is $0.6 million per year, increasing 2% annually. In connection with the lease amendment, the Company issued a new cash-collateralized letter of credit for the benefit of the landlord in the amount of $0.2 million. Rent expense was $0.5 million, $0.3 million and $0 the years ended December 31, 2019, 2018, and 2017, respectively. Obligations to make future minimum lease payments as of December 31, 2019, are as follows:

Year ending December 31,	Minimum Lease Payments (In thousands)
2020	$ 594
2021	606
2022	618
2023	630
2024	643
Years thereafter	1,043
Total	$ 4,134

Novartis License Agreement

The Company is required to pay up to an aggregate of $1.5 million upon the satisfaction of clinical milestones, up to an aggregate of $24 million upon the satisfaction of regulatory milestones for the first indication approved, and up to an aggregate of $18 million upon the satisfaction of regulatory milestones for the second indication approved. In addition, the Company is required to pay up to an aggregate of $125 million upon the satisfaction of commercial milestones, based on the amount of annual net sales. The Company is also required to pay tiered royalties ranging from a mid single-digit percentage to a low teen-digit percentage on annual net sales of products. These royalty obligations last on a product-by-product and country-by-country basis until the latest of (i) the expiration of the last valid claim of a Novartis patent covering a subject product, (ii) the expiration of any regulatory exclusivity for the subject product in a country, or (iii) the 10th anniversary of the first commercial sale in the country, and are subject to a reduction after the expiration of the last valid claim of a Novartis patent or the introduction of a generic equivalent of a product in a country.

Silverstein Foundation

The Company is obligated to repay the Funding Amount in full to the Silverstein Foundation if it successfully conducts a positive Phase 3 clinical trial of the Product for PD (see Note 7).

13. Net Loss per Share

As described in Note 2, the Company computes basic and diluted earnings (losses) per share using a methodology that gives effect to the impact of outstanding participating securities (the "two-class" method). Basic net loss per share is calculated by dividing net loss by the weighted-average number of common shares outstanding during the period and excludes any dilutive effects of share-based awards. Diluted net loss per share is computed giving effect to all potential dilutive common shares, including common stock issuable upon exercise of stock options, convertible preferred stock, unvested restricted stock, and unvested restricted stock units. For periods in which the Company has reported net losses, diluted net loss per common share is the same as basic net loss per common share, since dilutive common shares are not assumed to have been issued if their affect is anti-dilutive.

The following potentially dilutive securities, prior to the use of the treasury stock method, have been excluded from the calculation of diluted net loss per share because including them would have had an anti-dilutive effect (in common stock equivalent shares):

	As of December 31,	
	2019	2018
Options issued and outstanding	2,562,800	1,122,677
Unvested restricted stock	—	1,000
Unvested restricted stock units	828,935	24,960
Total	3,391,735	1,148,637

14. Related Party Transactions

Since the Company's incorporation in July 2016, the Company has engaged in transactions with related parties.

During the year ended December 31, 2017, the Company issued 1,886,363 shares of common stock and made payments to PureTech for certain founding services and cost reimbursements. PureTech is a founder of the Company and holds shares of common stock and preferred stock of the Company.

The Company is a party to an intellectual property license agreement with Novartis. In addition, NIBR is a stockholder of the Company (see Note 6).

Aggregate payments for the above related party transactions totaled $2.5 million, $0, and $0.9 million for the years ended December 31, 2019, 2018 and 2017, respectively.

The Company is a party to a Funding Agreement with the Silverstein Foundation, an entity in which one of the Company's directors is a co-founder and current trustee (See Note 7). No funds were received from the Silverstein Foundation during the year ended December 31, 2019 and 2017. The Company received $0.5 million during the year ended December 31, 2018.

15. Reduction in Workforce

In December 2019, the Company's Board of Directors approved a restructuring plan to reduce operating costs and better align the Company's workforce with its business needs following the Company's November

2019 announcement regarding that top line data from the PROTECTOR 1 Phase 3 study, evaluating the safety and efficacy of RTB101 in preventing clinically symptomatic respiratory illness in adults age 65 and older, did not meet its primary endpoint, and that the Company has stopped the development of RTB101 in this indication.

Under the restructuring plan, the Company reduced its workforce by 8 employees (approximately 22% of total employees). Affected employees are eligible to receive severance payments and outplacement services in connection with the reduction. During the year ended December 31, 2019, the Company recorded aggregate restructuring charges of approximately $0.6 million related to severance payments and other employee-related costs. The Company does not expect to incur any additional significant costs associated with this restructuring. During the year ended December 31, 2019, $66,000 of the estimated restructuring charges were paid. The Company expects the remaining accrued restructuring costs of $0.5 million will be paid in the next 12 months.

The following table shows the total amount expected to be incurred and the liability related to the 2019 restructuring as of December 31, 2019:

	One-time Employee Termination Benefits
	(In thousands)
Accrued restructuring costs beginning balance	$ —
Restructuring charges incurred during the year	582
Amounts paid during the year	(66)
Accrued restructuring costs as of December 31, 2019	$ 516

The following table summarizes the restructuring charges reported in the consolidated statements of operations and comprehensive loss for the year ended December 31, 2019:

	Cash	Non-cash	Total Expenses
		(In thousands)	
Research and development	$306	$ —	$ 306
General and administrative	276	—	276
Total	$582	$ —	$ 582

16. Selected Quarterly Financial Data (Unaudited)

The following table contains quarterly financial information for 2019 and 2018. The Company believes that the following information reflects all normal recurring adjustments necessary for a fair statement of the information for the periods presented. The operating results for any quarter are not necessarily indicative of results for any future period.

	2019				
	First Quarter	Second Quarter	Third Quarter	Fourth Quarter	Total
	(In thousands, except per share data)				
Total operating expenses	$ 11,691	$ 19,169	$ 25,161	$ 29,436	$ 85,457
Loss from operations	(11,691)	(19,169)	(25,161)	(29,436)	(85,457)
Net loss	(11,069)	(18,332)	(24,448)	(28,890)	(82,739)
Net loss per share—basic and diluted	$ (0.38)	$ (0.51)	$ (0.68)	$ (0.79)	$ (2.41)

	2018				
	First Quarter	Second Quarter	Third Quarter	Fourth Quarter	Total
	(In thousands, except per share data)				
Total operating expenses	$ 10,200	$ 14,113	$ 9,032	$ 6,360	$ 39,705
Loss from operations	(10,200)	(14,113)	(9,032)	(6,360)	(39,705)
Net loss	(9,859)	(13,591)	(8,407)	(5,757)	(37,614)
Net loss per share—basic and diluted	$ (0.46)	$ (0.48)	$ (0.30)	$ (0.21)	$ (1.42)

resTORbio, Inc.
Condensed Consolidated Balance Sheets
(unaudited)
(In thousands, except share and per share data)

	March 31, 2020	December 31, 2019
Assets		
Current assets:		
Cash and cash equivalents	$ 61,232	$ 33,774
Marketable securities	15,111	57,699
Prepaid expenses	1,237	1,707
Other current assets	1	73
Total current assets	77,581	93,253
Restricted cash	245	245
Property and equipment, net	380	414
Total assets	$ 78,206	$ 93,912
Liabilities and stockholders' equity		
Current liabilities:		
Accounts payable	$ 1,210	$ 6,716
Accrued liabilities	1,355	5,483
Total current liabilities	2,565	12,199
Other liabilities	24	15
Total liabilities	2,589	12,214
Commitments and contingencies (see Note 10)		
Stockholders' equity:		
Preferred stock, $0.0001 par value, 10,000,000 shares authorized as of March 31, 2020 and December 31, 2019; none issued and outstanding as of March 31, 2020 and December 31, 2019	—	—
Common stock, $0.0001 par value, 150,000,000 shares authorized as of March 31, 2020 and December 31, 2019; 36,445,751 and 36,444,732 shares issued and outstanding as of March 31, 2020 and December 31, 2019, respectively	4	4
Additional paid-in capital	236,751	235,777
Accumulated deficit	(161,170)	(154,132)
Accumulated other comprehensive income	32	49
Total stockholders' equity	75,617	81,698
Total liabilities and stockholders' equity	$ 78,206	$ 93,912

See accompanying notes to these condensed consolidated financial statements.

resTORbio, Inc.
Condensed Consolidated Statements of Operations and Comprehensive Loss
(unaudited)
(In thousands, except share and per share data)

	Three Months Ended March 31,	
	2020	2019
Operating expenses:		
Research and development	$ 4,841	$ 8,852
General and administrative	2,539	2,839
Total operating expenses	7,380	11,691
Loss from operations	(7,380)	(11,691)
Other income, net	349	631
Loss before income taxes	(7,031)	(11,060)
Income tax expense	7	9
Net loss	$ (7,038)	$ (11,069)
Net loss per share, basic and diluted	$ (0.19)	$ (0.38)
Weighted-average common shares used in computing net loss per share, basic and diluted	36,445,169	29,014,750
Other comprehensive gain (loss):		
Net loss	$ (7,038)	$ (11,069)
Net unrealized (losses) gains on marketable securities	(17)	73
Comprehensive loss	$ (7,055)	$ (10,996)

See accompanying notes to these condensed consolidated financial statements.

resTORbio, Inc.
Condensed Consolidated Statements of Stockholders' Equity
(Unaudited)
(In thousands, except share data)

	Common Stock		Additional Paid In Capital	Accumulated Deficit	Accumulated Other Compressive Income (Loss)	Stockholders' Equity
	Shares	Amount				
Balance at December 31, 2019	36,444,732	$ 4	$235,777	$ (154,132)	$ 49	$ 81,698
Vesting of restricted stock units, net of shares withheld for taxes	1,019	—	(1)	—	—	(1)
Stock-based compensation expense	—	—	975	—	—	975
Net loss	—	—	—	(7,038)	—	(7,038)
Net unrealized losses on marketable securities	—	—	—	—	(17)	(17)
Balance at March 31, 2020	36,445,751	$ 4	$236,751	$ (161,170)	$ 32	$ 75,617

	Common Stock		Additional Paid In Capital	Accumulated Deficit	Accumulated Other Compressive (Loss) Income	Stockholders' Equity
	Shares	Amount				
Balance at December 31, 2018	28,054,344	$ 3	$175,635	$ (71,393)	$ (41)	$ 104,204
Issuance of common stock upon closing of public offering, net of issuance costs of $3,455	7,200,000	1	46,584	—	—	46,585
Vesting of restricted shares	500	—	1	—	—	1
Stock-based compensation expense	—	—	662	—	—	662
Net loss	—	—	—	(11,069)		(11,069)
Net unrealized gains on marketable securities	—	—	—	—	73	73
Balance at March 31, 2019	35,254,844	$ 4	$222,882	$ (82,462)	$ 32	$ 140,456

See accompanying notes to these condensed consolidated financial statements.

resTORbio, Inc.
Condensed Consolidated Statements of Cash Flows
(unaudited)
(In thousands)

	Three Months Ended March 31,	
	2020	2019
Operating activities:		
Net loss	$ (7,038)	$ (11,069)
Adjustments to reconcile net loss to net cash used in operating activities:		
Accretion on marketable securities	71	(247)
Depreciation and amortization expense	34	27
Stock-based compensation expense	975	663
Changes in operating assets and liabilities:		
Prepaid expenses and other current assets	542	(81)
Accounts payable	(5,506)	144
Accrued liabilities	(4,128)	(1,482)
Other liabilities	9	(4)
Net cash used in operating activities	(15,041)	(12,049)
Investing activities:		
Purchases of property and equipment	—	(24)
Maturities of marketable securities	42,500	42,500
Purchases of marketable securities	—	(77,104)
Net cash provided by (used in) investing activities	42,500	(34,628)
Financing activities:		
Proceeds from public offering, net of issuance costs	—	46,816
Taxes paid related to net share settlement of restricted stock units	(1)	—
Net cash (used in) provided by financing activities	(1)	46,816
Net increase in cash, cash equivalents and restricted cash	27,458	139
Cash, cash equivalents and restricted cash at beginning of period	34,019	7,126
Cash, cash equivalents and restricted cash at end of period	$ 61,477	$ 7,181
Supplemental disclosure of non-cash investing and financing activities:		
Issuance costs associated with public offering included in accounts payable	$ —	$ 231

See accompanying notes to these condensed consolidated financial statements.

resTORbio, Inc.
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
(Unaudited)

1. Organization

resTORbio, Inc. (collectively referred to with its wholly owned, controlled subsidiaries, resTORbio Securities Corp. and Project Oasis Merger Sub, Inc. ("Merger Sub") as "resTORbio" or the "Company") was incorporated in the State of Delaware on July 5, 2016. The Company is a clinical-stage biopharmaceutical company developing innovative medicines that target the biology of aging to prevent or treat aging-related diseases with the potential to extend healthy lifespan. The Company's principal operations are located in Boston, Massachusetts.

In November 2019, the Company announced that top line data from the PROTECTOR 1 Phase 3 study, evaluating the safety and efficacy of RTB101 in preventing clinically symptomatic respiratory illness in adults age 65 and older, did not meet its primary endpoint and the Company has stopped the development of RTB101 for clinically symptomatic respiratory illness.

In February 2020, the Company retained JMP Securities LLC as a financial advisor to assist it in its evaluation of a broad range of strategic alternatives to enhance stockholder value, including additional capital raising transactions, an acquisition, merger, business combination, licensing and/or other strategic transaction involving the Company.

On April 28, 2020, the Company entered into an agreement and plan of merger (the "Merger Agreement") with Adicet Bio, Inc. ("Adicet") and Merger Sub pursuant to which, subject to the satisfaction or waiver of the conditions therein, Adicet will merge with and into Merger Sub (the "Merger"), with Adicet continuing as the surviving company and a wholly owned subsidiary of resTORbio. The Merger Agreement was approved by the members of the Company's board of directors (the "Board"), and the Board resolved to recommend approval of the Merger Agreement to the Company's shareholders. The closing of the Merger is subject to approval of the Company shareholders and the satisfaction of customary closing conditions (see Note 14).

From the Company's inception, it has devoted substantially all of its efforts to business planning, engaging regulatory, manufacturing and other technical consultants, planning and executing clinical trials and raising capital. The Company's future operations are highly dependent on the success of the merger with Adicet.

2. Summary of Significant Accounting Policies

Basis of Presentation

The accompanying condensed consolidated financial statements are unaudited. The unaudited condensed consolidated financial statements have been prepared in accordance with U.S. generally accepted accounting principles ("U.S. GAAP") for interim financial information and, in the opinion of management, reflect all adjustments of a normal recurring nature necessary for a fair statement of the Company's financial position as of March 31, 2020 and the results of operations and cash flows for the interim periods ended March 31, 2020 and 2019. The condensed consolidated financial statements should be read in conjunction with the audited consolidated financial statements and notes thereto included in the Company's Annual Report on Form 10-K for the year ended December 31, 2019 that was filed with the Securities and Exchange Commission ("SEC") on March 12, 2020 (the "2019 Form 10-K"). Interim results are not necessarily indicative of results for a full year or for any other interim period. The condensed consolidated financial statements include the accounts of resTORbio, Inc. and its wholly owned subsidiaries, resTORbio Securities Corp. and Project Oasis Merger Sub, Inc. All inter-company transactions and balances have been eliminated in consolidation.

Use of Estimates

The preparation of financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities, as of the date of the condensed consolidated financial statements, and the reported amounts of any expenses during the reporting period. On an ongoing basis, management evaluates its estimates, including those related to accrued liabilities, income taxes, and stock-based compensation expense. Management bases its estimates on historical experience, and on various other market-specific relevant assumptions that management believes to be reasonable, under the circumstances. Actual results may differ from those estimates or assumptions.

Summary of Significant Accounting Policies

The significant accounting policies and estimates used in the preparation of the condensed consolidated financial statements are described in the Company's audited financial statements as of and for the year ended December 31, 2019, and the notes thereto, which are included in the 2019 Form 10-K. There have been no material changes in the Company's significant accounting policies during the three months ended March 31, 2020.

Fair Value Measurements

Fair value is defined as the price at which an asset could be exchanged in a current transaction between knowledgeable, willing parties. The authoritative accounting guidance describes a fair value hierarchy based on three levels of inputs that may be used to measure fair value, of which the first two are considered observable and the last is considered unobservable. These levels of inputs are as follows:

Level 1—Observable inputs such as unadjusted, quoted prices in active markets for identical assets or liabilities at the measurement date.

Level 2—Inputs (other than quoted prices included in Level 1) are either directly or indirectly observable for the asset or liability. These include quoted prices for similar assets or liabilities in active markets and quoted prices for identical or similar assets or liabilities in markets that are not active.

Level 3—Unobservable inputs that reflect management's best estimate of what market participants would use in pricing the asset or liability at the measurement date. Consideration is given to the risk inherent in the valuation technique and the risk inherent in the inputs to the model.

The following table summarizes assets measured at fair value on a recurring basis at March 31, 2020 (in thousands):

Description	March 31, 2020	Active Markets (Level 1)	Observable Inputs (Level 2)	Unobservable Inputs (Level 3)
Cash	$ 17	$ 17	$ —	$ —
Money market funds (included in cash and cash equivalents)	61,215	61,215	—	—
U.S. treasury securities (included in marketable securities)	15,111	15,111	—	—
Total	$ 76,343	$76,343	$ —	$ —

The following table summarizes assets measured at fair value on a recurring basis at December 31, 2019 (in thousands):

Description	December 31, 2019	Active Markets (Level 1)	Observable Inputs (Level 2)	Unobservable Inputs (Level 3)
Money market funds (included in cash and cash equivalents)	$ 33,774	$33,774	$ —	$ —
U.S. treasury securities (included in marketable securities)	57,699	57,699	—	—
Total	$ 91,473	$91,473	$ —	$ —

Recently Adopted Accounting Pronouncements

In August 2018, the FASB issued ASU 2018-13, Fair Value Measurement (Topic 820). ASU 2018-13 modifies fair value disclosure requirements, specifically around level transfers and valuation of Level 3 assets and liabilities. ASU 2018-13 is effective for financial statements issued for annual and interim periods beginning after December 15, 2019 for all entities. Early adoption of all or part of ASU 2018-13 is permitted. Effective January 1, 2020, the Company adopted the standard. The adoption did not have a material impact on the Company's consolidated financial statements.

Recently Issued Accounting Pronouncements

In February 2016, the FASB issued ASU 2016-02, *Leases* ("ASU 2016-02"), which requires a lessee to recognize a right-of-use asset and a lease liability for operating leases, initially measured at the present value of the future lease payments, in the balance sheet. ASU 2016-02 also requires a lessee to recognize a single lease cost, calculated so that the cost of the lease is allocated over the lease term, generally on a straight-line basis. For public entities, the guidance was effective for annual reporting periods beginning after December 15, 2018 and for interim periods within those fiscal years. For non-public entities and emerging growth companies that choose to take advantage of the extended transition period, the guidance was effective for annual reporting periods beginning after December 15, 2019. Early adoption is permitted for all entities. In November 2019, the FASB issued ASU No. 2019-10, which deferred the effective date for nonpublic entities and emerging growth companies that choose to take advantage of the extended transition period to annual reporting periods beginning after December 15, 2020, and interim periods within fiscal years beginning after December 15, 2021. Early application continues to be allowed. The adoption of this standard is expected to have an impact on the amount of the Company's assets and liabilities presented. The Company expects to utilize the new transition method described in ASU No. 2018-11 and use the effective date as the Company's date of initial application for the new standard. The Company expects to elect the available package of practical expedients in transition which would allow it to not re-assess whether existing or expired arrangements contain a lease, the lease classification of existing or expired leases, or whether previous initial direct costs would qualify for capitalization under the new lease standard. As of December 31, 2019, the Company has not elected to early adopt the guidance and is currently evaluating the impact that the adoption of ASU 2016-02 will have on its consolidated financial statements.

In June 2016, the FASB issued ASU No. 2016-13, "*Financial Instruments—Credit Losses (Topic 326): Measurement of Credit Losses on Financial Instruments*". This ASU requires that credit losses be reported using an expected losses model rather than the incurred losses model that is currently used, and establishes additional disclosures related to credit risks. For available-for-sale debt securities with unrealized losses, this standard now requires allowances to be recorded instead of reducing the amortized cost of the investment. ASU 2016-13 limits the amount of credit losses to be recognized for available-for-sale debt securities to the amount by which carrying value exceeds fair value and requires the reversal of previously recognized credit losses if fair value increases. For public entities, the guidance is effective for annual reporting periods beginning after December 15,

2019 and for interim periods within those fiscal years. For nonpublic entities and emerging growth companies that choose to take advantage of the extended transition period, the guidance is effective for annual reporting periods beginning after December 15, 2020. Early adoption is permitted for all entities. In November 2019, the FASB issued ASU No. 2019-10, which deferred the effective date for nonpublic entities and emerging growth companies that choose to take advantage of the extended transition period, to annual reporting periods beginning after December 15, 2022, including interim periods within those fiscal years. Based on the composition of the Company's investment portfolio as of March 31, 2020, current market conditions and historical credit loss activity, the adoption of this standard is not expected to have a material impact on the Company's consolidated financial statements.

In June 2018, the FASB issued ASU No. 2018-07, *Compensation—Stock Compensation (Topic 718), Improvements to Nonemployee Share-Based Payment Accounting* ("ASU 2018-07"), which intends to simplify aspects of share-based compensation issued to non-employees by making the guidance consistent with the accounting for employee share-based compensation. For public entities, ASU 2018-07 is required to be adopted for annual periods beginning after December 15, 2018, including interim periods within those fiscal years. For non-public entities and emerging growth companies that choose to take advantage of the extended transition period, ASU 2018-07 is effective for annual periods beginning after December 15, 2019, and interim periods within fiscal years beginning after December 15, 2020. Early adoption is permitted for all entities but no earlier than the Company's adoption of ASC 606. The Company does not expect the impact of ASU 2018-07 to be material to its consolidated financial statements.

3. Marketable Securities

As of March 31, 2020, the fair value of marketable securities by type of security was as follows (in thousands):

Description	Amortized Cost	Unrealized Gains	Unrealized Losses	Fair Value
U.S. government agency securities and treasuries	$ 15,079	$ 32	$ —	$15,111
Total	$ 15,079	$ 32	$ —	$15,111

As of December 31, 2019, the fair value of marketable securities by type of security was as follows (in thousands):

Description	Amortized Cost	Unrealized Gains	Unrealized Losses	Fair Value
U.S. government agency treasuries and securities	$ 57,650	$ 49	$ —	$57,699
Total	$ 57,650	$ 49	$ —	$57,699

The estimated fair value and amortized cost of the Company's available-for-sale securities by contractual maturity are summarized as follows (in thousands):

	March 31, 2020	
	Amortized Cost	Fair Value
Due in one year or less	$ 15,079	$15,111
Total	$ 15,079	$15,111

	December 31, 2019	
	Amortized Cost	Fair Value
Due in one year or less	$ 57,650	$57,699
Total	$ 57,650	$57,699

4. Property and equipment, net

Property and equipment, net consists of the following:

	March 31, 2020	December 31, 2019
	(In thousands)	
Leasehold improvements	$ 17	$ 17
Furniture and fixtures	397	397
Computers	125	125
Office equipment	11	11
Software	22	22
Total property and equipment	572	572
Less: accumulated depreciation	(192)	(158)
Property and equipment, net	$ 380	$ 414

Depreciation and amortization expense was $34,000 and $27,000 for the three months ended March 31, 2020 and 2019, respectively.

5. Accrued Liabilities

Accrued liabilities consist of the following:

	March 31, 2020	December 31, 2019
	(In thousands)	
Accrued payroll and related expenses	$ 526	$ 1,643
Accrued restructuring costs (See Note 13)	96	516
Accrued research and development expenses	627	3,171
Other	106	153
Total accrued liabilities	$ 1,355	$ 5,483

6. License Agreements

Novartis License Agreement

On March 23, 2017, the Company entered into an exclusive license agreement with Novartis International Pharmaceutical Ltd. ("Novartis"). Under the agreement, Novartis granted the Company an exclusive, field-restricted, worldwide license, to certain intellectual property rights owned or controlled by Novartis, to develop,

commercialize and sell one or more therapeutic products comprising RTB101 or RTB101 in combination with everolimus in a fixed dose combination. The exclusive field under the license agreement is for the treatment, prevention and diagnosis of disease and other conditions in all indications in humans and animals.

The agreement may be terminated by either party upon a material breach by the other party that is not cured within 60 days after written notice. The Company may terminate the agreement in its entirety or on a product-by-product or country-by-country basis with or without cause with 60 days' prior written notice.

Novartis may terminate the portion of the agreement related to everolimus if the Company fails to use commercially reasonable efforts to research, develop and commercialize a product utilizing everolimus for a period of three years. Novartis may terminate the license agreement upon the Company's bankruptcy, insolvency, dissolution or winding up.

As additional consideration for the license, the Company is required to pay up to an aggregate of $4.3 million upon the satisfaction of clinical milestones, up to an aggregate of $24 million upon the satisfaction of regulatory milestones for the first indication approved, and up to an aggregate of $18 million upon the satisfaction of regulatory milestones for the second indication approved. In addition, the Company is required to pay up to an aggregate of $125 million upon the satisfaction of commercial milestones, based on the amount of annual net sales. The Company is also required to pay tiered royalties ranging from a mid single-digit percentage to a low teen-digit percentage on annual net sales of products. These royalty obligations last on a product-by-product and country-by-country basis until the latest of (i) the expiration of the last valid claim of a Novartis patent covering a subject product, (ii) the expiration of any regulatory exclusivity for the subject product in a country, or (iii) the 10th anniversary of the first commercial sale in the country, and are subject to a reduction after the expiration of the last valid claim of a Novartis patent or the introduction of a generic equivalent of a product in a country.

Milestone payments to Novartis will be recorded as research and development expenses in the condensed consolidated statements of operations and comprehensive loss once achievement of each associated milestone has occurred. In May 2017, the Company initiated a Phase 2b clinical trial for a first indication, triggering the first milestone payment under the agreement. Accordingly, the Company paid the related $0.3 million payment in May 2017. In May 2019, the Company initiated a Phase 3 clinical trial for the first indication, triggering a milestone payment of $2.5 million under the agreement. As of March 31, 2020, none of the remaining development milestones, regulatory milestones, sales milestones, or royalties had been reached or were probable of achievement.

7. Research Funding Agreement

National Institute of Health

In May 2019, the Company was awarded a 5-year grant for up to $1.5 million from the National Institutes of Health (the "NIH") to study RTB101 and the regulation of antiviral immunity in the elderly. The Company is entitled to use the award solely to conduct the research. The Company is solely responsible for commencing and conducting the research and will furnish periodic progress updates to the NIH throughout the term of the award. After completing the research, the Company must provide the NIH with a formal report describing the work performed and the results of the research.

For funds received under the NIH funding agreement, the Company recognizes a reduction in research and development expenses in an amount equal to the qualifying expenses incurred in each period up to the amount funded by the NIH. Qualifying expenses incurred by the Company in advance of funding by the NIH are recorded in the consolidated balance sheets as other current assets. As of December 31, 2019, $0.1 million qualifying expenses have been incurred and $41,000 have been funded by the NIH. Therefore, $61,000 is included in other current assets on the accompanying balance sheet as of December 31, 2019. As of March 31, 2020, $0.3 million qualifying expenses have been incurred and $0.3 million have been funded by the NIH. Therefore, $0 is included in other current assets on the accompanying balance sheet as of March 31, 2020.

8. Preferred Stock and Common Stock

As of March 31, 2020, the Company had 10,000,000 shares of preferred stock authorized and none issued and outstanding.

Reserve for future issuance

The Company has reserved the following number of shares of common stock for future issuance upon the exercise of options, vesting of restricted stock units or grant of equity awards:

	March 31, 2020	December 31, 2019
Options issued and outstanding	2,302,435	2,562,800
Unvested restricted stock units	753,863	828,935
Options available for future grants	2,007,250	215,043
Shares available for issuance under the 2018 ESPP	920,030	555,583
Total	5,983,578	4,162,361

9. Stock-based Compensation

In 2017, the Company adopted the 2017 Stock Incentive Plan (the "2017 Plan"). Under the 2017 Plan, a total of 537,914 shares of the Company's common stock were reserved for the issuance of stock options to employees, directors, and consultants under terms and provisions established by the Board of Directors (the "Board"). Under the terms of the 2017 Plan, options were granted at an exercise price not less than fair market value. The terms of options granted under the 2017 Plan may not exceed ten years. The Board determined the terms and conditions of a Restricted Stock Award, including the conditions for vesting and repurchase (or forfeiture) and the issue price, if any. On October 11, 2017, the Company increased the number of shares of common stock available for issuance under the 2017 Plan from 537,914 shares to 630,662 shares. On November 29, 2017, the Company increased the number of shares of common stock available for issuance under the 2017 Plan from 630,662 shares to 1,866,009 shares.

In connection with the Company's initial public offering completed in January 2018, the Board adopted and the Company's stockholders approved the 2018 Stock Incentive Plan ("2018 Plan"), which became effective on the date immediately preceding the date on which the Company's registration statement became effective. The 2018 Plan provides for the grant of incentive stock options, nonstatutory stock options, restricted stock awards, restricted stock units, stock appreciation rights, and other stock-based awards. The Company's employees, officers, directors, consultants and advisors are eligible to receive awards under the 2018 Plan. The number of shares of common stock that were reserved for issuance under the 2018 Plan were 2,200,260 shares. The 2018 Plan provides that the number of shares reserved and available for issuance under the plan will automatically increase each January 1, beginning on January 1, 2019, by 4% of the outstanding number of shares of the Company's common stock on the immediately preceding December 31 or such lesser number of shares as determined by the Board. On January 1, 2019, as a result of the foregoing evergreen provision, the number of shares of common stock available for issuance under the 2018 Plan automatically increased from 2,200,260 to 3,322,473 shares. On January 1, 2020, as a result of the foregoing evergreen provision, the number of shares of common stock available for issuance under the 2018 Plan automatically increased from 3,322,473 to 4,780,262 shares.

Since the date of effectiveness of the 2018 Plan, the Company has not and will not grant any further awards under the 2017 Plan. However, any shares of common stock subject to awards under the 2017 Plan that expire, terminate, or otherwise are surrendered, canceled, forfeited or repurchased without having been fully exercised or resulting in any common stock being issued will become available for issuance under the 2018 Plan.

Stock-based Compensation Expense

Total stock-based compensation expense is recognized for stock options granted to employees and non-employees and has been reported in the Company's condensed consolidated condensed statements of operations and comprehensive loss as follows:

	Three Months Ended March 31,	
	2020	2019
Research and development	$ 400	$ 277
General and administrative	575	386
Total stock-based compensation expense	$ 975	$ 663

Stock Options

The following table summarizes stock option activity under the Plans:

	Shares Available for Grant	Number of Options Outstanding	Weighted-Average Exercise Price per Option	Weighted-Average Remaining Contract Term	Aggregate Intrinsic Value (In thousands)
Outstanding, December 31, 2019	215,043	2,562,800	$ 7.85	8.84	
Shares reserved for issuance	1,457,789				
Options cancelled	260,365	(260,365)	8.57		
Restricted stock units cancelled	74,053				
Outstanding, March 31, 2020	2,007,250	2,302,435	7.76	8.55	$ 21
Exercisable, March 31, 2020		577,853	10.75	7.17	12
Vested and expected to vest, March 31, 2020		2,302,435	7.76	8.55	21

The aggregate intrinsic values of options outstanding, exercisable, vested and expected to vest were calculated as the difference between the exercise price of the options and the fair value of the Company's common stock as of March 31, 2020. No options were exercised during the three months ended March 31, 2020.

During the three months ended March 31, 2020, the Company did not grant options to purchase common shares. The expense related to options granted to employees and directors for the three months ended March 31, 2020 was $0.9 million. The expense related to options granted to non-employees for the three months ended March 31, 2020 was $1,000. The expense related to options granted to employees and directors was $0.6 million for the three months ended March 31, 2019. The expense related to options granted to non-employees was $7,000 for the three months ended March 31, 2019.

As of March 31, 2020, the total unrecognized compensation expense related to unvested options granted to employees and directors was $7.3 million, which the Company expects to recognize over an estimated weighted-average period of 2.6 years. As of March 31, 2020, the total unrecognized compensation expense related to unvested non-employee options was $15,000, which the Company expects to recognize over an estimated weighted-average period of 1.92 years.

The fair value of stock options for employees and non-employees was estimated using a Black-Scholes option pricing model with the following assumptions:

	Three Months Ended March 31,	
	2020	2019
Employees:		
Fair value of common stock	N/A	$8.53 - $8.90
Expected term (in years)	N/A	6.1
Expected volatility	N/A	93.7% - 94.8%
Risk-free interest rate	N/A	2.5% - 2.6%
Expected dividend yield	N/A	0.0%
Non-employees:		
Fair value of common stock	$0.96 - $1.07	$6.82 - $8.61
Expected term (in years)	7.2 - 9.0	8.2 - 10.0
Expected volatility	99.6% - 101.7%	91.3% - 94.9%
Risk-free interest rate	0.6% - 0.9%	2.4% - 2.6%
Expected dividend yield	0.0%	0.0%

Restricted Stock Units

In May 2018, the Company granted 24,960 restricted stock units to an employee with a grant date fair value of $9.03 per share. In December 2019, the Company granted 813,335 restricted stock units to employees with a weighted-average grant date fair value of $1.27.

The summary of restricted stock unit activity and related information follows:

	Number of Restricted Stock Units Outstanding
Unvested shares—December 31, 2019	828,935
Vested, net of shares withheld for taxes	(1,019)
Cancelled	(74,053)
Unvested shares—March 31, 2020	753,863

The Company recognized $71,000 and $14,000 of stock-based compensation expense related to restricted stock units during the three months ended March 31, 2020 and 2019. As of March 31, 2020, there was $1.0 million of unrecognized stock-based compensation expense related to unvested restricted stock units. This amount is expected to be recognized over a remaining weighted-average period of 3.50 years. There were no restricted stock units granted to employees or non-employees during the three months ended March 31, 2020 and 2019.

2018 Employee Stock Purchase Plan

The Board adopted and the Company's stockholders approved the 2018 Employee Stock Purchase Plan ("2018 ESPP"), which became effective on the date immediately preceding the date on which the Company's registration statement became effective. The 2018 ESPP enables eligible employees to purchase shares of the Company's Common Stock at a discount. The number of shares of common stock originally reserved for issuance under the 2018 ESPP were 275,030 shares. The 2018 ESPP provides that the number of shares reserved and available for issuance will automatically increase each January 1, beginning on January 1, 2019 and

increasing each January 1 thereafter through January 1, 2028, by the least of (i) 1% of the outstanding number of shares of the Company's common stock on the immediately preceding December 31; (ii) 543,926 shares or (iii) such number of shares as determined by the ESPP administrator. On January 1, 2019, as a result of the foregoing evergreen provision, the number of shares of common stock available for issuance under the 2018 ESPP automatically increased from 275,030 to 555,583 shares. On January 1, 2020, as a result of the foregoing evergreen provision, the number of shares of common stock available for issuance under the 2018 ESPP automatically increased from 555,583 to 920,030 shares. No shares have been issued under the 2018 ESPP during the three months ended March 31, 2020 and 2019.

10. Commitments and Contingences

Litigation

The Company is not a party to any litigation and does not have contingency reserves established for any litigation liabilities as of March 31, 2020 and December 31, 2019.

11. Net Loss per Share

The Company computes basic and diluted losses per share using a methodology that gives effect to the impact of outstanding participating securities (the "two-class" method). Basic net loss per share is calculated by dividing net loss by the weighted-average number of common shares outstanding during the period and excludes any dilutive effects of share-based awards. Diluted net loss per share is computed giving effect to all potential dilutive common shares, including common stock issuable upon exercise of stock options, convertible preferred stock, and unvested restricted common stock. As the Company had net losses for the three months ended March 31, 2020 and 2019, there is no income allocation required under the two-class method or dilution attributed to weighted average shares outstanding in the calculation of diluted loss per share.

The following potentially dilutive securities have been excluded from the calculation of diluted net loss per share because including them would have had an anti-dilutive effect (in common stock equivalent shares):

	As of March 31,	
	2020	2019
Options issued and outstanding	2,302,435	1,706,317
Unvested restricted stock	—	500
Unvested restricted stock units	753,863	24,960
Total	3,056,298	1,731,777

12. Related Party Transactions

Since the Company's incorporation in July 2016, the Company has engaged in transactions with related parties.

The Company is a party to an intellectual property license agreement with Novartis. In addition, NIBR, an affiliate of Novartis, is a stockholder of the Company (See Note 6). No payments have been made to Novartis during the three months ended March 31, 2020 and 2019.

The Company is a party to a Funding Agreement with the Silverstein Foundation, an entity in which one of the Company's directors is a co-founder and current trustee. The Company did not receive any funding from the Silverstein Foundation during the three months ended March 31, 2020 and 2019.

13. Reduction in Workforce

In December 2019, the Company's Board of Directors approved a restructuring plan to reduce operating costs and better align the Company's workforce with its business needs following the Company's November 2019 announcement regarding that top line data from the PROTECTOR 1 Phase 3 study, evaluating the safety and efficacy of RTB101 in preventing clinically symptomatic respiratory illness in adults age 65 and older, did not meet its primary endpoint, and that the Company has stopped the development of RTB101 in this indication.

Under the restructuring plan, the Company reduced its workforce by 8 employees (approximately 22% of total employees). Affected employees are eligible to receive severance payments and outplacement services in connection with the reduction. In January 2020, the Company further reduced its workforce by 2 employees. During the quarter ended March 31, 2020, the Company recorded additional restructuring charges of approximately $0.1 million related to severance payments and other employee-related costs. During the quarter ended March 31, 2020, $0.5 million of the estimated restructuring charges were paid.

The following table shows the total amount expected to be incurred and the liability related to the 2019 restructuring as of March 31, 2020:

	One-time Employee Termination Benefits (In thousands)
Accrued restructuring costs beginning balance	$ 516
Restructuring charges incurred during the year	112
Amounts paid during the year	(532)
Accrued restructuring costs as of March 31, 2020	$ 96

The Company expects the remaining accrued restructuring costs of $96,000 will be paid within the next 12 months. No other restricting costs are expected to be incurred.

The following table summarizes the restructuring charges reported in the consolidated statements of operations and comprehensive loss for the quarter ended March 31, 2020:

	Cash	Non-cash	Total Expenses
		(In thousands)	
Research and development	$112	$ —	$ 112
General and administrative	—	—	—
Total	$112	$ —	$ 112

14. Subsequent Event

On April 28, 2020, the Company entered into an agreement and plan of merger with Adicet Bio, Inc., a Delaware company ("Adicet"), and Project Oasis Merger Sub, Inc., a Delaware corporation and a direct, wholly owned subsidiary of the Company ("Merger Sub"), pursuant to which, subject to the satisfaction or waiver of the conditions therein, Merger Sub will merge with and into Adicet, with Adicet surviving as a wholly owned subsidiary of the Company. The Merger Agreement was approved by the members of the board of directors of the Company (the "Board") and the Board resolved to recommend approval of the Merger Agreement to the Company's shareholders. The closing of the Merger is subject to approval of the Company's shareholders and the satisfaction of certain closing conditions. Certain of the Company's stockholders who collectively own approximately 24% of the outstanding shares of the Company's common stock have entered into voting agreements, pursuant to which they have agreed, among other things, and subject to the terms and conditions of the agreements, to vote in favor of the Merger.

Subject to the terms of the Merger Agreement, at the effective time of the Merger (the “Effective Time”), each share of the Company’s common stock issued and outstanding immediately prior to the Effective Time shall be entitled to one contractual contingent value right issued by the Company subject to and in accordance with the terms and conditions of a Contingent Value Rights Agreement. The transaction is expected to close in the second half of 2020. If the Company is unable to satisfy the closing conditions in Adicet’s favor or if other mutual closing conditions are not satisfied, Adicet will not be obligated to complete the Merger. Under certain circumstances, the Company would be required to pay Adicet a termination fee of $6.1 million

ADICET BIO, INC.

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Report of Independent Registered Public Accounting Firm

To the Board of Directors and Stockholders of Adicet Bio, Inc.

Opinion on the Financial Statements

We have audited the accompanying consolidated balance sheets of Adicet Bio, Inc. and its subsidiary (the "Company") as of December 31, 2019 and 2018, and the related consolidated statements of operations and comprehensive loss, of redeemable convertible preferred stock and stockholders' deficit, and of cash flows for the years then ended, including the related notes (collectively referred to as the "consolidated financial statements"). In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of the Company as of December 31, 2019 and 2018, and the results of its operations and its cash flows for the years then ended in conformity with accounting principles generally accepted in the United States of America.

Substantial Doubt About the Company's Ability to Continue as a Going Concern

The accompanying consolidated financial statements have been prepared assuming that the Company will continue as a going concern. As discussed in Note 1 to the consolidated financial statements, the Company has incurred significant net operating losses and negative cash flows from operations since inception that raise substantial doubt about its ability to continue as a going concern. Management's plans in regard to these matters are also described in Note 1. The consolidated financial statements do not include any adjustments that might result from the outcome of this uncertainty.

Basis for Opinion

These consolidated financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on the Company's consolidated financial statements based on our audits. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) (PCAOB) and are required to be independent with respect to the Company in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits of these consolidated financial statements in accordance with the standards of the PCAOB and in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free of material misstatement, whether due to error or fraud.

Our audits included performing procedures to assess the risks of material misstatement of the consolidated financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the consolidated financial statements. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements. We believe that our audits provide a reasonable basis for our opinion.

/s/ PricewaterhouseCoopers LLP

San Jose, California
June 23, 2020

We have served as the Company's auditor since 2016.

ADICET BIO, INC.
Consolidated Balance Sheets
(in thousands, except share and per share amounts)

	December 31, 2019	December 31, 2018
Assets		
Current assets:		
Cash and cash equivalents	$ 10,607	$ 9,475
Short-term marketable debt securities	51,793	15,169
Prepaid expenses and other current assets	1,786	3,191
Total current assets	64,186	27,835
Property and equipment, net	2,121	2,250
Restricted cash	4,282	4,282
Long-term marketable debt securities	10,588	—
Other non-current assets	410	322
Total assets	$ 81,587	$ 34,689
Liabilities, redeemable convertible preferred stock, and stockholders' deficit		
Current liabilities:		
Accounts payable	$ 1,052	$ 538
Contract liabilities—related party, current	10,993	14,372
Accrued and other current liabilities	2,820	3,067
Total current liabilities	14,865	17,977
Contract liabilities—related party, net of current portion	10,890	8,506
Redeemable convertible preferred stock tranche liability and TRDF liability	—	3,255
Deferred rent, net of current portion	234	399
Redeemable convertible preferred stock warrant liability	1,881	—
Total liabilities	27,870	30,137
Commitments and contingencies (Note 9)		
Redeemable convertible preferred stock, $0.0001 par value; 99,363,444 and 46,089,344 shares authorized as of December 31, 2019 and December 31, 2018, respectively; 97,166,921 and 40,094,850 shares issued and outstanding as of December 31, 2019 and December 31, 2018, respectively; liquidation preference $128,195 and $48,114 as of December 31, 2019 and December 31, 2018, respectively	114,083	38,068
Stockholders' deficit:		
Common stock, $0.0001 par value; 140,200,938 and 80,000,000 shares authorized as of December 31, 2019 and December 31, 2018, respectively; 17,383,619 and 17,264,217 shares issued and outstanding as of December 31, 2019 and December 31, 2018, respectively	2	2
Additional paid-in capital	9,256	8,004
Accumulated deficit	(69,647)	(41,509)
Accumulated other comprehensive income (loss)	23	(13)
Total stockholders' deficit	(60,366)	(33,516)
Total liabilities, redeemable convertible preferred stock, and stockholders' deficit	$ 81,587	$ 34,689

The accompanying notes are an integral part of these financial statements.

ADICET BIO, Inc.
Consolidated Statements of Operations and Comprehensive Loss
(in thousands, except share and per share amounts)

	Year ended December 31,	
	2019	2018
Revenue—related party	$ 995	$ 8,181
Operating expenses:		
Research and development	23,691	14,717
General and administrative	8,692	8,428
Total operating expenses	32,383	23,145
Loss from operations	(31,388)	(14,964)
Interest income	938	543
Other income, net	2,331	4,533
Loss before income tax expense (benefit)	(28,119)	(9,888)
Income tax expense (benefit)	19	(589)
Net loss	$ (28,138)	$ (9,299)
Net loss per share attributable to common stockholders, basic and diluted	$ (1.63)	$ (0.59)
Weighted-average shares used in computing net loss per share attributable to common stockholders, basic and diluted	17,249,656	15,701,158
Other comprehensive income (loss):		
Unrealized gain (loss) on marketable debt securities, net of tax	36	(13)
Total other comprehensive income (loss)	36	(13)
Comprehensive loss	$ (28,102)	$ (9,312)

The accompanying notes are an integral part of these financial statements.

ADICET BIO, Inc.
Consolidated Statements of Redeemable Convertible Preferred Stock and Stockholders' Deficit
(in thousands, except share amounts)

	Redeemable Convertible Preferred Stock		Common Stock		Additional Paid-In Capital	Accumulated Deficit	Accumulated Other Comprehensive Income (Loss)	Total Stockholders' Deficit
	Shares	Amount	Shares	Amount				
Balance at January 1, 2018	31,074,017	$ 26,341	16,264,529	$ 2	$ 5,260	$ (32,210)	$ —	$ (26,948)
Net loss	—	—	—	—	—	(9,299)	—	(9,299)
Issuance of Series A redeemable convertible preferred stock	9,020,833	10,825	—	—	—	—	—	—
Exercise of the redeemable convertible preferred stock tranche liability	—	902	—	—	—	—	—	—
Issuance of common stock upon exercise of stock options	—	—	999,688	—	221	—	—	221
Vesting of early exercised stock options	—	—	—	—	44	—	—	44
Stock-based compensation expense	—	—	—	—	2,479	—	—	2,479
Other comprehensive loss	—	—	—	—	—	—	(13)	(13)
Balance at December 31, 2018	40,094,850	$ 38,068	17,264,217	$ 2	$ 8,004	$ (41,509)	$ (13)	$ (33,516)
Net loss	—	—	—	—	—	(28,138)	—	(28,138)
Issuance of Series A redeemable convertible preferred stock related to TRDF liability (Note 12)	67,656	88	—	—	—	—	—	—
Issuance of Series B redeemable convertible preferred stock, net of issuance cost of $5,216	57,004,415	74,784	—	—	—	—	—	—
Termination of redeemable convertible preferred stock tranche liability	—	1,143	—	—	—	—	—	—
Issuance of common stock upon exercise of stock options	—	—	119,402	—	30	—	—	30
Vesting of early exercised stock options	—	—	—	—	47	—	—	47
Stock-based compensation expense	—	—	—	—	1,175	—	—	1,175
Other comprehensive income	—	—	—	—	—	—	36	36
Balance at December 31, 2019	97,166,921	$114,083	17,383,619	$ 2	$ 9,256	$ (69,647)	$ 23	$ (60,366)

The accompanying notes are an integral part of these financial statements.

ADICET BIO, Inc.
Consolidated Statements of Cash Flows
(in thousands)

	Year ended December 31,	
	2019	2018
Cash flows from operating activities		
Net loss	$(28,138)	$ (9,299)
Adjustments to reconcile net loss to net cash used in operating activities		
Depreciation and amortization expense	1,238	1,222
Stock-based compensation expense	1,175	2,479
Gain on disposal of property and equipment	(27)	—
Net amortization of premiums and accretion of discounts on investments	(197)	—
Change in fair value of redeemable convertible preferred stock tranche liability and TRDF liability	(2,024)	(4,536)
Change in fair value of redeemable convertible preferred stock warrant liability	(250)	—
Changes in operating assets and liabilities:		
Prepaid expenses and other current assets	1,405	(2,825)
Other non-current assets	(88)	(302)
Accounts payable	527	(282)
Contract liabilities—related party	(995)	(3,181)
Deferred rent	(148)	(132)
Accrued and other current liabilities	(360)	(1,324)
Net cash used in operating activities	(27,882)	(18,180)
Cash flows from investing activities		
Purchases of marketable debt securities	(76,078)	(15,182)
Proceeds from maturities of marketable debt securities	29,099	—
Proceeds from sale of property and equipment	118	—
Purchase of property and equipment	(1,070)	(876)
Net cash used in investing activities	(47,931)	(16,058)
Cash flow from financing activities		
Proceeds from issuance of redeemable convertible preferred stock, net of issuance costs	76,915	10,825
Proceeds from exercise of stock options	30	221
Net cash provided by financing activities	76,945	11,046
Net change in cash, cash equivalents and restricted cash	1,132	(23,192)
Cash, cash equivalents and restricted cash, at the beginning of the period	13,757	36,949
Cash, cash equivalents and restricted cash, at the end of the period	$ 14,889	$ 13,757
Reconciliation of cash, cash equivalents and restricted cash to consolidated balance sheets:		
Cash and cash equivalents	$ 10,607	$ 9,475
Restricted cash	4,282	4,282
Cash, cash equivalents and restricted cash in consolidated balance sheets	$ 14,889	$ 13,757
Supplemental cash flow information		
Cash paid for income taxes	$ 1	$ 5,109
Supplemental disclosures of noncash investing and financing activities		
Purchase of property and equipment included in accounts payable	$ 48	$ 61
Vesting of early exercised stock options	$ 47	$ 44
Exercise of redeemable convertible preferred stock tranche liability	$ —	$ 902
Termination of redeemable convertible preferred stock tranche liability	$ 1,143	$ —
Settlement of TRDF liability	$ 88	$ —
Redeemable convertible preferred stock warrants issued in exchange of services in connection with issuance of Series B redeemable convertible preferred stock recorded as issuance costs	$ 2,131	$ —

The accompanying notes are an integral part of these financial statements

ADICET BIO, Inc.
Notes to Consolidated Financial Statements

1. Organization and Nature of the Business

Adicet Bio, Inc. (the "Company") is a pre-clinical stage biotechnology company engaged in the design and development of a new generation of allogeneic immunotherapies for cancer and other diseases. The Company was incorporated in November 2014 in Delaware and is headquartered in Menlo Park, California.

Adicet Bio Israel Ltd. (formerly Applied Immune Technologies Ltd.) ("Adicet Israel") is a wholly owned subsidiary of the Company and is located in Haifa, Israel. Adicet Israel was founded in 2006 and is a drug development company specializing in T-Cell Receptor-Like ("TCRL") antibodies that are targeted to intracellular-derived peptides for a variety of therapeutic and diagnostic applications. In 2019, the Company consolidated its operations, including research and development activities, in the United States and as a result substantially reduced its operations in Israel.

Liquidity and Going Concern

The Company has incurred significant net operating losses and negative cash flows from operations since inception and had an accumulated deficit of $69.6 million as of December 31, 2019. The Company has historically financed its operations primarily through a collaboration and licensing arrangement, as well as through the private placement of equity securities. To date, none of the Company's product candidates have been approved for sale and therefore the Company has not generated any revenue from product sales. Management expects operating losses and negative cash flows to continue for the foreseeable future, until such time, if ever, that it can generate significant sales of its product candidates currently in development.

Management believes that the Company's cash, cash equivalents and marketable debt securities will not be sufficient for the Company to continue as a going concern for at least one year from the issuance date of these accompanying consolidated financial statements. The Company believes that this raises substantial doubt about its ability to continue as a going concern. As a result, the Company will be required to raise additional capital, however, there can be no assurance as to whether additional financing will be available on terms acceptable to the Company, if at all. If sufficient funds on acceptable terms are not available when needed, the Company could be required to significantly reduce its operating expenses and delay, reduce the scope of or eliminate one or more of its development programs. Failure to manage discretionary spending or raise additional financing, as needed, may adversely impact the Company's ability to achieve its intended business objectives and have an adverse effect on its results of operations and future prospects.

The accompanying consolidated financial statements have been prepared assuming that the Company will continue as a going concern, which contemplates the realization of assets and the settlement of liabilities and commitments in the normal course of business. The accompanying consolidated financial statements do not reflect any adjustments relating to the recoverability and reclassifications of assets and liabilities that might be necessary if the Company is unable to continue as a going concern.

2. Summary of Significant Accounting Policies

Basis of Presentation

The consolidated financial statements and related disclosures have been prepared in conformity with accounting principles generally accepted in the United States of America ("U.S. GAAP").

Reclassifications

Certain prior year amounts have been reclassified for consistency with the current year presentation. An adjustment has been made to the consolidated statement of operations and comprehensive loss for the year ended December 31, 2018, to reclassify interest income from general and administrative to other income, net. An

adjustment has also been made to the consolidated balance sheet for the year ended December 31, 2018, to reclassify balances recorded within prepaid expenses and other current assets and accrued and other current liabilities to deferred rent, net of current portion.

Principles of Consolidation

The consolidated financial statements include the accounts of the Company and its wholly owned subsidiary. All intercompany accounts and transactions have been eliminated in consolidation. The functional and reporting currency of the Company and its subsidiary is the U.S. dollar.

Use of Estimates

The preparation of financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements as well as the reported amounts of revenues and expenses during the reporting period. Such estimates include the valuation of the redeemable convertible preferred stock warrant liability, the redeemable convertible preferred stock tranche liability, the Technion Research and Development Foundation liability ("TRDF Liability") (see Note 12), deferred tax assets, useful lives of property and equipment, accruals for research and development activities, revenue recognition and stock-based compensation. Actual results could differ from those estimates.

Segments

The Company operates and manages its business as one reportable and operating segment, which is the business of research and development of allogeneic immunotherapies for cancer and other diseases. The Company's Chief Executive Officer, who is the chief operating decision maker, reviews financial information on an aggregate basis for purposes of allocating resources and evaluating financial performance.

Concentration of Credit Risk

Financial instruments, which potentially subject the Company to concentrations of credit risk, consist principally of cash and cash equivalents, restricted cash, and marketable debt securities. The Company's cash and cash equivalents are held at two financial institutions in the United States of America and one financial institution in Israel and such amounts may, at times, exceed insured limits. The Company invests its cash equivalents and marketable debt securities in money market funds, U.S. government securities, commercial paper, corporate bonds, and asset-backed securities. The Company limits its credit risk associated with cash equivalents and marketable debt securities by placing them with banks and institutions it believes are highly creditworthy and in highly rated investments. The Company has not experienced any losses on its deposits of cash and cash equivalents and marketable debt securities to date.

The Company has one customer, Regeneron Pharmaceuticals, Inc. ("Regeneron"), which represents 100% of the Company's total revenue during the years ended December 31, 2019 and 2018 (see Note 8).

Risks and Uncertainties

The Company is subject to risks and uncertainties common to early-stage companies in the biotechnology industry, including, but not limited to, development by competitors of new technological innovations, protection of proprietary technology, dependence on key personnel, compliance with government regulations and the need to obtain additional financing to fund operations. Product candidates currently under development will require significant additional research and development efforts, including extensive preclinical studies, clinical trials and

regulatory approval, prior to commercialization. These efforts require significant amounts of additional capital, adequate personnel infrastructure and extensive compliance and reporting.

The Company's product candidates are still in development and, to date, none of the Company's product candidates have been approved for sale and, therefore, the Company has not generated any revenue from product sales.

There can be no assurance that the Company's research and development will be successfully completed, that adequate protection for the Company's intellectual property will be obtained or maintained, that any products developed will obtain necessary government regulatory approval or that any approved products will be commercially viable. Even if the Company's product development efforts are successful, it is uncertain when, if ever, the Company will generate revenue from product sales. The Company operates in an environment of rapid change in technology and substantial competition from other pharmaceutical and biotechnology companies.

The current COVID-19 (coronavirus) pandemic, which is impacting worldwide economic activity, poses risk that the Company or its employees, contractors, suppliers, and other partners may be prevented from conducting business activities for an indefinite period of time, including due to shutdowns that may be requested or mandated by governmental authorities. The extent to which the coronavirus impacts the Company's operations will depend on future developments, which are highly uncertain and cannot be predicted with confidence, including the duration of the outbreak, new information that will emerge concerning the severity of the coronavirus and the actions to contain the coronavirus or treat its impact, among others. COVID-19 may impact the timing of regulatory approval of the INDs for clinical trials, the enrollment of any clinical trials that are approved, the availability of clinical trial materials and regulatory approval and commercialization of our products. COVID-19 may also impact the Company's ability to access capital, which could negatively impact short-term and long-term liquidity.

Cash and Cash Equivalents

The Company considers all highly liquid investments purchased with maturities of three months or less from the purchase date to be cash equivalents. As of December 31, 2019 and 2018, cash and cash equivalents consist of cash deposited with a bank, investments in money market funds, investments in corporate debt securities and commercial paper with maturities of three months or less from the date of purchase.

Marketable Debt Securities

The Company's marketable debt securities consist of U.S. government securities, commercial paper, corporate bonds, and asset-backed securities. The Company designates all investments as available-for-sale and therefore reports them at fair value, based on quoted marked prices, with unrealized gains and losses recorded in accumulated other comprehensive income (loss) as a component of stockholders' equity until realized. The cost of securities sold is based on the specific-identification method. The amortized cost of debt securities in this category is adjusted for amortization of premiums and accretion of discounts to maturity. Such amortization is included in other income, net. Realized gains and losses and declines in value judged to be other-than-temporary, if any, on available-for-sale securities are included in other income, net. Interest and dividends on securities classified as available-for-sale are included in other income, net. Management determines the appropriate classification of the securities at the time they are acquired and evaluates the appropriateness of such classifications at each balance sheet date. Marketable debt securities with contractual maturities greater than 12 months are presented as long-term marketable debt securities on the consolidated balance sheets.

The Company regularly reviews all its marketable debt securities for other-than-temporary declines in fair value. The review includes the consideration of the cause of the impairment, including the creditworthiness of the security issuers, the number of securities in an unrealized loss position, the severity and duration of the unrealized losses, whether the Company has the intent to sell the securities and whether it is more likely than not

that the Company will be required to sell the securities before the recovery of their amortized cost basis. If a debt security is in an unrealized loss position and the Company has the intent to sell the debt security, or it is more likely than not that the Company will have to sell the debt security before recovery of its amortized cost basis, the decline in value is deemed to be other-than-temporary and is recorded to other-than-temporary impairment losses recognized in other income, net in the consolidated statements of income. For impaired debt securities that the Company does not intend to sell or it is more likely than not that the Company will not have to sell such securities, but the Company expects that it will not fully recover the amortized cost basis, the credit component of the other-than-temporary impairment is recognized other income, net in the consolidated statements of operations and comprehensive loss and the non-credit component of the other-than-temporary impairment is recognized in other comprehensive loss. No other-than-temporary decline in the fair value of marketable debt securities has been recognized to date.

Restricted Cash

Restricted cash is comprised of cash that is restricted as to withdrawal or use under the terms of certain contractual agreements. Restricted cash for years ended December 31, 2019 and 2018 consists of collateral for letters of credit issued in connection with the real estate leases (see Note 9).

Fair Value of Financial Instruments

The carrying amounts of certain financial instruments of the Company, including cash equivalents, restricted cash, accounts payable and accrued and other current liabilities approximate fair value due to their relatively short maturities. The Company's marketable debt securities, redeemable convertible preferred stock warrant liability, redeemable convertible preferred stock tranche liability and TRDF Liability are carried at fair value (see Notes 3 and 4).

Redeemable Convertible Preferred Stock

The Company records all shares of redeemable convertible preferred stock at their respective fair values on the dates of issuance, net of issuance costs, if applicable. The redeemable convertible preferred stock is recorded outside of permanent equity because while it is not mandatorily redeemable, in certain events considered not solely within the Company's control, such as a merger, acquisition or sale of all or substantially all of the Company's assets (each, a "deemed liquidation event"), the redeemable convertible preferred stock will become redeemable at the option of the holders of at least a majority of the then outstanding shares. The Company has not adjusted the carrying values of the redeemable convertible preferred stock to its liquidation preference because a deemed liquidation event obligating the Company to pay the liquidation preferences to holders of shares of redeemable convertible preferred stock is not probable of occurring. Subsequent adjustments to the carrying values to the liquidation preferences will be made only when it becomes probable that such a deemed liquidation event will occur.

Redeemable Convertible Preferred Stock Tranche Liability

The Company determined that its obligations to issue additional shares of redeemable convertible preferred stock upon the achievement of certain milestones or at the option of the respective holders of such shares represent freestanding financial instruments. These instruments were initially measured at fair value and were subject to remeasurement with changes in fair value recognized in other income, net in the consolidated statements of operations and comprehensive loss until they were exercised, terminated or settled (see Note 11).

ADICET BIO, Inc.
Notes to Consolidated Financial Statements

Redeemable Convertible Preferred Stock Warrants

The Company's redeemable convertible preferred stock warrants require liability classification and accounting as the underlying redeemable convertible preferred stock is considered contingently redeemable and may obligate the Company to transfer assets to the holders at a future date upon occurrence of a deemed liquidation event. The warrants are recorded at fair value upon issuance and are subject to remeasurement to fair value at each balance sheet date, with any changes in fair value recognized in other income, net in the consolidated statements of operations and comprehensive loss. The Company will continue to adjust the warrant liability for changes in fair value until the earlier of the exercise or expiration of the redeemable convertible preferred stock warrants, the occurrence of a deemed liquidation event or the conversion of redeemable convertible preferred stock into common stock.

Property and Equipment, Net

Property and equipment are stated at cost less accumulated depreciation and amortization. Depreciation is computed on a straight-line basis over the estimated useful lives of the related assets, generally three years. Leasehold improvements are amortized using the straight-line method over the shorter of the assets' estimated useful lives or the remaining term of the lease. Maintenance and repairs are charged to operations as incurred. When assets are retired or otherwise disposed of, the cost and accumulated depreciation are removed from the consolidated balance sheet and any resulting gain or loss is reflected in the consolidated statements of operations and comprehensive loss in the period realized.

Impairment of Long-Lived Assets

The Company reviews property and equipment for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset or asset group may not be recoverable. Recoverability is measured by comparison of the carrying amount of the asset or asset group to the future net cash flows which the asset or asset group is expected to generate. If such asset or asset group is considered to be impaired, the impairment to be recognized is measured by the amount by which the carrying amount of the asset or asset group exceeds the fair value of the asset or asset group. There has been no such impairment of long-lived assets during the years ended December 31, 2019 and 2018.

Revenue Recognition

Under Accounting Standards Codification 606, *Revenue from Contracts with Customers* ("ASC 606"), the Company recognizes revenue when its customer obtains control of promised goods or services, in an amount that reflects the consideration which the Company expects to receive in exchange for those goods or services. To determine revenue recognition for arrangements that the Company determines are within the scope of ASC 606, the Company performs the following five steps as prescribed by ASC 606:

(i) identify the contract(s) with a customer;

(ii) identify the performance obligations in the contract;

(iii) determine the transaction price;

(iv) allocate the transaction price to the performance obligations in the contract; and

(v) recognize revenue when (or as) the Company satisfies a performance obligation.

A contract with a customer exists when (i) the Company enters into a legally enforceable contract with a customer that defines each party's rights regarding the products or services to be transferred and identifies the payment terms related to these products or services, (ii) the contract has commercial substance and (iii) the

ADICET BIO, Inc.
Notes to Consolidated Financial Statements

Company determines that collection of substantially all consideration for products or services that are transferred is probable based on the customer's intent and ability to pay the promised consideration.

At contract inception, once the contract is determined to be within the scope of ASC 606, the Company identifies the goods or services promised and determines the performance obligations by assessing whether each promised good or service is distinct. Goods or services that are not distinct are bundled with other goods or services in the contract until a bundle of goods or services that is distinct is created. The Company then recognizes as revenue the amount of the transaction price that is allocated to the respective performance obligation when (or as) the performance obligation is satisfied.

All of the Company's revenues are derived through a license and collaboration agreement (see Note 8).

For revenue recognition purposes, the Company determines the term of its license or collaboration agreements by evaluating the period during which present and enforceable rights and obligations exist. This determination is impacted by the existence of substantive termination penalties, among other factors.

The Company recognizes revenue under the Company's license or collaboration agreements that are within the scope of ASC 606. The Company's contract with customer includes promises related to licenses to intellectual property and research and development services. If the license to the Company's intellectual property is determined to be distinct from the other performance obligations identified in the arrangement, the Company recognizes revenue from non-refundable, up-front fees allocated to the license when the license is transferred to the licensee and the licensee is able to use and benefit from the license. For licenses that are bundled with other promises, the Company utilizes judgement to assess the nature of the combined performance obligation to determine whether the combined performance obligation is satisfied over time or at a point in time and, if over time, the appropriate method of measuring progress for purposes of recognizing revenue from non-refundable, up-front fees. Accordingly, the transaction price is generally comprised of a fixed fee due at contract inception and at specified future dates, variable consideration in the form of milestone payments due upon the achievement of specified events and tiered royalties earned when customers recognize net sales of licensed products. The Company measures the transaction price based on the amount of consideration to which it expects to be entitled in exchange for transferring the promised goods and/or services to the customer. The Company utilizes the "most likely amount" method to estimate the amount of variable consideration to which it will be entitled for the contract (see Note 8). Amounts of variable consideration are included in the transaction price to the extent that it is probable that a significant reversal in the amount of cumulative revenue recognized will not occur when the uncertainty associated with the variable consideration is subsequently resolved. At the inception of each arrangement that includes development and regulatory milestone payments, the Company evaluates whether the associated event is considered most likely to be achieved and estimates the amount to be included in the transaction price.

Payments or reimbursements for the Company's research and development efforts where such efforts are considered part of or a single performance obligation are recognized over time using a measure of progress that best reflects the Company's performance in satisfying the obligation and are presented on a gross basis.

Upfront payments are recorded as contract liabilities upon receipt or when due and may require deferral of revenue recognition to a future period until the Company performs its obligation under these arrangements. Amounts payable to the Company are recorded as accounts receivable when the Company's right to consideration is unconditional. The Company does not assess whether a contract has a significant financing component if the expectation at contract inception is such that the period between payment by the customer and the transfer of the promised goods or services to the customer will be one year or less.

ADICET BIO, Inc.
Notes to Consolidated Financial Statements

For arrangements that include sales-based royalties, including milestone payments based on the level of sales, and the license is deemed to be the predominant item to which the royalties relate, the Company recognizes revenue at the later of (i) when the related sales occur, or (ii) when the performance obligation to which some or all of the royalty has been allocated has been satisfied (or partially satisfied). To date, the Company has not recognized any royalty revenue resulting from its collaboration arrangement.

Research and Development Expenses

Research and development expenses include costs directly attributable to the conduct of research and development programs, including payroll and related expenses, costs for contract manufacturing organizations ("CMOs"), costs for contract research organizations ("CROs"), materials, supplies, depreciation on and maintenance of research equipment, consulting costs, and the allocated portions of facility costs, such as rent, utilities, insurance, repairs and maintenance, depreciation, information technology costs and general support services. All costs associated with research and development are expensed within the consolidated statements of operations and comprehensive loss as incurred.

Costs incurred in obtaining technology licenses are charged to research and development expense as acquired in-process research and development if the technology licensed has not reached technological feasibility and has no alternative future use.

Accrued Research and Development

The Company has entered into various agreements with CMOs and CROs. The Company's research and development accruals are estimated based on the level of services performed, progress of the studies, including the phase or completion of events, and contracted costs. The estimated costs of research and development provided, but not yet invoiced are included in accrued and other current liabilities on the consolidated balance sheets. If the actual timing of the performance of services or the level of effort varies from the original estimates, the Company will adjust the accrual accordingly. Payments made to CMOs and CROs under these arrangements in advance of the performance of the related services are recorded as prepaid expenses and other current assets on the consolidated balance sheets until the services are rendered. Through December 31, 2019 there had been no material adjustments to the Company's prior period estimates of accrued research and development expenses.

Leases

The Company categorizes leases at their inception as either operating or capital leases. Where leases contain escalation clauses, rent abatements or concessions, such as rent holidays and landlord or tenant incentives or allowances, the Company applies them in the determination of straight-line rent expense over the non-cancellable lease term.

The Company records the difference between the rent paid and the straight-line rent expense as a deferred rent liability on the consolidated balance sheets. Leasehold improvements funded by landlord incentives or allowances are recorded as leasehold improvement assets and a corresponding deferred rent liability on the consolidated balance sheets. The leasehold improvement asset is amortized over the shorter of the term of the lease or the useful life of the asset. The deferred rent liability is amortized on a straight-line basis as a reduction to rent expense over the lease term. The current portion of deferred rent is recorded within accrued and other current liabilities on the consolidated balance sheets.

Leasehold improvements funded by the Company that are considered landlord's assets are recorded as prepaid rent and is amortized on a straight-line basis as an increase to rent expense over the lease term.

ADICET BIO, Inc.
Notes to Consolidated Financial Statements

Rent paid before the lease commences is recorded as prepaid rent and is amortized on a straight-line basis as an increase of rent expense over the lease term.

Fair Value of Common Stock

The fair value of the Company's common stock is determined by its Board of Directors with input from management and third-party valuation specialists. The Company's approach to estimate the fair value of the Company's common stock is consistent with the methods outlined in the American Institute of Certified Public Accountants Practice Aid, *Valuation of Privately-Held-Company Equity Securities Issued as Compensation*. Determining the best estimated fair value of the Company's common stock requires significant judgement and management considers several factors, including the Company's stage of development, equity market conditions affecting comparable public companies, significant milestones and progress of research and development efforts.

Stock-Based Compensation

The Company accounts for stock-based compensation arrangements with employees and non-employees using a fair value method which requires the recognition of compensation expense for costs related to all stock-based payments including stock options. The fair value method requires the Company to estimate the fair value of stock-based payment awards on the date of grant using an option-pricing model. The Company uses the Black-Scholes option-pricing model to estimate the fair value of options granted that are expensed on a straight-line basis over the requisite service period, which is generally the vesting period. The Company accounts for forfeitures as they occur. Option valuation models, including the Black-Scholes option-pricing model, require the input of several assumptions. Changes in the assumptions used can materially affect the grant-date fair value of an award. These assumptions include the risk-free rate of interest, expected dividend yield, expected volatility and the expected life of the award.

Income Taxes

The Company accounts for income taxes using the asset and liability method, which requires the recognition of deferred tax assets and liabilities for the expected future tax consequences attributable to differences between carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for income tax reporting purposes and for operating loss and tax credit carryforwards. Changes in deferred tax assets and liabilities are recorded in the provision for income taxes.

The Company's deferred tax assets and liabilities are measured using enacted tax rates expected to apply in the years in which these temporary differences are expected to be recovered or settled. A valuation allowance is recorded to reduce deferred tax assets if it is determined that it is more likely than not that all or a portion of the deferred tax asset will not be realized. The Company considers many factors when assessing the likelihood of future realization of deferred tax assets, including recent earnings results, expectations of future taxable income, carryforward periods available and other relevant factors. The Company records changes in the required valuation allowance in the period that the determination is made.

The Company assesses its income tax positions and records tax benefits for all years subject to examination based upon management's evaluation of the facts, circumstances and information available as of the reporting date. For those tax positions where it is more likely than not that a tax benefit will be sustained, the Company records the largest amount of tax benefit with a greater than 50% likelihood of being realized upon ultimate settlement with a taxing authority having full knowledge of all relevant information. For those income tax positions where it is not more likely than not that a tax benefit will be sustained, the Company does not recognize a tax benefit in the financial statements. The Company records interest and penalties related to uncertain tax positions, if applicable, as a component of income tax expense (benefit).

ADICET BIO, Inc.
Notes to Consolidated Financial Statements

Comprehensive Income (Loss)

Comprehensive income (loss) is defined as a change in equity of a business enterprise during a period, resulting from transactions from non-owner sources. The other comprehensive loss disclosed in the Company's consolidated statements of operations and comprehensive loss for the years ended December 31, 2019 and 2018 consists of changes in unrealized gains and losses on marketable debt securities.

Net Loss per Share Attributable to Common Stockholders

Basic net loss per common share is calculated by dividing the net loss attributable to common stockholders by the weighted-average number of common stock outstanding during the period, without consideration of potentially dilutive securities. Diluted net loss per share is computed by dividing the net loss attributable to common stockholders by the weighted-average number of common stock and potentially dilutive securities outstanding for the period. For purposes of the diluted net loss per share calculation, the redeemable convertible preferred stock, redeemable convertible preferred stock warrants, redeemable convertible preferred stock tranche liability, common stock subject to repurchase and stock options are considered to be potentially dilutive securities. Basic and diluted net loss per share attributable to common stockholders is presented in conformity with the two-class method required for participating securities as the redeemable convertible preferred stock and early exercised stock options are considered to be participating securities. The two-class method determines net income (loss) per share for each class of common and participating securities according to dividends declared or accumulated and participation rights in undistributed earnings. The two-class method requires income (loss) available to common stockholders for the period to be allocated between common and participating securities based upon their respective rights to share in undistributed earnings as if all income (loss) for the period had been distributed. The Company's participating securities do not have a contractual obligation to share in the Company's losses. As such, the net loss is attributed entirely to common stockholders. Since the Company has reported a net loss for all periods presented, diluted net loss per common share is the same as basic net loss per common share for those periods.

Recent Accounting Pronouncements

From time to time, new accounting pronouncements are issued by the Financial Accounting Standards Board (the "FASB") under its Accounting Standard Codifications ("ASC") or other standard setting bodies and adopted by the Company as of the specified effective date, unless otherwise discussed below.

Recently Adopted Accounting Pronouncements

In August 2016, the FASB issued Accounting Standards Update ("ASU") 2016-15, *Statement of Cash Flows (Topic 230): Classification of Certain Cash Receipts and Cash Payments*. This ASU clarifies how certain cash receipts and cash payments are presented and classified in the statement of cash flows. The Company adopted this ASU effective January 1, 2019. The adoption of this ASU did not have a material effect on the Company's consolidated financial statements and related disclosures.

In November 2016, the FASB issued ASU 2016-18, *Statement of Cash Flows (Topic 230): Restricted Cash.* This ASU requires that a statement of cash flows explain the change during the period in the total of cash, cash equivalents, and amounts generally described as restricted cash. Therefore, amounts generally described as restricted cash should be included with cash and cash equivalents when reconciling the beginning-of-period and end-of-period total amounts shown on the statement of cash flows. The Company adopted ASU 2016-18 as of January 1, 2018 using a retrospective transition method to each period presented. As a result, net cash used in investing activities for the year ended December 31, 2017 was adjusted to exclude the change in restricted cash.

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Restricted cash amount as of December 31, 2017 was primarily related to security deposit and collateral for letter of credit.

In July 2017, the FASB issued ASU No. 2017-11, *Earnings Per Share (Topic 260); Distinguishing Liabilities from Equity (Topic 480); Derivatives and Hedging (Topic 815): (Part I) Accounting for Certain Financial Instruments with Down Round Features, (Part II) Replacement of the Indefinite Deferral for Mandatorily Redeemable Financial Instruments of Certain Nonpublic Entities and Certain Mandatorily Redeemable Noncontrolling Interests with a Scope Exception*. This ASU simplifies the accounting for certain financial instruments with down round features, a provision in an equity-linked financial instrument (or embedded feature) that provides a downward adjustment of the current exercise price based on the price of future equity offerings. Down round features are common in warrants, preferred shares and convertible debt instruments issued by private companies and early-stage public companies. This update requires companies to disregard the down round feature when assessing whether the instrument is indexed to its own stock, for purposes of determining liability or equity classification. The amendments in Part I should be applied (1) retrospectively to outstanding financial instruments with a down round feature by means of a cumulative-effect adjustment to the balance sheet as of the beginning of the first fiscal year and interim periods; (2) retrospectively to outstanding financial instruments with a down round feature for each prior reporting period presented. The amendments in Part II do not require any transition guidance because those amendments do not have an accounting effect. The Company adopted this ASU effective January 1, 2019. The adoption of this ASU did not have a material effect on the Company's consolidated financial statements and related disclosures.

In March 2018, the FASB issued ASU No. 2018-05, *Income Taxes (Topic 740)—Amendments to SEC Paragraphs Pursuant to SEC Staff Accounting Bulletin No. 118.* This ASU amends ASC 740, *Income Taxes*, to provide guidance on accounting for the tax effects of the Tax Cuts and Jobs Act (the "Tax Act") pursuant to Staff Accounting Bulletin No. 118, which allows companies to complete the accounting under ASC 740 within a one-year measurement period from the Tax Act enactment date. This ASU was effective upon issuance. The Company has applied the guidance in this ASU during the year ended December 31, 2018 (see Note 17).

Accounting Pronouncements Not Yet Adopted

In February 2016, the FASB issued ASU 2016-02, *Leases* (Topic 842) ("ASC 842"), which sets out the principles for the recognition, measurement, presentation, and disclosure of leases for both parties to a contract (i.e. lessees and lessors). In July 2018, the FASB issued ASU 2018-10, *Codification Improvements to Topic 842, Leases*, which provides clarification to ASU 2016-02. In March 2019, the FASB issued ASU 2019-01, which provides clarification on implementation issues associated with adopting ASU 2016-02. These ASUs (collectively the "new leasing standard") requires lessees to apply a dual approach, classifying leases as either finance or operating leases based on the principle of whether or not the lease is effectively a financed purchase by the lessee. This classification will determine whether lease expense is recognized based on an effective interest method or on a straight-line basis over the term of the lease, respectively. A lessee is also required to record a right-of-use asset and a lease liability for all leases with a term of greater than 12 months regardless of their classification. ASC 842 provides a lessee with an option to not account for leases with a term of 12 month or less as leases in the scope of ASC 842. ASC 842 supersedes the previous leases standard, ASC 840 *Leases*. The new leasing standard is effective for public business entities for fiscal years beginning after December 15, 2018, and interim periods within those fiscal years, and should be applied through a modified retrospective transition approach for leases existing at, or entered into after, the beginning of the earliest comparative period presented in the financial statements. Early adoption is permitted. In July 2018, the FASB issued ASU No. 2018-11, *Leases (Topic 842): Targeted Improvements*, which allows entities to elect an optional transition method where entities may continue to apply the existing lease guidance during the comparative periods and apply the new lease requirements through a cumulative effect adjustment in the period of adoptions rather than in the earliest

period presented. In June 2020, the FASB issued ASU 2020-05, which delays the adoption dates for ASU 2016-02 for non-public entities to fiscal years beginning after December 15, 2021, and interim periods within fiscal years beginning after December 15, 2022. Early application continues to be allowed. The Company is currently evaluating the impact the adoption of these ASUs will have on its financial statements and related disclosures. The Company expects to recognize a right-of-use asset and corresponding lease liability for its real estate operating leases upon adoption, expecting to use the modified retrospective approach for the ASU adoption.

In June 2016, the FASB issued ASU No. 2016-13, *Financial Instruments—Credit Losses (Topic 326): Measurement of Credit Losses on Financial Instruments*, which requires the measurement and recognition of expected credit losses for financial assets held at amortized cost. This ASU replaces the existing incurred loss impairment model with an expected loss model. It also eliminates the concept of other-than-temporary impairment and requires credit losses related to available-for-sale debt securities to be recorded through an allowance for credit losses rather than as a reduction in the amortized cost basis of the securities. These changes will result in earlier recognition of credit losses. For public business entities that meet the definition of a Securities and Exchange Commission ("SEC") filer, excluding entities eligible to be smaller reporting companies as defined by the SEC, adoption is effective for fiscal years beginning after December 15, 2019, including interim periods within those fiscal years. For SEC filers that are eligible to be smaller reporting companies and for all other entities, this ASU is effective for fiscal years beginning after December 15, 2022, and interim periods within those fiscal years. Early adoption is permitted. The Company is currently evaluating the impact the adoption of this ASU will have on its consolidated 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*, which modifies the disclosure requirements on fair value measurements. The new disclosure requirements include disclosure related to changes in unrealized gains or losses included in other comprehensive income (loss) for recurring Level 3 fair value measurements held at the end of each reporting period and the explicit requirement to disclose the range and weighted-average of significant unobservable inputs used for Level 3 fair value measurements. This ASU removes the requirement to disclose: the amount of and reasons for transfers between Level 1 and Level 2 of the fair value hierarchy; the policy for timing of transfers between levels; and the valuation processes for Level 3 fair value measurements. For all entities, this ASU is effective for fiscal years beginning after December 15, 2019, and interim periods within those fiscal years. Early adoption is permitted. The Company is currently evaluating the impact the adoption of this ASU will have on its consolidated financial statements and related disclosures.

In November 2018, FASB issued ASU 2018-18, *Collaborative Arrangements (Topic 808): Clarifying the Interaction Between Topic 808 and Topic 606*, which is intended to clarify the circumstances under which certain transactions in collaborative arrangements should be accounted for under the revenue recognition standard. Certain transactions between collaboration arrangement participants should be accounted for as revenue under ASC Topic 606 when the collaborative arrangement participant is a customer in the context of a unit of account. For public business entities, this ASU is effective for fiscal years beginning after December 15, 2019, and interim periods within those fiscal years. For all other entities, this ASU is effective for fiscal years and interim periods within those years beginning after December 15, 2020. Early adoption is permitted. The Company is currently evaluating the impact the adoption of this ASU will have on its consolidated financial statements and related disclosures.

In December 2019, the FASB issued ASU No. 2019-12, *Income Taxes (Topic 740)—Simplifying the Accounting for Income Taxes*, which simplify various aspects related to the accounting for income taxes. This ASU removes exceptions to the general principles in Topic 740 related to the approach for intraperiod tax allocation, the methodology for calculating income taxes in an interim period and the recognition of deferred tax liabilities for outside basis differences. For public companies, this ASU is effective for interim and annual reporting periods beginning after December 15, 2020. For all other entities, the amendments are effective for

fiscal years beginning after December 15, 2021, and interim periods within fiscal years beginning after December 15, 2022. Early adoption is permitted. The Company is currently evaluating the impact the adoption of this ASU will have on its consolidated financial statements and related disclosures.

3. Fair Value Measurements

The Company determines the fair value of financial and non-financial assets and liabilities using the fair value hierarchy which establishes three level of inputs that may be used to measure fair value, as follows:

Level 1 — Observable inputs, such as quoted prices in active markets for identical assets or liabilities.

Level 2 — Observable inputs other than Level 1 prices 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 which reflect management's best estimate of what market participants would use in pricing the asset or liability at the measurement date. Consideration is given to the risk inherent in the valuation technique and the risk inherent in the inputs to the model.

In determining fair value, the Company utilizes valuation techniques that maximize the use of observable inputs and minimize the use of unobservable inputs to the extent possible as well as considers counterparty credit risk in its assessment of fair value.

Assets and liabilities measured at fair value are classified in their entirety based on the lowest level of input that is significant to the fair value measurement. The Company's assessment of the significance of a particular input to the fair value measurement in its entirety requires management to make judgments and consider factors specific to the asset or liability.

The following tables present information about the Company's financial assets and liabilities measured at fair value on a recurring basis and indicate the level of the fair value hierarchy utilized to determine such fair values (in thousands):

	December 31, 2019			
	Level 1	Level 2	Level 3	Total
Assets:				
Money market funds	$7,232	$ —	$ —	$ 7,232
Cash equivalents[1]	7,232	—	—	7,232
Asset-backed securities	—	19,598	—	19,598
Corporate debt securities	—	19,394	—	19,394
Commercial paper	—	17,892	—	17,892
U.S. Government agency bonds	—	5,497	—	5,497
Marketable debt securities	—	62,381	—	62,381
Total fair value of assets	$7,232	$62,381	$ —	$69,613
Liabilities:				
Redeemable convertible preferred stock warrant liability	$ —	$ —	$1,881	$ 1,881
Total fair value of liabilities	$ —	$ —	$1,881	$ 1,881

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	December 31, 2018			
	Level 1	Level 2	Level 3	Total
Assets:				
Money market funds	$2,868	$ —	$ —	$ 2,868
Corporate debt securities	—	1,250	—	1,250
Commercial paper	—	997	—	997
Cash equivalents(1)	2,868	2,247	—	5,115
Asset-backed securities	—	4,725	—	4,725
Corporate debt securities	—	4,525	—	4,525
Commercial paper	—	5,919	—	5,919
Marketable debt securities	—	15,169	—	15,169
Total fair value of assets	$2,868	$17,416	$ —	$20,284
Liabilities:				
Redeemable convertible preferred stock tranche liability	$ —	$ —	$3,113	$ 3,113
TRDF liability	—	—	142	142
Total fair value of liabilities	$ —	$ —	$3,255	$ 3,255

(1) Included in cash and cash equivalents in the consolidated balance sheets

Money market funds are included within Level 1 of the fair value hierarchy because they are valued using quoted market prices. Corporate debt securities, U.S. government agency bonds, commercial paper and asset-backed securities are classified within Level 2 of the fair value hierarchy as they take into consideration valuations obtained from third-party pricing services. The pricing services utilize industry standard valuation models, including both income-based and market-based approaches, for which all significant inputs are observable, either directly or indirectly, to estimate the fair value. These inputs include reported trades of and broker/dealer quotes on the same or similar securities, issuer credit spreads, benchmark securities, prepayment/default projections based on historical data and other observable inputs.

The following table presents a summary of the changes in the fair value of the Company's Level 3 financial instrument (in thousands):

	Redeemable Convertible Preferred Stock Tranche Liability	TRDF Liability	Redeemable Convertible Preferred Stock Warrant Liability
Fair value as of January 1, 2018	$ 8,557	$ 136	$ —
Change in the fair value included in other income, net	(4,542)	6	—
Exercise	(902)	—	—
Fair value as of December 31, 2018	3,113	142	—
Recognition of preferred stock warrant liabilities	—	—	2,131
Settlement	—	(88)	—
Change in the fair value included in other income, net	(1,970)	(54)	(250)
Termination	(1,143)	—	—
Fair value as of December 31, 2019	$ —	$ —	$ 1,881

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The fair value of the redeemable convertible preferred stock tranche liability, TRDF Liability and the redeemable convertible preferred stock warrant liability are based on significant unobservable inputs, which represent Level 3 measurements within the fair value hierarchy. In determining the fair value of the redeemable convertible preferred stock tranche liability and redeemable convertible preferred stock warrants, the Company used the Black-Scholes option pricing model to estimate the fair value using unobservable inputs including the expected term, expected volatility, risk-free interest rate and dividend yield (see Notes 11 and 13). The fair value of the TRDF Liability was determined based on the fair value of the Company's Series A redeemable convertible preferred stock (see Note 12). There were no transfers between Level 1 and Level 2 during the years ended December 31, 2019 and 2018.

4. Marketable Debt Securities

The following tables summarize the Company's marketable debt securities (in thousands):

	December 31, 2019			
	Amortized Cost	Unrealized Losses	Unrealized Gains	Fair Value
Asset-backed securities	$ 19,589	$ (1)	$ 10	$19,598
Corporate debt securities	19,387	(3)	9	19,393
Commercial paper	17,882	—	11	17,893
U.S. Government agency bonds	5,500	(3)	—	5,497
Total	$ 62,358	$ (7)	$ 30	$62,381

	December 31, 2018			
	Amortized Cost	Unrealized Losses	Unrealized Gains	Fair Value
Asset-backed securities	$ 4,730	$ (5)	$ —	$ 4,725
Corporate debt securities	5,778	(3)	—	5,775
Commercial paper	6,921	(5)	—	6,916
Total	$ 17,429	$ (13)	$ —	$17,416

The following table summarizes the Company's marketable debt securities by contractual maturity (in thousands):

	December 31, 2019	
	Amortized Cost	Fair Value
Within one year	$ 51,777	$51,793
After one year through five years	10,581	10,588
After five years	—	—
Total	$ 62,358	$62,381

The following table summarizes the classification of the Company's marketable debt securities in the consolidated balance sheets (in thousands):

	December 31	
	2019	2018
Cash and cash equivalents	$ —	$ 2,247
Short-term marketable debt securities	51,793	15,169
Long-term marketable debt securities	10,588	—
Total	$62,381	$ 17,416

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5. Prepaid Expenses and Other Current Assets

Prepaid expenses and other current assets consisted of the following (in thousands):

	December 31	
	2019	2018
Prepaid expenses	$ 672	$ 923
Tax receivable	722	2,143
Interest receivable	213	67
Other current assets	179	58
Total	$ 1,786	$ 3,191

6. Property and Equipment, net

Property and equipment, net consisted of the following (in thousands):

		As of December 31,	
	Useful life (years)	2019	2018
Laboratory equipment	3	$ 3,872	$ 3,952
Leasehold improvements	Lesser of useful life or lease term	1,327	1,350
Furniture and fixtures	3	68	167
Construction in progress	—	300	168
Computer equipment	3	42	130
Software	3	150	140
		5,759	5,907
Less: Accumulated depreciation and amortization		(3,638)	(3,657)
Property and equipment, net		$ 2,121	$ 2,250

Depreciation and amortization expense for each of the years ended December 31, 2019 and 2018 was $1.2 million. All of the Company's property and equipment as of December 31, 2019 is located in the U.S. As of December 31, 2018, the carrying value of property and equipment located in the U.S. and Israel was $2.1 million and $0.2 million, respectively.

7. Accrued and Other Current Liabilities

Accrued and other current liabilities consisted of the following (in thousands):

	December 31	
	2019	2018
Accrued compensation	$1,359	$1,665
Accrued research and development expenses	450	556
Accrued professional services	301	446
Early exercised stock option liability	—	47
Accrued other liabilities	710	353
Total	$2,820	$3,067

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8. Regeneron License and Collaboration Arrangement

Agreement Terms

On July 29, 2016, the Company entered into a license and collaboration agreement with Regeneron Pharmaceuticals, Inc. ("Regeneron"), which was amended in April 2019, with such amendment becoming effective in connection with Regeneron's investment in the Company's Series B redeemable convertible preferred stock private placement transaction in July 2019 (as amended, the "Regeneron Agreement").

Agreement Structure. The Regeneron Agreement has two principal components: (a) a research collaboration component under which the parties will research, develop, and commercialize next-generation engineered gamma delta immune cell therapeutics ("ICPs"), namely engineered gamma delta immune cells with chimeric antigen receptors ("CARs") and T-cell receptors ("TCRs") directed to disease-specific cell surface antigens, which includes the grant of certain licenses to intellectual property between the two parties, and (b) for a certain period following the effective date, a license to the Company to use certain of Regeneron's proprietary mice to develop and commercialize ICPs generated by the Company, with certain limitations relating to targets under the Regeneron Agreement.

Research Collaboration. Research activities under the collaboration are governed by research plans, which include the strategy, goals, activities, and responsibilities of the parties with respect to a target. The Company is primarily responsible for generating, validating, and optimizing ICPs, developing processes for manufacture of ICPs, and certain preclinical and clinical manufacturing activities for ICPs; Regeneron's key responsibility is generating, validating, and optimizing CARs and TCRs that bind to the applicable target. The parties have formed a joint research committee to monitor and govern the research and development efforts during the research program term.

Rights to Research Targets. Under the terms of the five-year research collaboration, the parties will conduct research on mutually agreed upon targets. Regeneron may obtain exclusive rights for the targets that it chooses in accordance with the target selection mechanism set forth in the Regeneron Agreement, and the Company similarly may obtain exclusive rights for targets it chooses in accordance with such target selection mechanism. The Company has the right to develop and commercialize ICPs to the first collaboration target to come out of the research program. In connection with an IND submission, Regeneron has an option to exercise exclusive rights for ADI-002 and potentially for additional targets to be mutually agreed upon. For those targets it does not have an option to license, Regeneron has a right of first negotiation for up to two targets. Regeneron has the right to terminate the research program in its entirety (a) for convenience on six months prior written notice given at any time after December 31, 2019, or (b) following a change of control (as defined in the Regeneron Agreement) of the Company. The parties mutually agreed to their first product declaration criteria for collaboration ICP, CD20, in 2018.

Rights to Company-Developed Targets. Regeneron has an exclusive license to use targeting moieties generated by the Company by its use of Regeneron's proprietary mice to develop and commercialize non-ICPs.

Exclusivity. During the five-year target selection period, the Company may not directly or indirectly research, develop, manufacture or commercialize an ICP, or grant a license to do the foregoing, except pursuant to the agreement. For so long as either party is researching or developing an ICP to a target under the research program, neither party may research, develop, manufacture or commercialize any other ICP to such target, or grant a license to do the foregoing. And for so long as a party is researching, developing or commercializing an ICP to target that is licensed to it (and royalty bearing) under the agreement, neither party may research, develop, manufacture or commercialize any other ICP to such target, or grant a license to permit another party to do the foregoing. These exclusivity obligations are limited to engineered gamma delta immune cells to targets

reasonably considered to have therapeutic relevance in oncology. The Regeneron Agreement includes certain exceptions to the exclusivity obligations of the parties, including with respect to targets that are rejected by one party in the target selection process, as well as protections in the event of a change of control of a party where the acquirer has a competing program.

Co-Funding and Profit Sharing. The Company has an option to co-fund specified portions of the future development costs for, and to co-promote, ICPs to a target for which Regeneron has exercised an option, and to participate in the profits for such target. The Company has the right to exercise this right in various geographic regions, including on a worldwide basis. In the event the Company exercises such right, the parties will share further development costs and revenues proportionally to their co-funding percentages.

Financial Terms. The Company received a non-refundable upfront payment of $25.0 million from Regeneron upon execution of the Regeneron Agreement, and has received an aggregate of $10.0 million of additional payments for research funding from Regeneron as of December 31, 2019. In addition, Regeneron may have to pay the Company additional amounts in the future consisting of (i) an aggregate amount of up to $20.0 million for timely achieving certain milestones, including milestones related to an IND filing for an ICP to the clinical candidate to the first collaboration target and for the selection of a clinical candidate to the second collaboration target, and (ii) up to an aggregate of $100.0 million of option exercise fees, in each case as specified in the Regeneron Agreement. Regeneron must also pay the Company high single digit royalties as a percentage of net sales for ICPs to targets for which it has exclusive rights, and low single digit royalties as a percentage of net sales on any non-ICP product comprising a target generated by the Company through the use of Regeneron's proprietary mice. The Company must pay Regeneron mid-single to low double digit of royalties as a percentage of net sales of ICPs to targets for which the Company has exercised exclusive rights, and low to mid-single digit of royalties as a percentage of net sales of targeting moieties generated from the Company's license to use Regeneron's proprietary mice. Royalties are payable until the longer of the expiration or invalidity of the licensed patent rights or a certain number of years from first commercial sale.

Other Terms. The Regeneron Agreement contains customary representations, warranties and covenants by the Company and Regeneron and includes (i) an obligation of the Company to use commercially reasonable efforts to develop and commercialize at least one product based on a collaboration ICP that is not an optioned collaboration ICP for each collaboration target and (ii) an obligation of Regeneron to use commercially reasonable efforts to develop and commercialize at least one product based on an optioned collaboration ICP for each collaboration target. The Company and Regeneron are required to indemnify the other party against all losses and expenses related to breaches of its representations, warranties and covenants under the Regeneron Agreement.

Term and Termination. The term of the Regeneron Agreement expires, on a product by product basis, on the expiration of the obligation to pay royalties for such product. The Regeneron Agreement is subject to early termination by either party upon uncured material breach by the other party. The licenses to develop and commercialize an ICP to a target that one party has exclusively licensed may be terminated by such party for convenience.

Equity Investments. In connection with its collaboration, Regeneron and the Company entered into a side letter pursuant to which, among other matters, Regeneron was granted certain stockholder rights and investment rights in connection with the Company's next equity financing that met certain criteria and in connection with an initial public offering by the Company. Regeneron exercised its investment right and purchased approximately $10.0 million of the Company's Series B redeemable convertible preferred stock in a private placement transaction in July 2019. The remaining obligations under the side letter agreement will terminate immediately prior to the effective time of the resTORbio Merger (as defined in Note 20).

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Revenue Recognition

The Company identified the following material promises under the Regeneron Agreement: (1) a research license, (2) a collaboration invention license, (3) a trademark license, (4) research and development services during the research term, (5) manufacturing services to manufacture collaboration ICPs for the research programs, (6) participation in the joint research committee, and (7) information sharing during the research term. The Company considered that the licenses granted under the Regeneron Agreement are not capable of being distinct and are not distinct from the research and development and manufacturing services within the context of the Regeneron Agreement, because 1) such licenses are for the research and development effort during the research term, unless Regeneron exercises its option under the Regeneron Agreement, 2) the research and development services significantly increase the utility of such licenses, and 3) research and development services require collaboration ICPs being manufactured. Specifically, the Company's granted licenses can only provide benefit to Regeneron in combination with the Company's research and development and manufacturing services to discover the collaboration ICPs. Similarly, the participation in the joint research committee and information sharing are not capable of being distinct and are not distinct from the research and development and manufacturing services within the context of the agreement, because the participation in the joint research committee is for monitoring and governing of the research and development efforts and the information sharing is for sharing results of such research and development efforts. Therefore, all of the promises above are combined into a single performance obligation.

The Company also evaluated whether the option provided to Regeneron represents a material right that would require separate deferral and recognition. The option exercise will provide Regeneron with a development and commercial license to develop and commercialize the optioned collaboration ICPs. The Company concluded that the $25.0 million upfront payment to the Company was not negotiated to provide incremental discount for the future option fees payable upon Regeneron's exercise of the option.

Regeneron could decide not to exercise the option at its own discretion. The exercise of the option by Regeneron is not certain and is dependent on many factors, such as progress made on the specific option-eligible collaboration ICP, Regeneron's overall assessment of commercial feasibility of the further research, development and commercialization of the Option products, availability and cost of alternative programs and products. The option provides Regeneron with a license for intellectual property that will be improved from the inception of the Regeneron Agreement. In addition, the option fee is significant compared to the sum total of the upfront payment and research funding fees in the original Regeneron Agreement. Therefore, the Company determined that the option provided to Regeneron does not represent a material right and that any potential exercise of the option should be accounted as a separate contract. Hence, upon the option exercise by Regeneron the option fee would be allocated to the development and commercial license which would be the only performance obligation in that separate contract, and recognized as revenue when control of the license rights is transferred to Regeneron.

As of December 31, 2019, it is not probable that the Company will exercise its co-funding option for the optioned collaboration ICPs. If, as a result of changes in facts and circumstances, it becomes probable that the Company will exercise its co-funding option for an optioned collaboration ICP, then the Company will reassess the accounting of the option fees for such optioned collaboration ICP, including if nature of its relationship with Regeneron has changed from customer-vendor to collaboration partners.

For revenue recognition purposes, the Company determined that the duration of the contract is the same as the research term of five (5) years beginning on the execution of the Regeneron Agreement on July 29, 2016. The contract duration is defined as the period during which parties to the contract have present and enforceable rights and obligations. The Company determined that Regeneron faces significant in-substance penalties were it to terminate the Regeneron Agreement prior to the end of the research term.

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In order to determine the transaction price, the Company evaluated all the payments and licenses to be received from Regeneron during the duration of the contract. At contract inception, the Company determined a transaction price of the Regeneron Agreement consisting of the $25.0 million upfront payment and the aggregate research funding fees payable over the research term. Per the terms of the original Regeneron Agreement prior to the amendment effective from July 2019, the research funding fees were payable merely due to passage of time and therefore did not represent a variable consideration. After the amendment became effective in July 2019, certain of these fees became contingent upon the Company meeting certain development and regulatory milestones. Therefore, the Company concluded that after the amendment such potential payments became variable consideration, the receipt of which was subject to substantial uncertainty and therefore excluded from the transaction price upon the effective date of the amendment. As a result, the Company recorded $6.6 million as a reduction to cumulative revenue recognized prior to the amendment effective date. The Company will re-evaluate the transaction price if there is a significant change in facts and circumstances but at least at the end of each reporting period.

The Company also considered the existence of any significant financing component within the Regeneron Agreement given its upfront payment structure. Based upon this assessment, the Company concluded that the up-front payment was provided for valid business reasons and not for the purpose of providing financing. The reason for the initial advance payment at the beginning of the contract is not to provide financing to the Company, but to ensure Regeneron's commitment to the contract and to provide assurance that the customer will perform its obligations under the contract. Accordingly, the Company has concluded that the upfront payment structure of the Regeneron Agreement does not result in the existence of a significant financing component.

The royalty payments will be recognized when the related sales occur as they were determined to relate predominantly to the intellectual property licenses granted to Regeneron and therefore have also been excluded from the transaction price.

The Company has determined that the combined performance obligation is satisfied over time. ASC 606 requires the Company to select a single revenue recognition method for the performance obligation that depicts the Company's performance in transferring control of the services. Accordingly, the Company utilizes a cost-based input method to measure proportional performance and to calculate the corresponding amount of revenue to recognize. The Company believes this is the best measure of progress because it reflects how the Company transfers its performance obligation to Regeneron. In applying the cost-based input method of revenue recognition, the Company uses actual costs incurred relative to budgeted costs to fulfill the combined performance obligation. These costs consist primarily of internal full-time equivalent effort and third-party contract costs. Revenue is recognized based on actual costs incurred as a percentage of total budgeted costs as the Company completes its performance obligations over the research term of five years. A cost-based input method of revenue recognition requires management to make estimates of costs to complete the Company's performance obligations. In making such estimates, significant judgment is required to evaluate assumptions related to cost estimates. The cumulative effect of revisions to estimated costs to complete the Company's performance obligations will be recorded in the period in which changes are identified and amounts can be reasonably estimated. A significant change in these assumptions and estimates could have a material impact on the timing and amount of revenue recognized in future periods.

For the years ended December 31, 2019 and 2018, the Company recognized $1.0 million and $8.2 million of license and collaboration revenue representing revenue recognized under the Regeneron Agreement based on proportional performance.

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The following table presents changes in the Company's contract liabilities (in thousands):

Year ended December 31, 2019	Balance at beginning of period	Additions	Deductions(1)	Balance at end of period
Contract liability	$ 22,878	$ —	$ (995)	$21,883

Year ended December 31, 2018	Balance at beginning of period	Additions	Deductions	Balance at end of period
Contract liability	$ 26,059	$ 5,000	$ (8,181)	$22,878

(1) Deductions to contract liabilities relate to deferred revenue recognized as revenue during the reporting period.

Contract liabilities related to the Regeneron Agreement of $21.9 million and $22.9 million as of December 31, 2019 and 2018, respectively, which was comprised of the $25.0 million upfront payment and additional $5.0 million research funding fees in each of 2017 and 2018, less $13.1 million and $12.1 million of license and collaboration revenue recognized from the inception of the Regeneron Agreement as of December 31, 2019 and 2018, respectively, will be recognized as the combined performance obligation is satisfied.

During the years ended December 31, 2019 and 2018, the Company recognized $1.0 million and $8.2 million of license and collaboration revenue, respectively, from amounts included in the contract liability balances at the beginning of the period. There were no costs to obtain or fulfill the contract that meet the criteria to be capitalized.

9. Commitments and Contingencies

Operating Leases

On September 30, 2015, the Company entered into a lease agreement (the "Menlo Park Lease") to lease approximately 17,352 square feet of office and laboratory space located in Menlo Park, California for its corporate headquarters. The total base lease payments over the life of the lease is $3.4 million, offset by $0.8 million in tenant improvement allowance. The lease expires on March 31, 2022.

The landlord maintains responsibility for maintenance and risk of loss throughout the term of the lease agreement. The lease is recorded as an operating lease.

On September 30, 2019, the Company entered into an amendment to the Menlo Park lease agreement for the office and laboratory space in Menlo Park to lease from the same landlord an additional nearby building with approximately 7,973 square feet of office and laboratory space. The lease commenced on October 1, 2019 and expires on March 31, 2021. The Company has an option to extend the lease term for one year commencing from April 1, 2021. The total base lease payments over the life of the lease is $0.4 million excluding payments for extended lease period.

In 2014, the Company signed an extension agreement to lease approximately 3,230 square feet of office and laboratory space located in Haifa, Israel. The term of the lease was 5 years commencing on January 1, 2014. The total lease payments over the life of the lease was $0.2 million. Subsequently, in June 2018, the Company signed an extension agreement No. 2 for a term of one year commencing on January 1, 2019 with an annual option to extend the term for an additional year up to four years. The lease was terminated on December 31, 2019.

In October 28, 2018, the Company entered into a new lease agreement to lease approximately 50,305 square feet of office and laboratory space located in Redwood City, California for its new corporate headquarters. The total base lease payments over the life of the lease is $29.5 million, offset by $3.0 million in tenant improvement allowance. The lease has not commenced as the office and laboratory space is not available for use by the Company. The lease expires on February 28, 2030.

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The Company recognizes rent expense on a straight-line basis over the lease period. Rent expense recognized under all leases was $0.7 million and $0.5 million for the years ended December 31, 2019 and 2018, respectively.

The future minimum lease payments under all non-cancelable operating lease obligations as of December 31, 2019 were as follows (in thousands):

2020	$ 2,721
2021	3,518
2022	2,942
2023	2,798
2024	2,882
2025 and thereafter	16,328
Total	$ 31,189

In conjunction with the Menlo Park lease agreement, the Company issued a cash-collateralized letter of credit in lieu of security deposit of $0.2 million, which cash-collateral is included in restricted cash on the consolidated balance sheets as of December 31, 2019 and 2018. In addition, a cash-collateralized letter of credit for $4.1 million was issued in 2018 for the new office lease in Redwood City and the cash-collateral is also included in the restricted cash balance as of December 31, 2019 and 2018. As of December 31, 2019 and 2018, the restricted cash balances were classified as long-term assets due to the contractual terms of both lease agreements in relation to which the letters of credit were issued exceeding twelve months as of the reporting dates.

Indemnification Agreements

In the ordinary course of business, the Company enters into agreements that may include indemnification provisions. Pursuant to such agreements, the Company may indemnify, hold harmless and defend an indemnified party for losses suffered or incurred by the indemnified party. Some of the provisions will limit losses to those arising from third-party actions. In some cases, the indemnification will continue after the termination of the agreement. The maximum potential amount of future payments the Company could be required to make under these provisions is not determinable. The Company has never incurred material costs to defend lawsuits or settle claims related to these indemnification provisions. The Company has also entered into indemnification agreements with its directors and officers that require the Company, among other things, to indemnify them against certain liabilities that may arise by reason of their status or service as directors or officers to the fullest extent permitted by Delaware corporate law. The Company currently has directors' and officers' liability insurance.

Legal Proceedings

The Company is subject to claims and assessments from time to time in the ordinary course of business but is not aware of any such matters, individually or in the aggregate, that will have a material adverse effect on the Company's financial position, results of operations or cash flows.

10. Redeemable Convertible Preferred Stock

Under the Company's Certificate of Incorporation, as amended, the Company's redeemable convertible preferred stock is issuable in series. The Company's Board of Directors is authorized to determine the rights, preferences and terms of each series.

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Notes to Consolidated Financial Statements

As of December 31, 2019, redeemable convertible preferred stock consists of the following (in thousands, except per share and share amounts):

	Shares Authorized	Original Issue Price	Shares Issued and Outstanding	Carrying Value	Liquidation Preference
Series A	37,104,185	$ 1.20	37,104,185	$ 35,960	$ 44,525
Series A-1	629,633	1.20	629,633	447	756
Series A-2	2,428,688	1.20	2,428,688	1,749	2,914
Series B	59,200,938	1.4034	57,004,415	75,927	80,000
	99,363,444		97,166,921	$114,083	$128,195

As of December 31, 2018, redeemable convertible preferred stock consists of the following (in thousands, except per share and share amounts):

	Shares Authorized	Original Issue Price	Shares Issued and Outstanding	Carrying Value	Liquidation Preference
Series A	43,031,023	$ 1.20	37,036,529	$ 35,872	$ 44,444
Series A-1	629,633	1.20	629,633	447	756
Series A-2	2,428,688	1.20	2,428,688	1,749	2,914
	46,089,344		40,094,850	$38,068	$48,114

The original issuance price in the tables above reflect the stated issuance price per the respective purchase agreements.

Series A Redeemable Convertible Preferred Stock

In August 2015, the Company entered into a Series A redeemable convertible preferred stock purchase agreement (the “Purchase Agreement”) with OrbiMed Private Investments V, LP, a related party (the “Investor”) to issue and sell 12,187,500 shares of Series A redeemable convertible preferred stock at $1.20 per share (the “Series A Purchase Price”) for total gross proceeds of $14.6 million.

The Purchase Agreement also provided for the issuance and sale to the Investor of an additional 12,812,500 shares of Series A redeemable convertible preferred stock at the Series A Purchase Price upon achieving certain milestone conditions (the “Milestone Closing”). Further, from and after the occurrence of the Milestone Closing, at any time prior to the earliest to occur of (A) the two year anniversary of the Milestone Closing, (B) a liquidation or deemed liquidation, and (C) an initial public offering (IPO), the Investor had an option to purchase up to an additional 8,333,334 Series A Shares at the Series A Purchase Price (the “Additional Closing”).

The issuance of Series A redeemable convertible preferred stock was recorded at the amount of proceeds received less issuance costs and the amounts allocated to the Milestone Closing liability and Additional Closing liability (together the “redeemable convertible preferred stock tranche liability”) (see Note 11).

In January 2016, the Company entered into an amended Purchase Agreement (“the Amended Purchase Agreement”) with certain purchasers, including the Investor, to issue and sell an additional 9,015,425 shares of Series A redeemable convertible preferred stock at the Series A Purchase Price for total gross proceeds of $10.8 million. The Amended Purchase Agreement was entered into in contemplation of an asset acquisition that closed on the same day and as part of the purchase consideration, the Company issued 6,400,879 shares of Series A redeemable convertible preferred stock to former stockholders of the acquiree.

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Per the terms of the Amended Purchase Agreement, the number of Series A redeemable convertible preferred stock shares to be issued and sold at the Milestone Closing and Additional Closing was reduced to 9,020,833 shares and 5,875,000 shares, respectively. In November 2018, on the achievement of certain milestones, the portion of the redeemable convertible preferred stock tranche liability pertaining to the Milestone Closing was exercised and the Company issued 9,020,833 shares of Series A redeemable convertible preferred stock at $1.20 per share for gross proceeds of $10.8 million. In July 2019, as part of the Series B redeemable convertible preferred stock purchase agreement the redeemable convertible preferred stock tranche liability pertaining to the Additional Closing was terminated. The fair value of the related redeemable convertible preferred stock tranche liability as of the cancellation date of $1.1 million was reclassified to the redeemable convertible preferred stock.

The Company also issued 411,892 and 67,656 shares of Series A redeemable convertible preferred stock in connection with an amendment of a license agreement in February 2016 and February 2019, respectively (see Note 12).

In January 2016 and February 2016, the Company issued 629,633 shares of Series A-1 redeemable convertible preferred stock and 2,428,688 shares of Series A-2 redeemable convertible preferred stock as part of the purchase consideration for an asset acquisition, respectively.

The issuances of Series A-1 and A-2 redeemable convertible preferred stock were recorded at their fair values. There were no issuance costs related to the issuances of the Series A redeemable convertible preferred stock in the years ended December 31, 2019 and 2018.

Series B Redeemable Convertible Preferred Stock

In July 2019, the Company issued 37,765,426 shares of Series B redeemable convertible preferred stock at $1.4034 per share for gross proceeds of $53.0 million.

In August 2019, the Company issued 4,987,885 shares of Series B redeemable convertible preferred stock at $1.4034 per share for gross proceeds of $7.0 million.

In September 2019, the Company issued 14,251,104 shares of Series B redeemable convertible preferred stock at $1.4034 per share for gross proceeds of $20.0 million.

In connection with Series B redeemable convertible preferred stock financing transactions, the Company issued to its financial advisor warrants to purchase 1,781,387 shares of Series B redeemable convertible preferred stock at an exercise price of at $1.4034 per share. The issuance of Series B redeemable convertible preferred stock was recorded at the amount of proceeds received less issuance costs and amounts allocated to the redeemable convertible preferred stock warrant liability (see Note 13).

The rights, preferences, privileges and restrictions granted to or imposed on the respective classes of the Company's capital stock or the holders thereof are as follows:

Voting Rights

Each share of redeemable convertible preferred stock has the same voting rights as the number of shares of common stock into which it is convertible and vote together with the holders of common stock as a single class.

The holders of shares of Series A redeemable convertible preferred stock shall be entitled, voting separately as a single class, to elect two directors of the Company (the "Series A Directors"). The holders of shares of

redeemable convertible preferred stock shall be entitled, voting separately as a single class on an as-converted basis, to elect two directors of the Company (together with the Series A Directors, the "Preferred Directors"). The holders of shares of common stock shall be entitled, voting separately as a single class, to elect one director of the Company. The holders of shares of common stock and convertible redeemable preferred stock shall be entitled, voting together, to elect the remaining directors of the Company.

Dividends

Holders of outstanding shares of Series B redeemable convertible preferred stock are entitled to receive dividends, when, as and if declared by the Board of Directors, at the annual rate of $0.1123 per share as adjusted for any stock combination, stock split, stock dividend, recapitalization or other similar transaction ("recapitalizations"), payable in preference and priority to any declaration or payment of any distribution on Series A redeemable convertible preferred stock, Series A-2 redeemable convertible preferred stock, Series A-1 redeemable convertible preferred stock or common stock of the Company in such calendar year.

The Company shall not declare, pay or set aside any dividends on shares of any other class or series of capital stock of the Company in any fiscal year unless the holders of the Series B redeemable convertible preferred stock then outstanding shall first receive, or simultaneously receive, a dividend on each outstanding share of Series B redeemable convertible preferred stock in an amount at least equal to all declared but unpaid dividends with respect to all outstanding shares of Series B redeemable convertible preferred stock and the amount of the dividends then accrued on such share of Series B redeemable convertible preferred stock with respect to such fiscal year.

After payment of the full amount of any dividends payable described above, the holders of shares of Series A redeemable convertible preferred stock are entitled to receive dividends, when, as and if declared by the Board of Directors, at the annual rate of $0.096 per share as adjusted for any recapitalizations, payable in preference and priority to any declaration or payment of any distribution on Series A-2 redeemable convertible preferred stock, Series A-1 redeemable convertible preferred stock or common stock of the Company in such calendar year.

The Company shall not declare, pay or set aside any dividends on shares of any other class or series of capital stock of the Company in any fiscal year unless the holders of the Series A redeemable convertible preferred stock then outstanding shall first receive, or simultaneously receive, a dividend on each outstanding share of Series A redeemable convertible preferred stock in an amount at least equal to all declared but unpaid dividends with respect to all outstanding shares of Series A redeemable convertible preferred stock and the amount of the dividends then accrued on such share of Series A redeemable convertible preferred stock with respect to such fiscal year.

After payment of the full amount of any dividends payable described above, the holders of shares of Series A-2 redeemable convertible preferred stock are entitled to receive dividends, when, as and if declared by the Board of Directors, at the annual rate of $0.096 per share adjusted for any recapitalizations, payable in preference and priority to any declaration or payment of any distribution on Series A-1 redeemable convertible preferred stock or common stock of the Company in such calendar year.

The Company shall not declare, pay or set aside any dividends on shares of any other class or series of capital stock of the Company (other than dividends on shares of the Series B redeemable convertible preferred stock and Series A redeemable convertible preferred stock as indicated above) in any fiscal year unless the holders of the Series A-2 redeemable convertible preferred stock then outstanding shall first receive, or simultaneously receive, a dividend on each outstanding share of Series A-2 redeemable convertible preferred

stock in an amount at least equal to all declared but unpaid dividends with respect to all outstanding shares of Series A-2 redeemable convertible preferred stock and the amount of the dividends then accrued on such share of Series A-2 redeemable convertible preferred stock with respect to such fiscal year.

After payment of the full amount of any dividends pursuant to the paragraphs above, any additional dividends shall be distributed among all holders of common stock and all holders of redeemable convertible preferred stock in proportion to the number of shares of common stock which would be held by each such holder if all shares of each such series of redeemable convertible preferred stock were converted to common stock at the then effective conversion rate.

Dividends are noncumulative, and none were declared as of December 31, 2019.

Liquidation

In the event of any liquidation, dissolution or winding up of the Company, or deemed liquidation event, either voluntary or involuntary ("Liquidation"), the holders of Series B redeemable convertible preferred stock shall be entitled to receive, prior and in preference to any distribution of any of the assets of the Company to the holders of any other series of redeemable convertible preferred stock or common stock an amount per share equal to the greater of (i) the sum of $1.4034, adjusted for any recapitalizations for each outstanding share of Series B redeemable convertible preferred stock and an amount equal to all declared but unpaid dividends on such share and (ii) such amount per share as would have been payable had all shares of Series B redeemable convertible preferred stock been converted into common stock pursuant to the conversion right immediately prior to such Liquidation (see below for the conversion rights).

After full payment to the holders of Series B redeemable convertible preferred stock, the holders of Series A redeemable convertible preferred stock shall be entitled to receive, prior and in preference to any distribution from the assets of the Company to the holders of Series A-2 and A-1 redeemable convertible preferred stock or common stock an amount per share equal to the greater of (i) the sum of $1.20, adjusted for any recapitalizations, for each outstanding share of Series A redeemable convertible preferred stock and an amount equal to all declared but unpaid dividends on such share and (ii) such amount per share as would have been payable had all shares of Series A redeemable convertible preferred stock been converted into common stock pursuant to the conversion right immediately prior to such Liquidation (see below for the conversion rights).

After full payment to holders of Series B and A redeemable convertible preferred stock, the holders of Series A-2 redeemable convertible preferred stock shall be entitled to receive, prior and in preference to any distribution of any of the assets of the Company to the holders of Series A-1 redeemable convertible preferred stock or common stock an amount per share equal to the greater of (i) the sum of $1.20, adjusted for any recapitalizations, for each outstanding share of Series A-2 redeemable convertible preferred stock and an amount equal to all declared but unpaid dividends on such share and (ii) such amount per share as would have been payable had all shares of Series A-2 redeemable convertible preferred stock been converted into common stock pursuant to the conversion right immediately prior to such Liquidation (see below for the conversion rights).

After full payment to holders of the Series B, A and A-2 redeemable convertible preferred stock, the holders of Series A-1 redeemable convertible preferred stock shall be entitled to receive, prior and in preference to any distribution of any of the assets of the Company to the holders of common stock an amount per share equal to the greater of (i) the sum of $1.20, adjusted for any recapitalizations, for each outstanding share of Series A-1 redeemable convertible preferred stock and an amount equal to all declared but unpaid dividends on such share and (ii) such amount per share as would have been payable had all shares of Series A-1 redeemable convertible preferred stock been converted into common stock pursuant to the conversion right immediately prior to such Liquidation (see below for the conversion rights).

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After the payment to the holders of redeemable convertible preferred stock of the full preferential amounts specified above, all of the remaining assets of the Company available for distribution to stockholders shall be distributed among the holders of common stock pro rata based on the number of shares of common stock held by each such holder.

Conversion

Each share of redeemable convertible preferred stock is convertible, at the option of the holder, into the number of fully-paid and non-assessable shares of common stock that result from dividing the applicable original issue price per share by the applicable conversion price per share at the time of conversion, as adjusted for recapitalizations. If, after the issuance date of the Series B redeemable convertible preferred stock, the Company issues or sells, or is deemed to have sold, additional shares of common stock without consideration or for a consideration per share less than the conversion price for a particular series of preferred stock (other than the Series A-1 redeemable convertible preferred stock) in effect immediately prior to the issuance of such additional shares of common stock, except for certain exceptions allowed, the conversion price of the redeemable convertible preferred stock would be adjusted. As of December 31, 2019, each series of the Company's redeemable convertible preferred stock was convertible into the Company's shares of common stock on a one-for-one basis.

Each share of redeemable convertible preferred stock is convertible into common stock automatically immediately upon the earlier of (i) the Company's sale of its common stock in a firm commitment underwritten public offering pursuant to a registration statement under the Securities Act, the public offering price of which is not less than $2.40 per share, as adjusted for recapitalizations and which results in proceeds to the Company of at least $50 million in the aggregate (before deduction of underwriting discounts and commissions) (a "Qualified IPO") or (ii) the Company's receipt of a written request for such conversion from the holders of the majority of the then outstanding shares of redeemable convertible preferred stock on an as-converted to common stock basis; provided, however, that in respect of (ii), the vote or written consent of the vote or written consent of the holders of a majority of the Series B redeemable convertible preferred stock, voting together as a single class on an as-converted basis shall also be required to effect such conversion solely in the event such conversion both: (A) is being effected in connection with a specific proposed Liquidation changing the allocation of proceeds distributable to the Company's stockholders in such Liquidation and (B) would result in a holder of Series B redeemable convertible preferred stock receiving less in distributions from such transaction for a share of Series B redeemable convertible preferred stock in such Liquidation than such holder would have received if such conversion was not effected and the proceeds were distributed for such share in such Liquidation in accordance with liquidation preferences described above.

Redemption and Balance Sheet Classification

The redeemable convertible preferred stock is recorded within mezzanine equity because while it is not mandatorily redeemable, it will become redeemable at the option of the stockholders upon the occurrence of certain deemed liquidation events that are considered not solely within the Company's control.

11. Redeemable Convertible Preferred Stock Tranche Liability

The Company determined that the obligations to issue additional shares of Series A redeemable convertible preferred stock at the Milestone Closing and Additional Closing were freestanding instruments that are required to be accounted as a liability initially recorded and subsequently remeasured at fair value until such instruments are exercised or expire. The Milestone Closing liability and Additional Closing liability were initially recorded at $6.2 million and $5.0 million, respectively.

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The Milestone Closing liability was settled in November 2018 upon the Milestone Closing and the related TRDF liability was settled in March 2019 (see Note 12). In July 2019, as part of the Series B redeemable convertible preferred stock purchase agreement the Additional Closing liability and the related TRDF liability were terminated. The Company recorded $2.0 million gain and $4.5 million gain from the remeasurement of the redeemable convertible preferred stock tranche liability in other income, net in its consolidated statements of operations and comprehensive loss during the years ended December 31, 2019 and 2018, respectively.

The Milestone Closing liability and Additional Closing liability were valued using the Black-Scholes option-pricing method which considered as inputs (a) the estimated fair value of the Series A redeemable convertible preferred stock (b) estimated price volatility of the underlying preferred stock, (c) the expected term of the tranche, (d) the risk-free interest rate and (e) expected dividends are assumed to be zero as dividends have never paid and there are no current plans to pay dividends on preferred stock.

The Milestone Closing liability and Additional Closing liabilities were valued using the following assumptions under the option-pricing method:

Milestone Closing liability	Fair Value of Series A Preferred Stock	Term	Interest rate	Volatility
August 14, 2015 (upon issuance)	$ 1.00	3.25 years	1.10%	78.2%
December 31, 2017	$ 1.42	0.88 years	1.72%	69.5%
November 27, 2018	$ 1.30	0 years	N/A	N/A

Additional Closing liability	Fair Value of Series A Preferred Stock	Term	Interest rate	Volatility
August 14, 2015 (upon issuance)	$ 1.00	5.25 years	1.70%	75.7%
December 31, 2017	$ 1.42	2.88 years	1.99%	73.2%
December 31, 2018	$ 1.30	1.88 years	2.50%	69.8%
July 25, 2019	$ 0.89	1.31 years	1.95%	69.1%

12. TRDF Liability

In connection with an asset acquisition in 2016, the Company had an obligation upon the Milestone Closing and Additional Closings (see Note 10) to issue to Technion Research and Development Foundation Ltd. (“TRDF”) 67,656 and 51,838 shares of Series A redeemable convertible preferred stock issued in such closings, respectively, for no consideration. The TRDF Liability is reported as a part of redeemable convertible preferred stock tranche liability in the consolidated balance sheets. The Company determined the fair value of the TRDF Liability based on the estimated fair value of its Series A redeemable convertible preferred stock. The Company has determined that the TRDF Liability of $0.1 million as of December 31, 2018 represented a contingent consideration which should be recorded at fair value until settled or expired. In March 2019, the obligation to issue 67,656 shares of Series A redeemable convertible preferred stock to TRDF related to the Milestone Closing was settled for no consideration. In July 2019, as part of the Series B redeemable convertible preferred stock purchase agreement, the obligation to issue 51,838 shares of Series A redeemable preferred stock to TRDF related to the Additional Closing was terminated. The fair value of the TRDF Liability was zero as at the termination.

13. Redeemable Convertible Preferred Stock Warrant Liability

During the period from July 2019 to September 2019, in connection with the issuance of Series B redeemable convertible preferred stock, the Company issued to its financial advisor warrants to purchase 1,781,387 shares of Series B redeemable convertible preferred stock at an exercise price of $1.4034 per share (the “Series B Warrants”), which were accounted for as Series B redeemable convertible preferred stock issuance costs.

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The Series B Warrants will terminate at the earlier of the seven year anniversary from the issuance date and Liquidation of the Company. These warrants have a net exercise provision under which their holders may, in lieu of payment of the exercise price in cash, surrender the warrant and receive a net amount of shares based on the fair market value of the Company's stock at the time of exercise of the warrants after deduction of the aggregate exercise price. The Series B Warrants contain provisions for adjustment of the exercise price and number of shares issuable upon the exercise of warrants in the event of certain stock dividends, stock splits, reorganizations, reclassifications, and consolidations.

The fair value of the Series B Warrants was recorded on the date of issuance. The Series B Warrants had a fair value of $2.1 million and $1.9 million as of the issuance date and December 31, 2019, respectively. The change in fair value of $0.2 million during the year ended December 31, 2019 was recorded as a component of other income, net in the consolidated statement of operations and comprehensive loss.

The redeemable convertible preferred stock warrant liability was valued using the following assumptions under the Black-Scholes option-pricing model:

	Issuance Date	December 31, 2019
Stock price	$ 1.40	$ 1.40
Expected term (years)	7.00	6.57-6.74
Expected volatility	104.38%-109.24%	82.1%-93.3%
Risk-free interest rate	1.54%-1.95%	1.53%-1.93%
Dividend yield	0%	0%

14. Common Stock

The Company's Certificate of Incorporation, as amended, authorizes the Company to issue 140,200,938 shares of $0.0001 par value common stock as of December 31, 2019.

Common stockholders are entitled to dividends if and when declared by the Board of Directors subject to the prior rights of the preferred stockholders. As of December 31, 2019 and 2018, no dividends on common stock had been declared by the Board of Directors.

The Company has the following shares of common stock reserved for future issuance:

	December 31	
	2019	2018
Conversion of redeemable convertible preferred stock	97,166,921	40,094,850
Conversion of additional authorized and unissued redeemable convertible preferred stock	415,136	—
Stock options available for future grant	5,267,201	6,596,705
Stock options issued and outstanding	15,005,410	7,230,538
Redeemable convertible preferred stock warrants issued and outstanding	1,781,387	—
Redeemable convertible preferred stock tranche liability	—	5,875,000
TRDF liability	—	119,494
Total common stock reserved	119,636,055	59,916,587

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15. Stock-Based Compensation

In 2015, the Company adopted the 2015 Stock Incentive Plan ("2015 Plan"), under which the Board of Directors can issue stock options. As of December 31, 2019 and 2018, there were 21,594,044 and 15,028,041 shares authorized and reserved for issuance under the 2015 plan. Shares available for future grants as of December 31, 2019 and 2018 were 5,267,201 and 6,596,705, respectively.

Under the 2015 Plan, the Board of Directors is authorized to issue incentive stock options ("ISOs") and non-qualified stock options ("NSOs"). ISOs may be granted only to employees and directors of the Board, and NSO may be granted to employees, directors and to consultants. The Board of Directors has the authority to determine to whom options will be granted, the number of shares, the term, and the exercise price, which cannot be less than the fair market value at the date of grant for incentive stock options. Stock options generally include a one-year cliff vest of 25% of the respective award, followed by monthly vesting in equal installments over the next 36 months, and grants that vest monthly over 48 months. All grants expire no later than ten years from the date of grant.

Options

A summary of stock option activity is set forth below (in thousands, except share and per share data):

		Outstanding Awards			
	Number of Shares Available for Grant	Number of Shares Underlying Outstanding Options	Weighted Average Exercise Price	Weighted Average Remaining Contractual Term (in years)	Aggregate Intrinsic Value
Outstanding, January 1, 2018	306,782	7,770,149	$ 0.25	9.27	$ 4,977
Options authorized	6,750,000				
Options granted	(1,697,200)	1,697,200	$ 0.28		
Options exercised	—	(999,688)	$ 0.24		
Options forfeited or cancelled	1,237,123	(1,237,123)	$ 0.28		
Outstanding, December 31, 2018	6,596,705	7,230,538	$ 0.25	8.57	$ 2,436
Options authorized	6,566,003				
Options granted	(9,068,002)	9,068,002	$ 0.67		
Options exercised	—	(119,402)	$ 0.26		
Options forfeited or cancelled	1,172,495	(1,173,728)	$ 0.27		
Outstanding, December 31, 2019	5,267,201	15,005,410	$ 0.50	8.53	$ 5,812
Shares exercisable December 31, 2019		5,414,170	$ 0.27	6.86	$ 3,348
Vested and expected to vest, December 31, 2019		15,005,410	$ 0.50	8.53	$ 5,812

The aggregate intrinsic value is calculated as the difference between the exercise price of the underlying stock options and the fair value of the Company's common stock for stock options that were in-the-money at December 31, 2019 and 2018.

ADICET BIO, Inc.
Notes to Consolidated Financial Statements

The aggregate intrinsic value of stock options exercised during the years ended on December 31, 2019 and 2018 was $0.1 million and $0.4 million, respectively.

The total fair value of options that vested during the years ended December 31, 2019 and 2018 was $0.9 million and $1.8 million, respectively. The options granted during the years ended December 31, 2019 and 2018 had a weighted- average per share grant-date fair value of $0.37 per share and $0.49 per share, respectively. As of December 31, 2019, the total unrecognized stock-based compensation expense related to unvested stock options was $3.4 million, which is expected to be recognized over the remaining weighted-average vesting period of 3.2 years.

Early Exercise of Stock Options

The terms of 2015 Plan permit the exercise of certain options granted under 2015 Plan prior to vesting, subject to required approvals. The shares are subject to the Company's lapsing repurchase right upon termination of employment at the original purchase price. The proceeds initially are recorded in accrued and other current liabilities from the early exercise of stock options and are reclassified to additional paid-in capital as the Company's repurchase right lapses. During the years ended December 31, 2019 and December 31, 2018, the Company had no repurchases of common stock. As of December 31, 2019, there were no shares subject to repurchase. As of December 31, 2018, there were 223,480 shares that were subject to repurchase. The aggregate exercise prices of early exercised shares as of December 31, 2019 and December 31, 2018 was zero and less than $0.1 million, respectively, which were recorded in accrued and other current liabilities on the consolidated balance sheets.

Restricted Stock

Activity with respect to restricted stock was as follows:

	Number of Shares Underlying Outstanding Restricted Stock	Weighted Average Grant Date Fair Value
Unvested, January 1, 2018	1,336,290	$ 0.52
Vested	(1,084,812)	$ 0.52
Unvested, December 31, 2018	251,478	$ 0.52
Vested	(251,478)	$ 0.52
Unvested, December 31, 2019	—	$ —

As of December 31, 2019, there was no unrecognized compensation cost related to restricted stock.

The fair value of restricted stock vested during the years ended December 31, 2019 and 2018 was $0.1 million and $0.6 million, respectively.

ADICET BIO, Inc.
Notes to Consolidated Financial Statements

Stock-Based Compensation Associated with Awards to Employees and Non-Employees

Total stock-based compensation expense recognized was as follows (in thousands):

	Year Ended December 31,	
	2019	2018
Research and development	$ 274	$ 285
General and administrative	901	2,194
Total stock-based compensation	$1,175	$2,479

The Company estimated the fair value of stock options using the Black Scholes option-pricing model. The fair value of stock options is being amortized on a straight-line basis over the requisite service period of the awards. The fair value of stock options was estimated using the following weighted-average assumptions:

	Year Ended December 31,	
	2019	2018
Expected volatility	71.5%-86.5%	73.3%-74%
Risk-free interest rate	1.6%-2.5%	2.7%-2.8%
Dividend yield	0%	0%
Expected term	5.15-6.08 years	6.02-6.08 years

The assumptions are as follows:

- *Expected volatility.* The expected volatility was determined by examining the historical volatilities for comparable publicly traded companies within the biotechnology and pharmaceutical industry using an average of historical volatilities of the Company's industry peers.
- *Risk-free interest rate.* The risk-free interest rate is based on the U.S. Treasury yield with a maturity equal to the expected term of the option in effect at the time of grant.
- *Dividend yield.* The expected dividend is assumed to be zero as dividends have never been paid and there are no current plans to pay dividends on common stock.
- *Expected term.* The expected term represents the period that the stock-based awards are expected to be outstanding. The expected term is calculated using the simplified method which is used when there is insufficient historical data about exercise patterns and post-vesting employment termination behavior. 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 mid-point between the vesting date and the maximum contractual expiration date is used as the expected term under this method. For awards with multiple vesting-tranches, the times from grant until the mid-points for each of the tranches may be averaged to provide an overall expected term.

In addition to the assumptions used in the Black-Scholes option-pricing model, the Company recognizes the actual forfeitures by reducing the employee stock-based compensation expense in the same period the forfeiture occurs.

The Company will continue to use judgment in evaluating the expected volatility, risk-free interest rates, dividend yield and expected term, utilized for stock-based compensation on a prospective basis.

ADICET BIO, Inc.
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16. Net Loss Per Share

The following table sets forth the computation of basic and diluted net loss per share attributable to common stockholders, which excludes unvested restricted shares and shares which are legally outstanding, but subject to repurchase by the Company (in thousands, except share and per share data):

	Year ended December 31,	
	2019	2018
Numerator:		
Net loss attributable to common stockholders	$ (28,138)	$ (9,299)
Denominator:		
Weighted-average shares outstanding	17,324,999	16,529,416
Less: weighted-average unvested restricted shares and shares subject to repurchase	(75,343)	(828,258)
Weighted-average shares used in computing net loss per share attributable to common stockholders, basic and diluted	17,249,656	15,701,158
Net loss per share attributable to common stockholders, basic and diluted	$ (1.63)	$ (0.59)

The following outstanding shares of potentially dilutive securities were excluded from the computation of diluted net loss per share attributable to common stockholders for the period presented because including them would have been antidilutive:

	December 31,	
	2019	2018
Redeemable convertible preferred stock	97,166,921	40,094,850
Options to purchase common stock	15,005,410	7,230,538
Redeemable convertible preferred stock warrants	1,781,387	—
Unvested early exercised common stock options	—	223,480
Unvested restricted stock awards	—	251,478
Redeemable convertible preferred stock tranche liability and TRDF obligation	—	5,994,494
Total	113,953,718	53,794,840

ADICET BIO, Inc.
Notes to Consolidated Financial Statements

17. Income Taxes

The components of the provision (benefit from) for income taxes are as follows (in thousands):

	Year Ended December 31,	
	2019	2018
Current:		
Federal	$ —	$ —
State	1	(589)
Foreign	18	—
Total current	19	(589)
Deferred:	—	—
Federal	—	—
State	—	—
Foreign	—	—
Total deferred	—	—
Provision for (benefit from) income taxes	$ 19	$ (589)

The provision for income taxes differs from the amount expected by applying the federal statutory rate to the loss before taxes as follows:

	Year Ended December 31,	
	2019	2018
Federal statutory income tax rate	21.0%	21.0%
Other permanent differences	(0.1)%	(0.1)%
State income taxes	5.1%	3.8%
Foreign rate differential	0.0%	0.2%
Foreign loss	(0.2)%	(2.2)%
Change in valuation allowance	(27.7)%	(20.0)%
Change in fair value of redeemable convertible preferred stock tranche liability and TRDF liability	1.7%	8.7%
Stock-based compensation	0.1%	(6.0)%
Provision for income taxes	(0.1)%	5.4%

On December 22, 2017, the Tax Cuts and Jobs Act (“Tax Act”) was signed into law making significant changes to the Internal Revenue Code. Changes include, but are not limited to, a corporate tax rate decrease from 35% to 21% effective for tax years beginning after December 31, 2017, the transition of U.S international taxation from a worldwide tax system to a territorial system, and a one-time transition tax on the mandatory deemed repatriation of cumulative foreign earnings. In the fourth quarter of 2018, the Company completed its analysis to determine the effect of the Tax Act and no material adjustments were recognized as of December 31, 2018.

ADICET BIO, Inc.
Notes to Consolidated Financial Statements

The tax effects of temporary differences and carryforwards of the deferred tax assets are presented below (in thousands):

	December 31,	
	2019	2018
Deferred Tax Assets:		
Net operating loss carryforwards	$ 12,510	$ 5,233
Deferred revenue	5,719	5,125
Stock-based compensation	509	274
Intangible assets	609	804
Accruals and reserves	446	431
Research and development credit carryforwards	26	26
Gross deferred tax assets	19,819	11,893
Less: Valuation allowance	(19,815)	(11,739)
Deferred tax assets, net of valuation allowance	4	154
Deferred tax liabilities:		
Fixed assets	(4)	(154)
Net deferred tax assets	$ —	$ —

The Company has established a valuation allowance against its deferred tax assets due to the uncertainty surrounding the realization of such assets.

ASC 740 requires that the tax benefit of net operating losses, temporary differences and credit carryforwards be recorded as an asset to the extent that management assesses that realization is “more likely than not.” Realization of the future tax benefits is dependent on the Company’s ability to generate sufficient taxable income within the carryforward period. Because of the Company’s recent history of operating losses, management believes that recognition of the deferred tax assets arising from the above-mentioned future tax benefits is currently not likely to be realized and, accordingly, has provided a valuation allowance.

The valuation allowance increased by $8.1 million during 2019 and $1.7 million during 2018.

As of December 31, 2019, the Company had net operating loss carryforwards of $39.0 million, $31.6 million and $15.2 million to reduce future taxable income, if any, for federal, state and foreign income tax purposes, respectively. If not utilized, the state carryforwards will begin to expire in 2035. Federal carryforwards do not expire.

The Company also had California research and development credit carryforwards of less than $0.1 million as of December 31, 2019. The California research credit can be carried forward indefinitely.

Utilization of the net operating loss carryforwards and research and development tax credit carryforwards may be subject to an annual limitation under Section 382 of the Internal Revenue Code of 1986, and corresponding provisions of state law, due to ownership changes that have occurred previously or that could occur in the future. These ownership changes may limit the amount of carryforwards that can be utilized annually to offset future taxable income. In general, an ownership change, as defined by Section 382, results from transactions increasing the ownership of certain shareholders or public groups in the stock of a corporation by more than 50% over a three-year period. The Company has not conducted a study to assess whether a change of control has occurred or whether there have been multiple changes of control since inception due to the significant complexity and cost associated with such a study. If the Company has experienced a change of control, as

ADICET BIO, Inc.
Notes to Consolidated Financial Statements

defined by Section 382, at any time since inception, utilization of the net operating loss carryforwards or research and development tax credit carryforwards would be subject to an annual limitation under Section 382, which is determined by first multiplying the value of the Company's stock at the time of the ownership change by the applicable long-term tax-exempt rate, and then could be subject to additional adjustments, as required. Any limitation may result in expiration of a portion of the net operating loss carryforwards or research and development tax credit carryforwards before utilization. Further, until a study is completed and any limitation is known, no liability related to uncertain tax positions is recorded in the consolidated financial statements. The Company does not expect its unrecognized tax benefit balance to change materially over the next 12 months.

The Company files income tax returns in the U.S. federal jurisdiction, California, New York and Israel. The tax years 2015 to 2019 remains open to U.S. federal and state examination to the extent of the utilization of net operating loss and credit carryovers.

As of December 31, 2019, the Company had unrecognized tax benefits of $0.8 million related to the transfer of certain intellectual property from its Israeli subsidiary.

A reconciliation of the beginning and ending unrecognized tax benefit amount is as follows (in thousands):

	Year Ended December 31,	
	2019	2018
Balance at the beginning of the year	$ 797	$ 866
Adjustment based on tax positions related to prior years	—	(69)
Balance at the end of the year	$ 797	$ 797

The Company recognizes interest expense and penalties related to the above unrecognized tax benefits within income tax expense (benefit). Management determined that no accrual for interest and penalties was required as of December 31, 2019.

18. Defined Contribution Plan

The Company maintains a defined contribution plan under Section 401(k) of the Internal Revenue Code covering substantially all full-time U.S. employees. Employee contributions are voluntary and are determined on an individual basis subject to the maximum allowable under federal tax regulations. The Company does not make contributions to the 401(k) plan.

19. Related Party Transaction

As of December 31, 2019 and 2018, Regeneron owned 7,125,552 shares and no shares of the Company's redeemable convertible preferred stock, respectively. Regeneron became a related party in July 2019 as a result of Series B redeemable convertible preferred stock financing. For the year ended December 31, 2019 and 2018, the Company recorded revenue of $1.0 million and $8.2 million, respectively, and as of December 31, 2019, the Company recorded deferred revenue of $21.9 million related to the Regeneron Agreement. See Note 8 for a discussion of the Regeneron Agreement.

20. Subsequent Events

For its consolidated financial statements as of December 31, 2019 and for the year then ended, the Company evaluated subsequent events through June 23, 2020, the date on which those financial statements were issued.

ADICET BIO, Inc.
Notes to Consolidated Financial Statements

On April 28, 2020, the Company entered into a Loan and Security Agreement with Pacific Western Bank (the "Bank") for a term loan not to exceed $12.0 million (the "Loan Agreement") to finance leasehold improvements for its new corporate headquarters in Redwood City, California, with an interest rate equal to the greater of 0.25% above the Prime Rate or 5.00%. The Loan Agreement contains various affirmative and negative covenants, including required financial reporting, limitations on certain dispositions of assets, limitations on the incurrence of additional debt and other requirements. In connection with the Loan Agreement, the Company issued the Bank a warrant to purchase shares of Series B redeemable convertible preferred stock at an exercise price of $1.4034 per share. Such warrant is initially exercisable for 42,753 shares of Series B redeemable convertible preferred stock and shall be exercisable for an additional number of shares of Series B redeemable convertible preferred stock equal to 1.00% of the aggregate original principal amount of all term loans made pursuant to the Loan Agreement (up to an aggregate maximum of 128,259 shares). To date, no amounts have been drawn under the Loan Agreement.

On April 28, 2020, the Company entered into a definitive merger agreement with resTORbio, Inc. ("resTORbio") to create a combined publicly-traded biotechnology company whose anticipated focus will be on the development of the Company's off-the-shelf allogeneic gamma delta T cell therapies for oncology and other indications. Under the terms of the merger agreement, the Company will merge with a wholly owned subsidiary of resTORbio in an all-stock transaction (the "resTORbio Merger"). Under the exchange ratio formula in the merger agreement, immediately following the effective time of the resTORbio Merger, the former security holders of the Company as of immediately prior to the effective time of the resTORbio Merger are expected to own approximately 75% of the outstanding shares of resTORbio's common stock on a fully-diluted basis and security holders of resTORbio as of immediately prior to the effective time of the resTORbio Merger are expected to own approximately 25% of the outstanding shares of resTORbio Common Stock on a fully-diluted basis (in each case excluding equity incentives available for grant). The Company has concluded that the transaction represents a business combination pursuant to FASB *ASC Topic 805, Business Combinations*. Further, the Company was determined to be the accounting acquirer based upon the terms of the resTORbio Merger and other factors including: (i) the Company's security holders will own approximately 75% of the voting rights of the combined company (on a fully-diluted basis excluding equity incentives available for grant); (ii) the Company will designate a majority (five of seven) of the initial members of the board of directors of the combined company; and (iii) the terms of the exchange of equity interests based on the exchange ratio at the announcement of the resTORbio Merger factored in an implied premium to resTORbio's stockholders. The composition of senior management of the combined company was determined to be a neutral factor in the accounting acquirer determination, as the combined company will leverage the expertise of the senior management of both companies.

Pursuant to a transition agreement between Anil Singhal, the Company's Chief Executive Officer and President, and the Company, dated April 28, 2020, as amended, Dr. Singhal will transition from his role as Chief Executive Officer and President of the Company prior to the closing of the resTORbio Merger to an advisory role. In accordance with such agreement, Dr. Singhal is entitled to the following, subject to his continued service through the completion of the resTORbio Merger and contingent on completion of the resTORbio Merger and his execution of a release of claims: (1) cash payments of (i) $470,000 within 60 days following the closing of the resTORbio Merger, (ii) an amount equal to his pro-rated bonus for the 2020 calendar year payable within 60 days following the closing of the resTORbio Merger, (iii) $250,000 payable in one lump sum on January 1, 2021 and (iv) $24,000 payable within 60 days following the closing of the resTORbio Merger, (2) 12 months' of accelerated vesting of his unvested options to purchase the Company's common stock upon completion of the resTORbio Merger, and (3) a 12-month post-termination exercise period following termination of his independent contractor services agreement, dated April 28, 2020 (the "ICSA"), subject to any earlier expiration of the options to purchase the Company's common stock by their terms. In addition, Dr. Singhal is entitled to reimbursement of up to $15,000 of his reasonable and documented legal expenses incurred in connection with such transition agreement. Pursuant to such agreement, subject to Dr. Singhal's continued service through the completion of the resTORbio Merger and contingent on completion of the resTORbio Merger, Dr. Singhal's continued service for purposes of vesting of his

options to purchase the Company's common stock will continue until the earlier of (i) May 7, 2021 or (ii) termination of the ICSA, provided, however, if the ICSA is terminated early without cause, Dr. Singhal is entitled to accelerated vesting of unvested options that would have vested from the date of such termination through May 7, 2021. In addition, Dr. Singhal's existing options acceleration provisions will terminate. Pursuant to the ICSA, Dr. Singhal will provide certain advisory services to the Company for a term of 12 months following the closing of the merger and is entitled to payments of $12,500 per month for such services.

The Company has issued an aggregate of 65,000 stock options to purchase the Company's common stock during the period from January 1, 2020 to May 29, 2020 at an exercise price of $0.74 per share pursuant to the 2015 Plan.

On March 27, 2020, the "Coronavirus Aid, Relief, and Economic Security Act" ("CARES Act") was signed into law. The tax relief measures under the CARES Act for businesses include a five-year net operating loss carryback, suspension of annual deduction limitation of 80% of taxable income from net operating losses generated in a tax year beginning after December 31, 2017, changes in the deductibility of interest, acceleration of alternative minimum tax credit refunds, payroll tax relief, and a technical correction to allow accelerated deductions for qualified improvement property. The Company recorded an income tax benefit of $2.7 million during the three months ended March 31, 2020. The income tax benefit during the three months ended March 31, 2020 was generated as a result of the recognition of net operating loss carryback under the CARES Act.

ADICET BIO, INC.
INDEX TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
(UNAUDITED)

Condensed Consolidated Financial Statements (Unaudited)

ADICET BIO, INC.
Condensed Consolidated Balance Sheets
(in thousands, except share and per share amounts)
(unaudited)

	March 31, 2020	December 31, 2019
Assets		
Current assets:		
Cash and cash equivalents	$ 6,742	$ 10,607
Short-term marketable debt securities	55,400	51,793
Prepaid expenses and other current assets	4,808	1,786
Total current assets	66,950	64,186
Property and equipment, net	1,983	2,121
Restricted cash	4,282	4,282
Long-term marketable debt securities	2,257	10,588
Other non-current assets	615	410
Total assets	$ 76,087	$ 81,587
Liabilities, redeemable convertible preferred stock, and stockholders' deficit		
Current liabilities:		
Accounts payable	$ 1,391	$ 1,052
Contract liabilities—related party, current	12,876	10,993
Accrued and other current liabilities	3,252	2,820
Total current liabilities	17,519	14,865
Contract liabilities—related party, net of current portion	7,007	10,890
Deferred rent, net of current portion	193	234
Redeemable convertible preferred stock warrant liability	1,811	1,881
Total liabilities	26,530	27,870
Commitments and contingencies (Note 9)		
Redeemable convertible preferred stock, $0.0001 par value; 99,363,444 shares authorized as of March 31, 2020 and December 31, 2019; 97,166,921 shares issued and outstanding as of March 31, 2020 and December 31, 2019; liquidation preference $128,195 as of March 31, 2020 and December 31, 2019	114,083	114,083
Stockholders' deficit:		
Common stock, $0.0001 par value; 140,200,938 shares authorized as of March 31, 2020 and December 31, 2019; 17,544,535 and 17,383,619 shares issued and outstanding as of March 31, 2020 and December 31, 2019, respectively	2	2
Additional paid-in capital	9,597	9,256
Accumulated deficit	(74,133)	(69,647)
Accumulated other comprehensive income	8	23
Total stockholders' deficit	(64,526)	(60,366)
Total liabilities, redeemable convertible preferred stock, and stockholders' deficit	$ 76,087	$ 81,587

The accompanying notes are an integral part of these condensed consolidated financial statements.

ADICET BIO, Inc.
Condensed Consolidated Statements of Operations and Comprehensive Loss
(in thousands, except share and per share amounts)
(unaudited)

	Three months ended March 31,	
	2020	2019
Revenue—related party	$ 2,000	$ 2,769
Operating expenses:		
Research and development	7,033	5,010
General and administrative	2,524	2,129
Total operating expenses	9,557	7,139
Loss from operations	(7,557)	(4,370)
Interest income	322	146
Other income, net	70	93
Loss before income tax benefit	(7,165)	(4,131)
Income tax benefit	(2,679)	—
Net loss	(4,486)	(4,131)
Net loss per share attributable to common stockholders, basic and diluted	$ (0.26)	$ (0.24)
Weighted-average shares used in computing net loss per share attributable to common stockholders, basic and diluted	17,447,097	16,968,269
Other comprehensive income (loss):		
Unrealized (loss) gain on marketable debt securities, net of tax	(15)	18
Total other comprehensive (loss) income	(15)	18
Comprehensive loss	$ (4,501)	$ (4,113)

The accompanying notes are an integral part of these condensed consolidated financial statements.

ADICET BIO, Inc.
Condensed Consolidated Statements of Redeemable Convertible Preferred Stock and Stockholders' Deficit
(in thousands, except share amounts)
(unaudited)

	Redeemable Convertible Preferred Stock		Common Stock		Additional Paid-In Capital	Accumulated Deficit	Accumulated Other Comprehensive Income (Loss)	Total Stockholders' Deficit
	Shares	Amount	Shares	Amount				
Balance at January 1, 2019	40,094,850	$38,068	17,264,217	$ 2	$ 8,004	$ (41,509)	$ (13)	$ (33,516)
Net loss	—	—	—	—	—	(4,131)	—	(4,131)
Issuance of Series A redeemable convertible preferred stock related to TRDF liability	67,656	88	—	—	—	—	—	—
Issuance of common stock upon exercise of stock options	—	—	34,709		9	—	—	9
Vesting of early exercised stock options	—	—	—	—	47	—	—	47
Stock-based compensation expense	—	—	—	—	251	—	—	251
Other comprehensive income	—	—	—	—	—	—	18	18
Balance at Mach 31, 2019	40,162,506	$38,156	17,298,926	$ 2	$ 8,311	$ (45,640)	$ 5	$ (37,322)

	Redeemable Convertible Preferred Stock		Common Stock		Additional Paid-In Capital	Accumulated Deficit	Accumulated Other Comprehensive Income (Loss)	Total Stockholders' Deficit
	Shares	Amount	Shares	Amount				
Balance at January 1, 2020	97,166,921	$114,083	17,383,619	$ 2	$ 9,256	$ (69,647)	$ 23	$ (60,366)
Net loss	—	—	—	—	—	(4,486)	—	(4,486)
Issuance of common stock upon exercise of stock options	—	—	160,916		42	—	—	42
Stock-based compensation expense	—	—	—	—	299	—	—	299
Other comprehensive loss	—	—	—	—	—	—	(15)	(15)
Balance at Mach 31, 2020	97,166,921	$114,083	17,544,535	$ 2	$ 9,597	$ (74,133)	$ 8	$ (64,526)

The accompanying notes are an integral part of these condensed consolidated financial statements.

ADICET BIO, Inc.
Condensed Consolidated Statements of Cash Flows
(in thousands)
(unaudited)

	Three months ended March 31,	
	2020	2019
Cash flows from operating activities		
Net loss	($ 4,486)	($ 4,131)
Adjustments to reconcile net loss to net cash used in operating activities		
Depreciation and amortization expense	313	321
Stock-based compensation expense	299	251
Net amortization of premiums and accretion of discounts on investments	(31)	(66)
Change in fair value of redeemable convertible preferred stock tranche liability	—	(102)
Change in fair value of redeemable convertible preferred stock warrant liability	(70)	—
Changes in operating assets and liabilities:		
Prepaid expenses and other current assets	(3,022)	136
Other non-current assets	(205)	8
Accounts payable	316	70
Contract liabilities—related party	(2,000)	(2,769)
Deferred rent	(37)	(37)
Accrued and other current liabilities	571	(1,316)
Net cash used in operating activities	(8,352)	(7,635)
Cash flows from investing activities		
Purchases of marketable debt securities	(5,700)	(2,442)
Proceeds from maturities of marketable debt securities	10,440	3,000
Purchases of property and equipment	(295)	(189)
Net cash provided by investing activities	4,445	369
Cash flows from financing activities		
Proceeds from exercise of stock options	42	9
Net cash provided by financing activities	42	9
Net change in cash, cash equivalents and restricted cash	(3,865)	(7,257)
Cash, cash equivalents and restricted cash, at the beginning of the period	14,889	13,757
Cash, cash equivalents and restricted cash, at the end of the period	$ 11,024	$ 6,500
Reconciliation of cash, cash equivalents and restricted cash to condensed consolidated balance sheets:		
Cash and cash equivalents	$ 6,742	$ 2,218
Restricted cash	4,282	4,282
Cash, cash equivalents and restricted cash in condensed consolidated balance sheets	$ 11,024	$ 6,500
Supplemental disclosures of noncash investing and financing activities		
Purchases of property and equipment included in accounts payable	$ 71	$ 176
Exercise of TRDF Liability	$ —	$ 88

The accompanying notes are an integral part of these condensed consolidated financial statements.

ADICET BIO, Inc.
Notes to Interim Condensed Consolidated Financial Statements (Unaudited)

1. Organization and Nature of the Business

Adicet Bio, Inc. (the "Company") is a pre-clinical stage biotechnology company engaged in the design and development of a new generation of allogeneic immunotherapies for cancer and other diseases. The Company was incorporated in November 2014 in Delaware and is headquartered in Menlo Park, California.

Adicet Bio Israel Ltd. (formerly Applied Immune Technologies Ltd.) ("Adicet Israel") is a wholly owned subsidiary of the Company and is located in Haifa, Israel. Adicet Israel was founded in 2006 and is a drug development company specializing in T-Cell Receptor-Like ("TCRL") antibodies that are targeted to intracellular-derived peptides for a variety of therapeutic and diagnostic applications. During 2019, the Company consolidated its operations, including research and development activities, in the United States and as a result substantially reduced its operations in Israel.

Liquidity

The Company has incurred significant net operating losses and negative cash flows from operations since inception and had an accumulated deficit of $74.1 million as of March 31, 2020. The Company has historically financed its operations primarily through a collaboration and licensing arrangement, as well as through the private placement of equity securities. To date, none of the Company's product candidates have been approved for sale and therefore the Company has not generated any revenue from product sales. Management expects operating losses and negative cash flows to continue for the foreseeable future, until such time, if ever, that it can generate significant sales of its product candidates currently in development.

Management believes that the Company's cash, cash equivalents and marketable debt securities will not be sufficient for the Company to continue as a going concern for at least one year from the issuance date of these interim condensed consolidated financial statements. The Company believes that this raises substantial doubt about its ability to continue as a going concern. As a result, the Company will be required to raise additional capital, however, there can be no assurance as to whether additional financing will be available on terms acceptable to the Company, if at all. If sufficient funds on acceptable terms are not available when needed, the Company could be required to significantly reduce its operating expenses and delay, reduce the scope of, or eliminate one or more of its development programs. Failure to manage discretionary spending or raise additional financing, as needed, may adversely impact the Company's ability to achieve its intended business objectives and have an adverse effect on its results of operations and future prospects.

The accompanying condensed consolidated financial statements have been prepared assuming that the Company will continue as a going concern, which contemplates the realization of assets and the settlement of liabilities and commitments in the normal course of business. The accompanying condensed consolidated financial statements do not reflect any adjustments relating to the recoverability and reclassifications of assets and liabilities that might be necessary if the Company is unable to continue as a going concern.

2. Summary of Significant Accounting Policies

Basis of Presentation

The unaudited interim condensed consolidated financial statements and related disclosures have been prepared in conformity with accounting principles generally accepted in the United States of America ("U.S. GAAP").

ADICET BIO, Inc.
Notes to Interim Condensed Consolidated Financial Statements (Unaudited)

Principles of Consolidation

The interim condensed consolidated financial statements include the accounts of the Company and its wholly owned subsidiary. All intercompany accounts and transactions have been eliminated in consolidation. The U.S. dollar is the functional and reporting currency of the Company and its subsidiary.

Unaudited Interim Financial Information

The accompanying condensed consolidated balance sheet as of March 31, 2020, the condensed consolidated statements of operations and comprehensive loss, the condensed consolidated statements of redeemable convertible preferred stock and stockholders' deficit and condensed consolidated statements of cash flows for the three months ended March 31, 2020 and 2019 are unaudited. The unaudited interim condensed consolidated financial statements have been prepared on the same basis as the audited annual financial statements and, in the opinion of management, reflect all adjustments, which include only normal recurring adjustments, necessary for the fair statement of the Company's financial position as of March 31, 2020 and the results of its operations and its cash flows for the three months ended March 31, 2020 and 2019. The financial data and other information disclosed in these notes related to the three months ended March 31, 2020 and 2019 are also unaudited. The results for the three months ended March 31, 2020 are not necessarily indicative of results to be expected for the year ending December 31, 2020, any other interim periods, or any future year or period. The balance sheet as of December 31, 2019 included herein was derived from the audited consolidated financial statements as of that date. Certain disclosures have been condensed or omitted from the interim condensed consolidated financial statements. These unaudited interim condensed consolidated financial statements should be read in conjunction with the audited annual consolidated financial statements and related notes.

Use of Estimates

The preparation of consolidated financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the consolidated financial statements as well as the reported amounts of revenues and expenses during the reporting period. Such estimates include the valuation of the redeemable convertible preferred stock warrant liability, redeemable convertible preferred stock tranche liability, the Technion Research and Development Foundation liability ("TRDF Liability"), deferred tax assets, useful lives of property and equipment, accruals for research and development activities, revenue recognition and stock-based compensation. Actual results could differ from those estimates. The current COVID-19 (coronavirus) pandemic, which is impacting worldwide economic activity, poses risk that the Company or its employees, contractors, suppliers, and other partners may be prevented from conducting business activities for an indefinite period of time, including due to shutdowns that may be requested or mandated by governmental authorities. The extent to which the coronavirus impacts the Company's operations will depend on future developments, which are highly uncertain and cannot be predicted with confidence, including the duration of the outbreak, new information that will emerge concerning the severity of the coronavirus and the actions to contain the coronavirus or treat its impact, among others. COVID 19 may impact the timing of regulatory approval of the INDs for clinical trials, the enrollment of any clinical trials that are approved, the availability of clinical trial materials and regulatory approval and commercialization of our products. COVID 19 may also impact the Company's ability to access capital, which could negatively impact short-term and long-term liquidity.

Recent Accounting Pronouncements

From time to time, new accounting pronouncements are issued by the Financial Accounting Standards Board (the "FASB") under its Accounting Standard Codifications ("ASC") or other standard setting bodies and adopted by the Company as of the specified effective date, unless otherwise discussed below.

Recently Adopted Accounting Pronouncements

In August 2018, the FASB issued Accounting Standards Update ("ASU") No. 2018-13, *Fair Value Measurement (Topic 820): Disclosure Framework—Changes to the Disclosure Requirements for Fair Value Measurement*, which modifies the disclosure requirements on fair value measurements. The new disclosure requirements include disclosure related to changes in unrealized gains or losses included in other comprehensive income (loss) for recurring Level 3 fair value measurements held at the end of each reporting period and the explicit requirement to disclose the range and weighted-average of significant unobservable inputs used for Level 3 fair value measurements. This ASU removes the requirement to disclose: the amount of and reasons for transfers between Level 1 and Level 2 of the fair value hierarchy; the policy for timing of transfers between levels; and the valuation processes for Level 3 fair value measurements. For all entities, this ASU is effective for fiscal years beginning after December 15, 2019, and interim periods within those fiscal years. Early adoption is permitted. The Company adopted this ASU effective January 1, 2020. The adoption of this ASU did not have a material effect on the Company's consolidated financial statements and related disclosures.

3. Fair Value Measurements

The Company determines the fair value of financial and non-financial assets and liabilities using the fair value hierarchy which establishes three level of inputs that may be used to measure fair value, as follows:

Level 1—Observable inputs, such as quoted prices in active markets for identical assets or liabilities.

Level 2—Observable inputs other than Level 1 prices 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 which reflect management's best estimate of what market participants would use in pricing the asset or liability at the measurement date. Consideration is given to the risk inherent in the valuation technique and the risk inherent in the inputs to the model.

In determining fair value, the Company utilizes valuation techniques that maximize the use of observable inputs and minimize the use of unobservable inputs to the extent possible as well as considers counterparty credit risk in its assessment of fair value.

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The following tables present information about the Company's financial assets and liabilities measured at fair value on a recurring basis and indicate the level of the fair value hierarchy utilized to determine such fair values (in thousands):

	March 31, 2020			
	Level 1	Level 2	Level 3	Total
Assets:				
Money market funds	$3,262	$ —	$ —	$ 3,262
Cash equivalents(1)	3,262	—	—	3,262
Asset-backed securities	—	19,592	—	19,592
Corporate debt securities	—	19,621	—	19,621
Commercial paper	—	14,943	—	14,943
U.S. Government agency bonds	—	3,501	—	3,501
Marketable debt securities	—	57,657	—	57,657
Total fair value of assets	$3,262	$57,657	$ —	$60,919
Liabilities:				
Redeemable convertible preferred stock warrant liability	$ —	$ —	$1,811	$ 1,811
Total fair value of liabilities	$ —	$ —	$1,811	$ 1,811

	December 31, 2019			
	Level 1	Level 2	Level 3	Total
Assets:				
Money market funds	$7,232	$ —	$ —	$ 7,232
Cash equivalents(1)	7,232	—	—	7,232
Asset-backed securities	—	19,598	—	19,598
Corporate debt securities	—	19,394	—	19,394
Commercial paper	—	17,892	—	17,892
U.S. Government agency bonds	—	5,497	—	5,497
Marketable debt securities	—	62,381	—	62,381
Total fair value of assets	$7,232	$62,381	$ —	$69,613
Liabilities:				
Redeemable convertible preferred stock warrant liability	$ —	$ —	$1,881	$ 1,881
Total fair value of liabilities	$ —	$ —	$1,881	$ 1,881

(1) Included in cash and cash equivalents in the condensed consolidated balance sheets

The following tables presents a summary of the changes in the fair value of the Company's Level 3 financial instruments (in thousands):

	Redeemable Convertible Preferred Stock Warrant Liability
Fair value as of January 1, 2020	$ 1,881
Change in the fair value included in other income, net	(70)
Fair value as of March 31, 2020	$ 1,811

	Redeemable Convertible Preferred Stock Tranche Liability	TRDF Liability
Fair value as of January 1, 2019	$ 3,113	$ 142
Settlement	—	(88)
Change in the fair value included in other income, net	(102)	—
Fair value as of March 31, 2019	$ 3,011	$ 54

The fair value of the redeemable convertible preferred stock tranche liability, TRDF Liability and the redeemable convertible preferred stock warrant liability is based on significant unobservable inputs, which represent Level 3 measurements within the fair value hierarchy. In determining the fair value of the redeemable convertible preferred stock tranche liability and the redeemable convertible preferred stock warrants, the Company used the Black-Scholes option-pricing model to estimate the fair value using unobservable inputs including the expected term, expected volatility, risk-free interest rate and dividend yield (see Note 11). The fair value of the TRDF Liability was determined based on fair value of the Company's Series A redeemable convertible preferred stock.

4. Marketable Debt Securities

The following tables summarizes the Company's marketable debt securities (in thousands):

	March 31, 2020			
	Amortized Cost	Unrealized Losses	Unrealized Gains	Fair Value
Asset-backed securities	$ 19,571	$ —	$ 21	$ 19,592
Corporate debt securities	19,658	(38)	1	19,621
Commercial paper	14,920	—	23	14,943
U.S. Government agency bonds	3,500	—	1	3,501
Total	$ 57,649	$ (38)	$ 46	$ 57,657

	December 31, 2019			
	Amortized Cost	Unrealized Losses	Unrealized Gains	Fair Value
Asset-backed securities	$ 19,589	$ (1)	$ 10	$ 19,598
Corporate debt securities	19,387	(3)	9	19,393
Commercial paper	17,882	—	11	17,893
U.S. Government agency bonds	5,500	(3)	—	5,497
Total	$ 62,358	$ (7)	$ 30	$ 62,381

The following table summarizes the Company's marketable debt securities by contractual maturity (in thousands):

	March 31, 2020	
	Amortized Cost	Fair Value
Within one year	$ 55,386	$ 55,400
After one year through five years	2,263	2,257
After five years	—	—
Total	$ 57,649	$ 57,657

The following table summarizes the classification of the Company's marketable debt securities in the condensed consolidated balance sheets (in thousands):

	March 31, 2020	December 31, 2019
Short-term marketable debt securities	$ 55,400	$ 51,793
Long-term marketable debt securities	2,257	10,588
Total	$ 57,657	$ 62,381

5. Prepaid expenses and other current assets

Prepaid expenses and other current assets consisted of the following (in thousands):

	March 31, 2020	December 31, 2019
Prepaid expenses	$ 1,047	$ 672
Tax receivable	3,400	722
Interest receivable	185	213
Other current assets	176	179
Total prepaid expenses and other current assets	$ 4,808	$ 1,786

6. Property and Equipment, net

Property and equipment, net consisted of the following (in thousands):

	Useful life (years)	March 31, 2020	December 31, 2019
Laboratory equipment	3	$ 4,022	$ 3,872
Leasehold improvements	Lesser of useful life or lease term	1,395	1,327
Furniture and fixtures	3	260	68
Construction in progress	—	65	300
Computer equipment	3	42	42
Software	3	150	150
		5,934	5,759
Less: Accumulated depreciation and amortization		(3,951)	(3,638)
Property and equipment, net		$ 1,983	$ 2,121

Depreciation and amortization expense for each of the three months ended March 31, 2020 and 2019 was $0.3 million. All of the Company's property and equipment as of March 31, 2020 and December 31, 2019 was located in the United States.

7. Accrued and Other Current Liabilities

Accrued and other current liabilities consisted of the following (in thousands):

	March 31, 2020	December 31, 2019
Accrued compensation	$ 1,399	$ 1,359
Accrued research and development expenses	527	450
Accrued professional services	962	301
Accrued other liabilities	364	710
Total accrued and other liabilities	$ 3,252	$ 2,820

8. Regeneron License and Collaboration Arrangement

Agreement Terms

On July 29, 2016, the Company entered into a License and Collaboration Agreement with Regeneron Pharmaceuticals, Inc. ("Regeneron") to develop engineered immune-cell therapeutics using the universal immune cell therapies platform (the "Regeneron Agreement").

The Company received a non-refundable upfront payment of $25.0 million from Regeneron upon execution of the Regeneron Agreement, and has received an aggregate of $10.0 million of additional payments for research funding from Regeneron under the Regeneron agreement. In addition, Regeneron may have to pay the Company additional amounts in the future consisting of (i) an aggregate amount of up to $20.0 million for timely achieving certain milestones, including milestones related to an investigational new drug ("IND") filing for an immune cell therapeutic ("ICP") to the clinical candidate to the first collaboration target and for the selection of a clinical

candidate to the second collaboration target, and (ii) up to an aggregate of $100 million of option exercise fees, in each case as specified in the Regeneron Agreement. Regeneron must also pay the Company high single digit royalties as a percentage of net sales for ICPs to targets for which it has exclusive rights, and low single digit royalties as a percentage of net sales on any non-ICP product comprising a target generated by the Company through the use of Regeneron's proprietary mice. The Company must pay Regeneron mid-single to low-double digit royalties as a percentage of net sales of ICPs to targets for which the Company has exercised exclusive rights, and low-to mid-single digit royalties as a percentage of net sales of targeting moieties generated from the Company's license to use Regeneron's proprietary mice. Royalties are payable until the longer of the expiration or invalidity of the licensed patent rights or a certain number of years from first commercial sale.

Revenue Recognition

For revenue recognition purposes, the Company determined that the duration of the contract is the same as the research term of five (5) years beginning on the execution of the Regeneron Agreement on July 29, 2016. The contract duration is defined as the period during which parties to the contract have present and enforceable rights and obligations. The Company determined that Regeneron faces significant in-substance penalties were it to terminate the Regeneron Agreement prior to the end of the research.

At contract inception, the Company determined a transaction price of the Regeneron consisting of the $25.0 million upfront payment and the aggregate research funding fees payable over the research term. In order to determine the transaction price, the Company evaluated all the payments to be received during the duration of the contract. Per the terms of the original Regeneron Agreement prior to the amendment effective from July 2019, the research funding fees were payable merely due to passage of time and therefore did not represent a variable consideration. After the amendment was signed in April 2019, certain of these fees became contingent upon the Company meeting certain development and regulatory milestones. Therefore, the Company concluded that after the amendment such potential payments became variable consideration the receipt of which was subject to substantial uncertainty and therefore excluded from the transaction price upon the effective date of the amendment. The Company will re-evaluate the transaction price if there is a significant change in facts and circumstances at least at the end of each reporting period.

For the three months ended March 31, 2020 and 2019, the Company recognized $2.0 million and $2.8 million of license and collaboration revenue, respectively, representing revenue recognized under the Regeneron Agreement based on proportional performance.

The following tables present changes in the Company's contract liabilities for the three months ended March 31, 2020 and 2019 (in thousands):

Three months ended March 31, 2020	Balance at beginning of period	Additions	Deductions(1)	Balance at end of period
Contract liability:	$ 21,883	$ —	$(2,000)	$ 19,883

Three months ended March 31, 2019	Balance at beginning of period	Additions	Deductions	Balance at end of period
Contract liability:	$ 22,878	$ —	$(2,769)	$ 20,109

(1) Deductions to contract liabilities relate to deferred revenue recognized as revenue during the reporting period.

Contract liabilities related to the Regeneron Agreement of $19.9 million and $20.1 million as of March 31, 2020 and as of March 31, 2019, respectively, which was comprised of the $25.0 million upfront payment and

additional $5.0 million research funding fees in each of 2017 and 2018, less $15.1 million and $14.9 million of license and collaboration revenue recognized from the inception of the Regeneron Agreement as of March 31, 2020 and as of March 31, 2019, respectively, will be recognized as the combined performance obligation is satisfied.

9. Commitments and Contingencies

Operating Leases

The future minimum lease payments under all non-cancelable operating lease obligations as of March 31, 2020 were as follows (in thousands):

2020 (remaining 9 months)	$ 2,509
2021	3,518
2022	2,942
2023	2,798
2024	2,882
2025 and thereafter	16,328
Total	$ 30,977

In conjunction with the Menlo Park lease agreement, the Company issued a cash-collateralized letter of credit in lieu of security deposit of $0.2 million which cash-collateral is included in restricted cash on the balance sheets as of March 31, 2020 and December 31, 2019. In addition, the Company issued a cash-collateralized letter of credit for $4.1 million in 2018 for the new office lease in Redwood City and the cash-collateral is also included in the restricted cash balance as of March 31, 2020 and December 31, 2019.

10. Redeemable Convertible Preferred Stock

Under the Company's Certificate of Incorporation, as amended, the Company's redeemable convertible preferred stock is issuable in series. The Company's Board of Directors is authorized to determine the rights, preferences and terms of each series.

As of March 31, 2020 and December 31, 2019, redeemable convertible preferred stock consists of the following (in thousands, except per share and share amounts):

	Shares Authorized	Original Issue Price	Shares Issued and Outstanding	Carrying Value	Liquidation Preference
Series A	37,104,185	$ 1.20	37,104,185	$ 35,960	$ 44,525
Series A-1	629,633	1.20	629,633	447	756
Series A-2	2,428,688	1.20	2,428,688	1,749	2,914
Series B	59,200,938	1.4034	57,004,415	75,927	80,000
	99,363,444		97,166,921	$ 114,083	$ 128,195

The original issuance price in the tables above reflect the stated issuance price per the respective purchase agreements.

Voting Rights

Each share of redeemable convertible preferred stock has the same voting rights as the number of shares of common stock into which it is convertible and vote together with the holders of common stock as a single class.

The holders of shares of Series A redeemable convertible preferred stock shall be entitled, voting separately as a single class, to elect two directors of the Company (the "Series A Directors"). The holders of shares of redeemable convertible preferred stock shall be entitled, voting separately as a single class on an as-converted basis, to elect two directors of the Company (together with the Series A Directors, the "Preferred Directors"). The holders of shares of common stock shall be entitled, voting separately as a single class, to elect one director of the Company. The holders of shares of common stock and convertible redeemable preferred stock shall be entitled, voting together, to elect the remaining directors of the Company.

Dividends

Holders of outstanding shares of Series B redeemable convertible preferred stock are entitled to receive dividends, when, as and if declared by the Board of Directors, at the annual rate of $0.1123 per share as adjusted for any stock combination, stock split, stock dividend, recapitalization or other similar transaction ("recapitalizations"), payable in preference and priority to any declaration or payment of any distribution on Series A redeemable convertible preferred stock, Series A-2 redeemable convertible preferred stock, Series A-1 redeemable convertible preferred stock or common stock of the Company in such calendar year.

The Company shall not declare, pay or set aside any dividends on shares of any other class or series of capital stock of the Company in any fiscal year unless the holders of the Series B redeemable convertible preferred stock then outstanding shall first receive, or simultaneously receive, a dividend on each outstanding share of Series B redeemable convertible preferred stock in an amount at least equal to all declared but unpaid dividends with respect to all outstanding shares of Series B redeemable convertible preferred stock and the amount of the dividends then accrued on such share of Series B redeemable convertible preferred stock with respect to such fiscal year.

After payment of the full amount of any dividends payable described above, the holders of shares of Series A redeemable convertible preferred stock are entitled to receive dividends, when, as and if declared by the Board of Directors, at the annual rate of $0.096 per share as adjusted for any recapitalization adjustments, payable in preference and priority to any declaration or payment of any distribution on Series A-2 redeemable convertible preferred stock, Series A-1 redeemable convertible preferred stock or common stock of the Company in such calendar year.

The Company shall not declare, pay or set aside any dividends on shares of any other class or series of capital stock of the Company in any fiscal year unless the holders of the Series A redeemable convertible preferred stock then outstanding shall first receive, or simultaneously receive, a dividend on each outstanding share of Series A redeemable convertible preferred stock in an amount at least equal to all declared but unpaid dividends with respect to all outstanding shares of Series A redeemable convertible preferred stock and the amount of the dividends then accrued on such share of Series A redeemable convertible preferred stock with respect to such fiscal year.

After payment of the full amount of any dividends payable described above, the holders of shares of Series A-2 redeemable convertible preferred stock are entitled to receive dividends, when, as and if declared by the Board of Directors, at the annual rate of $0.096 per share adjusted for any recapitalization adjustments, payable in preference and priority to any declaration or payment of any distribution on Series A-1 redeemable convertible preferred stock or common stock of the Company in such calendar year.

The Company shall not declare, pay or set aside any dividends on shares of any other class or series of capital stock of the Company (other than dividends on shares of the Series B redeemable convertible preferred

stock and Series A redeemable convertible preferred stock as indicated above) in any fiscal year unless the holders of the Series A-2 redeemable convertible preferred stock then outstanding shall first receive, or simultaneously receive, a dividend on each outstanding share of Series A-2 redeemable convertible preferred stock in an amount at least equal to all declared but unpaid dividends with respect to all outstanding shares of Series A-2 redeemable convertible preferred stock and the amount of the dividends then accrued on such share of Series A-2 redeemable convertible preferred stock with respect to such fiscal year.

After payment of the full amount of any dividends pursuant to the paragraphs above, any additional dividends shall be distributed among all holders of common stock and all holders of redeemable convertible preferred stock in proportion to the number of shares of common stock which would be held by each such holder if all shares of each such series of redeemable convertible preferred stock were converted to common stock at the then effective conversion rate.

Dividends are noncumulative, and none were declared as of March 31, 2020.

Liquidation

In the event of any liquidation, dissolution or winding up of the Company, or deemed liquidation event, either voluntary or involuntary ("Liquidation"), the holders of Series B redeemable convertible preferred stock shall be entitled to receive, prior and in preference to any distribution of any of the assets of the Company to the holders of any other series of redeemable convertible preferred stock or common stock an amount per share equal to the greater of (i) the sum of $1.4034, adjusted for any recapitalization adjustments for each outstanding share of Series B redeemable convertible preferred stock and an amount equal to all declared but unpaid dividends on such share and (ii) such amount per share as would have been payable had all shares of Series B redeemable convertible preferred stock been converted into common stock pursuant to the conversion right immediately prior to such Liquidation (see below for the conversion rights).

After full payment to the holders of Series B redeemable convertible preferred stock, the holders of Series A redeemable convertible preferred stock shall be entitled to receive, prior and in preference to any distribution from the assets of the Company to the holders of Series A-2 and A-1 redeemable convertible preferred stock or common stock an amount per share equal to the greater of (i) the sum of $1.20, adjusted for any recapitalization adjustments, for each outstanding share of Series A redeemable convertible preferred stock and an amount equal to all declared but unpaid dividends on such share and (ii) such amount per share as would have been payable had all shares of Series A redeemable convertible preferred stock been converted into common stock pursuant to the conversion right immediately prior to such Liquidation (see below for the conversion rights).

After full payment to holders of Series B and A redeemable convertible preferred stock, the holders of Series A-2 redeemable convertible preferred stock shall be entitled to receive, prior and in preference to any distribution of any of the assets of the Company to the holders of Series A-1 redeemable convertible preferred stock or common stock an amount per share equal to the greater of (i) the sum of $1.20, adjusted for any recapitalization adjustments, for each outstanding share of Series A-2 redeemable convertible preferred stock and an amount equal to all declared but unpaid dividends on such share and (ii) such amount per share as would have been payable had all shares of Series A-2 redeemable convertible preferred stock been converted into common stock pursuant to the conversion right immediately prior to such Liquidation (see below for the conversion rights).

After full payment to holders of the Series B, A and A-2 redeemable convertible preferred stock, the holders of Series A-1 redeemable convertible preferred stock shall be entitled to receive, prior and in preference to any

distribution of any of the assets of the Company to the holders of common stock an amount per share equal to the greater of (i) the sum of $1.20, adjusted for any recapitalization adjustments, for each outstanding share of Series A-1 redeemable convertible preferred stock and an amount equal to all declared but unpaid dividends on such share and (ii) such amount per share as would have been payable had all shares of Series A-1 redeemable convertible preferred stock been converted into common stock pursuant to the conversion right immediately prior to such Liquidation (see below for the conversion rights).

After the payment to the holders of redeemable convertible preferred stock of the full preferential amounts specified above, all of the remaining assets of the Company available for distribution to stockholders shall be distributed among the holders of common Stock pro rata based on the number of shares of common Stock held by each such holder.

Conversion

Each share of redeemable convertible preferred stock is convertible, at the option of the holder, into the number of fully-paid and non-assessable shares of common stock that result from dividing the applicable original issue price per share by the applicable conversion price per share at the time of conversion, as adjusted for any recapitalization adjustments. If, after the issuance date of the Series B redeemable convertible preferred stock, the Company issues or sells, or is deemed to have sold, additional shares of common stock without consideration or for a consideration per share less than the conversion price for a particular series of preferred stock (other than the Series A-1 redeemable convertible preferred stock) in effect immediately prior to the issuance of such additional shares of common stock, except for certain exceptions allowed, the conversion price of the redeemable convertible preferred stock would be adjusted. As of March 31, 2020, each series of the Company's redeemable convertible preferred stock was convertible into the Company's shares of common stock on a one-for-one basis.

Each share of redeemable convertible preferred stock is convertible into common stock and automatically immediately upon the earlier of (i) the Company's sale of its common stock in a firm commitment underwritten public offering pursuant to a registration statement under the Securities Act, the public offering price of which is not less than $2.40 per share, as adjusted for recapitalization adjustments and which results in proceeds to the Company of at least $50 million in the aggregate (before deduction of underwriting discounts and commissions) (a "Qualified IPO") or (ii) the Company's receipt of a written request for such conversion from the holders of the majority of the then outstanding shares of redeemable convertible preferred stock as determined on an as-converted to common stock basis; provided, however, that in respect of (ii), the vote or written consent of the vote or written consent of the holders of a majority of the Series B redeemable convertible preferred stock, voting together as a single class on an as-converted basis shall also be required to effect such conversion solely in the event such conversion both: (A) is being effected in connection with a specific proposed Liquidation changing the allocation of proceeds distributable to the Company's stockholders in such Liquidation and (B) would result in a holder of Series B redeemable convertible preferred stock receiving less in distributions from such transaction for a share of Series B redeemable convertible preferred stock in such Liquidation than such holder would have received if such conversion was not effected and the proceeds were distributed for such share in such Liquidation in accordance with liquidation preferences described above.

Redemption and Balance Sheet Classification

The redeemable convertible preferred stock is recorded within mezzanine equity because while it is not mandatorily redeemable, it will become redeemable at the option of the stockholders upon the occurrence of certain deemed liquidation events that are considered not solely within the Company's control.

11. Redeemable Convertible Preferred Stock Warrant Liability

During the period from July 2019 to September 2019, in connection with the issuance of Series B redeemable convertible preferred stock, the Company issued to its financial advisor warrants to purchase 1,781,387 shares of Series B redeemable convertible preferred stock at an exercise price of $1.4034 per share (the "Series B Warrants"), which was accounted as preferred stock issuance costs.

The Series B Warrants will terminate at the earlier of the seven-year anniversary from the issuance date and Liquidation of the Company. These warrants have a settlement provision under which their holders may, in lieu of payment of the exercise price in cash, surrender the warrant and receive a net amount of shares based on the fair market value of the Company's stock at the time of exercise of the warrants after deduction of the aggregate exercise price. The Series B Warrants contain provisions for adjustment of the exercise price and number of shares issuable upon the exercise of warrants in the event of certain stock dividends, stock splits, reorganizations, reclassifications, and consolidations.

The fair value of the Series B Warrants was recorded on the date of issuance. The Series B Warrants had a fair value of $1.8 million and $1.9 million as of March 31, 2020 and December 31, 2019, respectively. The change in fair value of less than $0.1 million during the three months ended March 31, 2020 was recorded as a component of other income, net in the condensed consolidated statement of operations and comprehensive loss.

The redeemable convertible preferred stock warrant liability was valued using the following assumptions under the Black-Scholes option-pricing model:

	March 31, 2020	December 31, 2019
Stock price	$ 1.44	$ 1.40
Expected term (years)	6.32 - 6.49	6.57 - 6.74
Expected volatility	79.0% - 79.9%	82.1% - 93.3%
Risk-free interest rate	1.52% - 1.92%	1.53% - 1.93%
Dividend yield	0%	0%

12. Stock-based Compensation

A summary of stock option activity for the three months ended March 31, 2020 is set forth below (in thousands, except share and per share data):

	Outgoing Awards				
	Number of Shares Available for Grant	Number of Shares Underlying Outstanding Options	Weighted Average Exercise Price	Weighted Average Remaining Contractual Term (in years)	Aggregate Intrinsic Value
Outstanding, January 1, 2020	5,267,201	15,005,410	$ 0.50	8.53	$ 5,812
Options granted	(65,000)	65,000	$ 0.74		
Option exercised		(160,916)	$ 0.26		
Options forfeited or cancelled	9,990	(9,990)	$ 0.28		
Outstanding March 31, 2020	5,212,191	14,899,504	$ 0.51	8.33	$ 8,993
Shares exercisable March 31, 2020		5,532,433	$ 0.28	6.77	$ 4,588
Vested and expected to vest, March 31, 2020		14,899,504	$ 0.51	8.33	$ 8,993

Total stock-based compensation expense recognized was as follows (in thousands):

	Three months ended March 31,	
	2020	2019
Research and development	$ 86	$ 79
General and administrative	213	172
Total stock-based compensation	$ 299	$ 251

13. Net Loss Per Share

The following table sets forth the computation of basic and diluted net loss per share attributable to common stockholders, which excludes unvested restricted shares and shares which are legally outstanding, but subject to repurchase by the Company (in thousands, except share and per share data):

	Three months ended March 31,	
	2020	2019
Numerator		
Net loss attributable to common stockholders	$ (4,486)	$ (4,131)
Denominator		
Weighted-average shares outstanding	17,447,097	17,273,829
Less: weighted-average unvested restricted shares and shares subject to repurchase	—	(305,560)
Weighted-average shares used in computing net loss per share attributable to common stockholder, basic and diluted	17,447,097	16,968,269
Net loss per share attributed to common stockholders, basic and diluted	$ (0.26)	$ (0.24)

The following outstanding shares of potentially dilutive securities were excluded from the computation of diluted net loss per share attributable to common stockholders for the period presented because including them would have been antidilutive:

	March 31,	
	2020	2019
Redeemable convertible preferred stock	97,166,921	40,162,506
Options to purchase common stock	14,899,504	7,030,829
Redeemable convertible preferred stock tranche liability and TRDF obligation	—	5,994,494
Redeemable convertible preferred stock warrants	1,781,387	—
Total	113,847,812	53,187,829

14. Income Taxes

The Company recorded an income tax benefit of $2.7 million during the three months ended March 31, 2020.

The income tax benefit during the three months ended March 31, 2020 was generated as a result of the recognition of net operating loss carryback under the Coronavirus Aid, Relief, and Economic Security Act ("CARES Act") which was enacted on March 27, 2020 in response to the COVID-19 (coronavirus) pandemic and generates a refund of income taxes paid for the year ended December 31, 2017. The Company records the effect of an enacted change in a tax law in the period that includes the enactment date in accordance with ASC 740, *Income Taxes*.

The tax relief measures under the CARES Act for businesses include a five-year net operating loss carryback, suspension of annual deduction limitation of 80% of taxable income from net operating losses generated in a tax year beginning after December 31, 2017, changes in the deductibility of interest, acceleration of alternative minimum tax credit refunds, payroll tax relief, and a technical correction to allow accelerated deductions for qualified improvement property.

The Company maintains a full valuation allowance against its net deferred tax assets due to the Company's history of losses as of March 31, 2020.

15. Related Party

As of March 31, 2020 and December 31, 2019, Regeneron owned 7,125,552 shares of the Company's redeemable convertible preferred stock, respectively. Regeneron became a related party in July 2019 as a result of Series B redeemable convertible preferred stock financing. For the quarter ended March 31, 2020 and March 31, 2019, the Company recorded revenue of $2.0 million and $2.8 million, respectively, and as of March 31, 2020, the Company recorded deferred revenue of $20.1 million related to the Regeneron Agreement. See Note 8 for a discussion of the Regeneron Agreement.

16. Subsequent Events

For its interim condensed consolidated financial statements as of March 31, 2020 and for the three months then ended, the Company evaluated subsequent events through June 23, 2020, the date on which those financial statements were issued.

On April 28, 2020, the Company entered into a Loan and Security Agreement with Pacific Western Bank (the "Bank") for a term loan not to exceed $12.0 million (the "Loan Agreement"), to finance leasehold improvements for its new corporate headquarters in Redwood City, California, with an interest rate equal to the greater of 0.25% above the Prime Rate or 5.00%. The Loan Agreement contains various affirmative and negative covenants, including required financial reporting, limitations on certain dispositions of assets, limitations on the incurrence of additional debt and other requirements. In connection with the Loan Agreement, the Company issued the Bank warrant to purchase shares of Series B redeemable convertible preferred stock at an exercise price of $1.4034 per share. Such warrant is initially exercisable for 42,753 shares of Series B redeemable convertible preferred stock and shall be exercisable for an additional number of shares of Series B redeemable convertible preferred stock equal to 1.00% of the aggregate original principal amount of all term loans made pursuant to the Loan Agreement (up to an aggregate maximum of 128,259 shares). To date, no amounts have been drawn under the Loan Agreement.

ADICET BIO, Inc.
Notes to Interim Condensed Consolidated Financial Statements (Unaudited)

On April 28, 2020, the Company entered into a definitive merger agreement with resTORbio, Inc. ("resTORbio") to create a combined publicly-traded biotechnology company whose anticipated focus will be on the development of the Company's off-the-shelf allogeneic gamma delta T cell therapies for oncology and other indications. Under the terms of the merger agreement, the Company will merge with a wholly owned subsidiary of resTORbio in an all-stock transaction (the "resTORbio Merger"). Under the exchange ratio formula in the merger agreement, immediately following the effective time of the resTORbio Merger, the former securityholders of the Company as of immediately prior to the effective time of the resTORbio Merger are expected to own approximately 75% of the outstanding shares of resTORbio's common stock on a fully-diluted basis and securityholders of resTORbio as of immediately prior to the effective time of the resTORbio Merger are expected to own approximately 25% of the outstanding shares of resTORbio Common Stock on a fully-diluted basis (in each case excluding equity incentives available for grant). The Company has concluded that the transaction represents a business combination pursuant to FASB ASC Topic 805, *Business Combinations*. Further, the Company was determined to be the accounting acquirer based upon the terms of the resTORbio Merger and other factors including: (i) the Company's securityholders will own approximately 75% of the voting rights of the combined company (on a fully-diluted basis excluding equity incentives available for grant); (ii) the Company will designate a majority (five of seven) of the initial members of the board of directors of the combined company; and (iii) the terms of the exchange of equity interests based on the exchange ratio at the announcement of the resTORbio Merger factored in an implied premium to resTORbio's stockholders. The composition of senior management of the combined company was determined to be a neutral factor in the accounting acquirer determination, as the combined company will leverage the expertise of the senior management of both companies.

Pursuant to a transition agreement between Anil Singhal, the Company's Chief Executive Officer and President, and the Company, dated April 28, 2020, as amended, Dr. Singhal will transition from his role as Chief Executive Officer and President of the Company prior to the closing of the resTORbio Merger to an advisory role. In accordance with such agreement, Dr. Singhal is entitled to the following, subject to his continued service through the completion of the resTORbio Merger and contingent on completion of the resTORbio Merger and his execution of a release of claims: (1) cash payments of (i) $470,000 within 60 days following the closing of the resTORbio Merger, (ii) an amount equal to his pro-rated bonus for the 2020 calendar year payable within 60 days following the closing of the resTORbio Merger, (iii) $250,000 payable in one lump sum on January 1, 2021 and (iv) $24,000 payable within 60 days following the closing of the resTORbio Merger, (2) 12 months' of accelerated vesting of his unvested options to purchase the Company's common stock upon completion of the resTORbio Merger, and (3) a 12-month post-termination exercise period following termination of his independent contractor services agreement, dated April 28, 2020 (the "ICSA"), subject to any earlier expiration of the options to purchase the Company's common stock by their terms. In addition, Dr. Singhal is entitled to reimbursement of up to $15,000 of his reasonable and documented legal expenses incurred in connection with such transition agreement. Pursuant to such agreement, subject to Dr. Singhal's continued service through the completion of the resTORbio Merger and contingent on completion of the resTORbio Merger, Dr. Singhal's continued service for purposes of vesting of his options to purchase the Company's common stock will continue until the earlier of (i) May 7, 2021 or (ii) termination of the ICSA, provided, however, if the ICSA is terminated early without cause, Dr. Singhal is entitled to accelerated vesting of unvested options that would have vested from the date of such termination through May 7, 2021. In addition, Dr. Singhal's existing options acceleration provisions will terminate. Pursuant to the ICSA, Dr. Singhal will provide certain advisory services to the Company for a term of 12 months following the closing of the merger and is entitled to payments of $12,500 per month for such services.

Annex A

CERTAIN CONFIDENTIAL PORTIONS OF THIS EXHIBIT HAVE BEEN OMITTED AND REPLACED WITH "[***]". SUCH IDENTIFIED INFORMATION HAS BEEN EXCLUDED FROM THIS EXHIBIT BECAUSE IT IS (I) NOT MATERIAL AND (II) WOULD LIKELY CAUSE COMPETITIVE HARM TO THE COMPANY IF DISCLOSED.

AGREEMENT AND PLAN OF MERGER

among:

RESTORBIO, INC.;

PROJECT OASIS MERGER SUB, INC.; and

ADICET BIO, INC.

Dated as of April 28, 2020

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Exhibits:

AGREEMENT AND PLAN OF MERGER

THIS AGREEMENT AND PLAN OF MERGER (this "**Agreement**") is made and entered into as of April 28, 2020, by and among **RESTORBIO, INC.**, a Delaware corporation ("**Oasis**"), **PROJECT OASIS MERGER SUB, INC.**, a Delaware corporation and wholly owned subsidiary of Oasis ("**Merger Sub**"), and **ADICET BIO, INC.**, a Delaware corporation (the "**Company**"). Certain capitalized terms used in this Agreement are defined in Section 1.

RECITALS

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

B. The Parties intend that the Merger qualify as a "reorganization" within the meaning of Section 368(a) of the Code.

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

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

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

F. Concurrently with the execution and delivery of this Agreement and as a condition and inducement to the Company's willingness to enter into this Agreement, the officers, directors and stockholders of Oasis set forth on Section A of the Oasis Disclosure Schedule (solely in their capacity as stockholders of Oasis) are executing support agreements in favor of the Company and Oasis in substantially the form attached hereto as Exhibit A (the "**Oasis Stockholder Support Agreement**"), pursuant to which such Persons have, subject to the terms and conditions set forth therein, agreed to vote all of their shares of capital stock of Oasis in favor of the approval of this Agreement and thereby approve the Contemplated Transactions and against any competing proposals.

G. Concurrently with the execution and delivery of this Agreement and as a condition and inducement to Oasis's willingness to enter into this Agreement, the officers, directors and 5% or greater stockholders (together with their Affiliates) of the Company listed on Section A of the Company Disclosure Schedule (solely in their capacity as stockholders of the Company) are executing support agreements in favor of Oasis and the Company in substantially the form attached hereto as Exhibit B (the "**Company Stockholder Support Agreement**"), pursuant to which such Persons have, subject to the terms and conditions set forth therein, agreed to vote all of their shares of Company Capital Stock in favor of the adoption of this Agreement and thereby approve the Contemplated Transactions and against any competing proposals.

H. Concurrently with the execution and delivery of this Agreement and as a condition and inducement to Oasis's willingness to enter into this Agreement, the officers, directors and stockholders of the Company listed on Section B of the Company Disclosure Schedule are executing lock-up agreements in substantially the form attached hereto as Exhibit C (collectively, the "**Company Lock-Up Agreements**").

I. Concurrently with the execution and delivery of this Agreement and as a condition and inducement to the Company's willingness to enter into this Agreement, the officers, directors and stockholders of Oasis set forth on Section B of the Oasis Disclosure Schedule of Oasis are executing lock-up agreements in substantially the form attached hereto as Exhibit C (collectively, the "**Oasis Lock-Up Agreements**").

J. It is expected that within five (5) Business Days after the Registration Statement is declared effective under the Securities Act, the holders of shares of Company Capital Stock sufficient to adopt and approve this Agreement and the Merger as required under the DGCL and the Company's certificate of incorporation and bylaws will execute and deliver an action by written consent adopting this Agreement, in form and substance reasonably acceptable to Oasis, in order to obtain the Required Company Stockholder Vote (each, a "**Company Stockholder Written Consent**" and collectively, the "**Company Stockholder Written Consents**").

K. Immediately prior to the execution and delivery of this Agreement, and as a condition of the willingness of Oasis to enter into this Agreement, Oasis, the Company and certain Persons have executed the Funding Agreement, in the form attached hereto as Exhibit D (the "**Funding Agreement**").

AGREEMENT

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

Section 1. Definitions and Interpretative Provisions.

1.1 Definitions.

a) For purposes of the Agreement (including this Section 1):

"**Acceptable Confidentiality Agreement**" means a confidentiality agreement containing terms not materially less restrictive in the aggregate to the counterparty thereto than the terms of the Confidentiality Agreement, except such confidentiality agreement need not contain any standstill, non-solicitation or no hire provisions. Notwithstanding the foregoing, a Person who has previously entered into a confidentiality agreement with Oasis relating to a potential Acquisition Proposal on terms that are not materially less restrictive than the Confidentiality Agreement with respect to the scope of coverage and restrictions on disclosure and use shall not be required to enter into a new or revised confidentiality agreement, and such existing confidentiality agreement shall be deemed to be an Acceptable Confidentiality Agreement.

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

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

"**Acquisition Transaction**" means any transaction or series of related transactions involving:

(a) any merger, consolidation, amalgamation, share exchange, business combination, issuance of securities, acquisition of securities, reorganization, recapitalization, tender offer, exchange offer or other similar

transaction: (i) in which a Party is a constituent Entity, (ii) in which a Person or "group" (as defined in the Exchange Act and the rules promulgated thereunder) of Persons directly or indirectly acquires beneficial or record ownership of securities representing more than 20% of the outstanding securities of any class of voting securities of a Party or any of its Subsidiaries or (iii) in which a Party or any of its Subsidiaries issues securities representing more than 20% of the outstanding securities of any class of voting securities of such Party or any of its Subsidiaries; provided however, the transactions contemplated by the Funding Agreement (including, without limitation, the Funding Transaction) shall not be an Acquisition Transaction; or

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

"**Affiliate**" shall have the meaning given to such term in Rule 145 under the Securities Act.

"**Applicable Time"** means (a) with respect to the prospectus registering the public offering and sale of Oasis Common Stock, (i) the time the Registration Statement, or any amendment or supplement thereto, is filed with the SEC, (ii) the time the Registration Statement becomes effective under the Securities Act, and (iii) at the Effective Time, and (b) with respect to the Proxy Statement, (i) the time the Registration Statement becomes effective under the Securities Act, (ii) the date the Proxy Statement, or any amendment or supplement thereto, is first mailed to the stockholders of Oasis, and (iii) at the time of the Oasis Stockholder Meeting.

"**Business Day**" means any day other than a day on which banks in the State of New York are authorized or obligated to be closed.

"**COBRA**" means the Consolidated Omnibus Budget Reconciliation Act of 1985, as set forth in Section 4980B of the Code and Part 6 of Title I of ERISA.

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

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

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

"**Company Capital Stock**" means the Company Common Stock and the Company Preferred Stock.

"**Company Capitalization Representations**" means the representations and warranties of the Company set forth in Sections 3.6(a) and 3.6(d).

"**Company Common Stock**" means the common stock, $0.0001 par value per share, of the Company.

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

"**Company Employee Plan**" means any Employee Plan that the Company or any of its Subsidiaries sponsors, contributes to, or provides benefits under or through such plan, or has any obligation to contribute to or provide benefits under or through such plan, or if such plan provides benefits to or otherwise covers any current or former employee, officer, director or other service provider of the Company or any of its Subsidiaries (or their spouses, dependents, or beneficiaries) other than an Employee Plan providing statutory benefits solely in accordance with applicable Law.

"**Company Fundamental Representations**" means the representations and warranties of the Company set forth in Sections 3.1(a), 3.1(b), 3.3, 3.4 and 3.21.

"**Company IP Rights**" means all Intellectual Property owned, purported to be owned, licensed, or controlled by the Company or its Subsidiaries that is necessary for or used in the operation of the business of the Company and its Subsidiaries as presently conducted.

"**Company IP Rights Agreement**" means any instrument or agreement governing, related to or pertaining to any Company IP Rights other than (a) any non-customized software that (i) is so licensed solely in executable or object code form pursuant to a non-exclusive software license and other Intellectual Property associated with such software and (ii) is not incorporated into, or material to the development, manufacturing, or distribution of, any of the Company's or any of its Subsidiaries' products or services, (b) any Intellectual Property licensed on a non-exclusive basis ancillary to the purchase or use of equipment, reagents or other materials, (c) any confidential information provided under confidentiality agreements, (d) agreements between the Company or any of its Subsidiaries and its respective employees or contractors in substantially the Company's or such Subsidiary's standard form thereof, and (e) material transfer agreements, clinical trial agreements, or services agreements.

"**Company Israeli Options**" means any Company Options held by a Person, which is subject to taxation in the State of Israel.

"**Company Israeli Options Shares**" means any Company Common Stock resulting from the exercise of Company Israeli Options.

"**Company Options Trustee**" means the trustee appointed by the Company with respect to Company Israeli Options and Company Israeli Options Shares. For the purpose of this Agreement, the Company Options Trustee shall be treated as the owner of all the Company Israeli Options and the Company Israeli Option Shares.

"**Company Material Adverse Effect**" means any Effect that, considered together with all other Effects that have occurred prior to the date of determination of the occurrence of a Company Material Adverse Effect, has or would reasonably be expected to have a material adverse effect on the business, financial condition, assets, liabilities or results of operations of the Company or its Subsidiaries, taken as a whole; provided, however, that Effects arising or resulting from the following shall not be taken into account in determining whether there has been a Company Material Adverse Effect: (a) the announcement of the Agreement or the pendency of the Contemplated Transactions, (b) the taking of any action, or the failure to take any action, by the Company that is required to comply with the terms of the Agreement, (c) any natural disaster or epidemics, pandemics or other force majeure events, or any act or threat of terrorism or war, any armed hostilities or terrorist activities (including any escalation or general worsening of any of the foregoing) anywhere in the world or any governmental or other response or reaction to any of the foregoing, (d) any change in GAAP or applicable Law or the interpretation thereof, (e) general economic or political conditions or conditions generally affecting the industries in which the Company and its Subsidiaries operate or (f) any change in the cash position of the Company and its Subsidiaries which results from operations in the Ordinary Course of Business; except in each case with respect to clauses (c), (d) and (e), to the extent disproportionately affecting the Company and its Subsidiaries, taken as a whole, relative to the industries in which the Company and its Subsidiaries operate.

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

"**Company Owned IP Rights**" means all Intellectual Property owned or purported to be owned by the Company or its Subsidiaries that is necessary for or used in the operation of the business of the Company and its Subsidiaries as presently conducted.

"**Company Plans**" means the 2014 Company Plan and the 2015 Company Plan.

"**Company Registered IP**" means all Company IP Rights that are owned or purported to be owned by the Company or its Subsidiaries that are registered, filed or issued under the authority of, with or by any Governmental Authority.

"**Company Triggering Event**" shall be deemed to have occurred if: (a) the Company Board or any committee thereof shall have made a Company Board Adverse Recommendation Change or approved, endorsed or recommended any Acquisition Proposal or (b) the Company shall have entered into any letter of intent or similar document or any Contract relating to any Acquisition Proposal (other than an Acceptable Confidentiality Agreement permitted pursuant to Section 5.4).

"**Company Warrants**" means any warrant to purchase shares of Company Capital Stock.

"**Confidentiality Agreement**" means the Mutual Confidentiality Agreement dated January 10, 2020, between the Company and Oasis.

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

"**Contemplated Transactions**" means the Merger and the other transactions contemplated by the Agreement, including the Oasis Reverse Stock Split and the CVR Agreement.

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

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

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

"**Employee Plan**" means (A) an "employee benefit plan" within the meaning of Section 3(3) of ERISA whether or not subject to ERISA; (B) stock option plans, stock purchase plans, bonus (including any annual bonus and retention bonus) or incentive plans, severance pay plans, programs or arrangements, deferred compensation arrangements or agreements, employment agreements, compensation plans, programs, agreements or arrangements, change in control plans, programs or arrangements, supplemental income arrangements, vacation plans, and all other employee benefit plans, agreements, and arrangements, not described in (A) above; and (C) plans or arrangements providing compensation to employee and non-employee directors.

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

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

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

"**Environmental Law**" means any federal, state, local or foreign Law relating to pollution or protection of human health or the environment (including ambient air, surface water, ground water, land surface or subsurface strata), including any law or regulation relating to emissions, discharges, releases or threatened releases of Hazardous Materials, or otherwise relating to the manufacture, processing, distribution, use, treatment, storage, disposal, transport or handling of Hazardous Materials.

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

"**ERISA Affiliate**" means, with respect to any Entity, any other Person that is, or at any applicable time, would be considered a single employer with such Entity or part of the same "controlled group" as such Entity under Sections 414(b),(c),(m) or (o) of the Code.

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

"**Exchange Ratio**" means, subject to Section 2.5(f), the following ratio (rounded to four decimal places): the quotient obtained by dividing (a) (i) the Company Valuation divided by (ii) the Company Outstanding Shares by (b) (i) the Oasis Valuation divided by (ii) the Oasis Outstanding Shares, in which:

- "**Company Outstanding Shares**" means, subject to Section 2.5(f), the total number of shares of Company Capital Stock outstanding immediately prior to the Effective Time expressed on a fully-diluted and as-converted to Company Common Stock basis assuming, without limitation or duplication, (i) the exercise in full of all Company Options and Company Warrants outstanding as of immediately prior to the Effective Time that are not cancelled at the Effective Time pursuant to Section 6.5(b) (and excluding any unvested Company Options that are forfeited at the Effective Time), (ii) the conversion of all shares of Company Preferred Stock into Company Common Stock, and (iii) the issuance of shares of Company Capital Stock in respect of all other outstanding options, warrants, restricted stock units, restricted stock awards or rights to receive such shares, whether conditional or unconditional and including any outstanding options or rights triggered by or associated with the consummation of the Merger (but excluding any shares of Company Capital Stock (1) reserved for issuance other than with respect to outstanding Company Options under the Company Plans as of immediately prior to the Effective Time or (2) which may be issued under the Funding Agreement).
- "**Company Valuation**" means $220,000,000.
- "**Oasis Outstanding Shares**" means, subject to Section 2.5(f) (including, without limitation, the effects of the Oasis Reverse Stock Split), the total number of shares of Oasis Common Stock outstanding immediately prior to the Effective Time expressed on a fully-diluted basis, but assuming, without limitation or duplication, (i) the exercise in full of all Oasis Options outstanding as of immediately prior to the Effective Time that are not cancelled at the Effective Time pursuant to Section 6.6(b), (ii) with respect to Oasis Restricted Stock Units, the settlement of such Oasis Restricted Stock Units for shares of Oasis Common Stock on a net settlement basis as provided in Section 6.8, and (iii) the issuance of shares of Oasis Common Stock in respect of all other outstanding options, warrants, restricted stock units, restricted stock awards or rights to receive such shares, whether conditional or unconditional and including any outstanding options or rights triggered by or associated with the consummation of the Merger (but excluding any shares of Oasis Common Stock (1) reserved for issuance other than with respect to outstanding Oasis Options under the Oasis Stock Plans as of immediately prior to the Effective Time or (2) which may be issued under the Funding Agreement).
- "**Oasis Valuation**" means $73,333,333.33.

Set forth on Section 1.1(a)(i) of the Oasis Disclosure Schedule is an illustrative example of Exchange Ratio calculations.

"**Extended Company Options**" means the Company Options granted under the 2014 Company Plan as identified on Section 3.6(c) of the Company Disclosure Schedule.

"**Funding Transaction**" means the deposit of approximately $15,000,000 into an escrow account in accordance with the terms and conditions set forth in the Funding Agreement.

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

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

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

"**Intellectual Property**" means (a) United States, foreign and international patents, patent applications, including all provisionals, nonprovisionals, substitutions, divisionals, continuations, continuations-in-part, reissues, extensions, supplementary protection certificates, reexaminations, term extensions, certificates of invention and the equivalents of any of the foregoing, statutory invention registrations, invention disclosures and inventions (collectively, "**Patents**"), (b) trademarks, service marks, trade names, domain names, corporate names, brand names, URLs, trade dress, logos and other source identifiers, including registrations and applications for registration thereof and all goodwill associated therewith, (c) copyrights, including registrations and applications for registration thereof, (d) software, including all source code, object code and related documentation, formulae, customer lists, trade secrets, know-how, confidential information and other proprietary rights and intellectual property, whether patentable or not and (e) all United States and foreign rights arising under or associated with any of the foregoing.

"**Interim Tax Ruling**" means a validly issued certificate or ruling from the ITA, in form and substance reasonably acceptable to the Company, confirming that the Company, Oasis and anyone acting on their behalf (including Merger Sub and the Company Options Trustee) shall be exempt from Israeli withholding tax in relation to the Merger.

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

"**Israeli Tax Ruling**" means a validly issued certificate or ruling from the ITA, in form and substance reasonably acceptable to the Company, confirming that (i) the Company, Oasis and anyone acting on their behalf (including Merger Sub and the Company Options Trustee) shall be exempt from Israeli withholding tax in relation to Merger, (ii) the exchange of Company Israeli Options and Company Israeli Options Shares made pursuant to this Agreement does not infringe the terms and conditions set under Section 102 of the ITO, and that such terms and conditions shall continue to apply to the Oasis Options and Oasis Common Stock granted in exchange for such Company Israeli Options and Company Israeli Options Shares, as if such Oasis Options and Oasis Common Stock were granted by the Company at the original dates of grant, and (iii) the exchange of Company Israeli Options, and Company Israeli Option Shares made pursuant to this Agreement shall be exempt from Tax.

"**ITA**" means the Israeli Tax Authority.

"**ITO**" means the Israeli Tax Ordinance [New Version], 5721- 1961, together with the rules and regulations promulgated thereunder, all as amended from time to time.

"**Key Employee**" means, with respect to the Company or Oasis, an executive officer of such Party or any employee of such Party that reports directly to the board of directors of such Party or to the Chief Executive Officer or Chief Accounting Officer of such Party.

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

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

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

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

"**Multiemployer Plan**" means (a) a "multiemployer plan," as defined in Section 3(37) or 4001(a)(3) of ERISA or (b) a plan which if maintained or administered in or otherwise subject to the laws of the United States would be described in paragraph (a).

"**Multiple Employer Plan**" means (a) a "multiple employer plan" within the meaning of Section 413(c) of the Code or Section 3(40) of ERISA or (b) a plan which if maintained or administered in or otherwise subject to the laws of the United States would be described in paragraph (a).

"**Multiple Employer Welfare Arrangement**" means (a) a "multiple employer welfare arrangement" within the meaning of Section 3(40) of ERISA or (b) a plan which if maintained or administered in or otherwise subject to the laws of the United States would be described in paragraph (a) of this definition.

"**Nasdaq**" means The Nasdaq Stock Market.

"**Non-Extended Company Option**" means each Company Option that is outstanding and unexercised immediately prior to the Effective Time under the 2014 Company Plan that is not an Extended Company Option.

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

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

"**Oasis Capitalization Representations**" means the representations and warranties of Oasis and Merger Sub set forth in Sections 4.6(a) and 4.6(d).

"**Oasis Common Stock**" means the common stock, $0.001 par value per share, of Oasis.

"**Oasis Contract**" means any Contract: (a) to which Oasis is a party, (b) by which Oasis is or may become bound or under which Oasis has, or may become subject to, any obligation or (c) under which Oasis has or may acquire any right or interest.

"**Oasis Employee Plan**" means any Employee Plan that Oasis or any of its Subsidiaries sponsors, contributes to, or provides benefits under or through such plan, or has any obligation to contribute to or provide benefits under or through such plan, or if such plan provides benefits to or otherwise covers any current or former employee, officer, director or other service provider of Oasis or any of its Subsidiaries (or their spouses, dependents, or beneficiaries).

"**Oasis Fundamental Representations**" means the representations and warranties of Oasis and Merger Sub set forth in Sections 4.1(a), 4.1(b), 4.3, 4.4 and 4.21.

"**Oasis In-the-Money Price**" means the volume weighted average price of Oasis Common Stock for a five (5) trading day period, starting with the opening of trading on the first trading day of such period to the closing of the second to last trading day prior to the Effective Time, as reported by Nasdaq (or, in the event Nasdaq does not report such information, such third-party service as is mutually agreed upon by the Parties).

"**Oasis IP Rights**" means all Intellectual Property owned, purported to be owned, licensed, or controlled by Oasis or its Subsidiaries that is necessary for or used in the operation of the business of Oasis and its Subsidiaries as presently conducted.

"**Oasis IP Rights Agreement**" means any instrument or agreement governing, related or pertaining to any Oasis IP Rights other than (a) any non-customized software that (i) is so licensed solely in executable or object code form pursuant to a non-exclusive software license and other Intellectual Property associated with such software and (ii) is not incorporated into, or material to the development, manufacturing, or distribution of, any of Oasis's or any of its Subsidiaries' products or services, (b) any Intellectual Property licensed on a non-exclusive basis ancillary to the purchase or use of equipment, reagents or other materials, (c) any confidential information provided under confidentiality agreements, (d) agreements between Oasis or any of its Subsidiaries and its respective employees or contractors in substantially Oasis's or its Subsidiary's standard form thereof, and (e) material transfer agreements, clinical trial agreements, or services agreements.

"**Oasis Material Adverse Effect**" means any Effect that, considered together with all other Effects that have occurred prior to the date of determination of the occurrence of the Oasis Material Adverse Effect, has or would reasonably be expected to have a material adverse effect on the business, financial condition, assets, liabilities or results of operations of Oasis and its Subsidiaries, taken as a whole; provided, however, that Effects arising or resulting from the following shall not be taken into account in determining whether there has been an Oasis Material Adverse Effect: (a) the announcement of the Agreement or the pendency of the Contemplated Transactions, (b) any change in the stock price or trading volume of Oasis Common Stock (it being understood, however, that any Effect causing or contributing to, or resulting from, any change in stock price or trading volume of Oasis Common Stock may be taken into account in determining whether an Oasis Material Adverse Effect has occurred, unless such Effects are otherwise excepted from this definition), (c) the suspension of trading in or delisting of Oasis's securities on Nasdaq, (d) the taking of any action, or the failure to take any action, by Oasis that is required to comply with the terms of the Agreement or the taking of any action expressly permitted by Section 5.1(b) of the Oasis Disclosure Schedule, (e) any natural disaster or epidemics, pandemics or other force majeure events, or any act or threat of terrorism or war, any armed hostilities or terrorist activities (including any escalation or general worsening of any of the foregoing) anywhere in the world, or any governmental or other response or reaction to any of the foregoing, (f) any change in GAAP or applicable Law or the interpretation thereof or (g) general economic or political conditions or conditions generally affecting the industries in which Oasis operates; except, in each case with respect to clauses (e), (f) and (g), to the extent

materially and disproportionately affecting Oasis and its Subsidiaries, taken as a whole, relative to other similarly situated companies in the industries in which Oasis operates.

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

"**Oasis Owned IP Rights**" means all Intellectual Property owned or purported to be owned by Oasis or its Subsidiaries that is necessary for or used in the operation of the business of Oasis and its Subsidiaries as presently conducted.

"**Oasis Registered IP**" means all Oasis IP Rights that are owned or purported to be owned by Oasis that are registered, filed or issued under the authority of, with or by any Governmental Authority.

"**Oasis Restricted Stock Units**" means any equity award with respect to Oasis Common Stock that represents the right to receive in the future shares of Oasis Common Stock pursuant to any Oasis Stock Plan.

"**Oasis Stock Plans**" means the Oasis 2017 Plan and the Oasis 2018 Plan, in each case as amended, modified or restated from time to time.

"**Oasis Transaction Expenses**" means, subject to Section 10.3(a), the aggregate amount (without duplication) of all costs, fees and expenses incurred by Oasis and any of its Subsidiaries (including Merger Sub), or for which Oasis or any of its Subsidiaries are or may become liable, (a) in connection with the negotiation, preparation and execution of the Agreement or any other agreement, document, instrument, filing, certificate, schedule, exhibit, letter or other document prepared or executed in connection with the Contemplated Transactions or (b) otherwise in connection with the Contemplated Transactions (including any bonus, change of control, severance, retention or similar payments that are or become due to any officer, director, employee or consultant of Oasis in connection with the Contemplated Transactions, but excluding any amounts with respect to tax withholding obligations for each holder in connection with the net settlement of Oasis Restricted Stock Units, as provided in Section 6.8), including any costs, fees and expenses: (i) of legal counsel (other than with respect to Transaction Litigation), tax advisors, accountants, financial advisors, investment bankers, brokers, consultants, transfer agents, proxy solicitor, and other advisors of such party; (ii) payable to the SEC in connection with filing the Registration Statement, the Proxy Statement, and any amendments and supplements thereto, with the SEC; (iii) payable in connection with the printing, mailing and distribution of the Registration Statement and any amendments and supplements thereto; (iv) associated with obtaining the "D&O tail policy" pursuant to Section 6.9, or (v) payable to the Exchange Agent pursuant to the engagement agreement with the Exchange Agent.

"**Oasis Triggering Event**" shall be deemed to have occurred if: (a) Oasis shall have failed to include in the Proxy Statement the Oasis Board Recommendation, (b) the Oasis Board or any committee thereof shall have made an Oasis Board Adverse Recommendation Change or approved, endorsed or recommended any Acquisition Proposal or (c) Oasis shall have entered into any letter of intent or similar document or any Contract relating to any Acquisition Proposal (other than an Acceptable Confidentiality Agreement permitted pursuant to Section 5.4).

"**Order**" means any judgment, order, writ, injunction, ruling, decision or decree of (that is binding on a Party), or any plea agreement, corporate integrity agreement, resolution agreement, or deferred prosecution agreement with, or any settlement under the jurisdiction of, any court or Governmental Authority.

"**Ordinary Course of Business**" means, in the case of each of the Company and Oasis, such actions taken in the ordinary course of its normal operations and consistent with its past practices; provided, however, that during the Pre-Closing Period, the Ordinary Course of Business of Oasis shall also include actions consented to in advance by the Company (with such consent not to be unreasonably withheld, delayed or conditioned) that are required to effect and effecting the winding down of its prior research and development activities.

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

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

"**Permitted Alternative Agreement**" means a definitive agreement that contemplates or otherwise relates to an Acquisition Transaction that constitutes a Superior Offer.

"**Permitted Encumbrance**" means (a) any liens for current Taxes not yet due and payable or for Taxes that are being contested in good faith and for which adequate reserves have been made on the Company Unaudited Interim Balance Sheet or Oasis's audited consolidated balance sheet at December 31, 2019 (the "**Oasis Audited Balance Sheet**"), as applicable, in accordance with GAAP (b) minor liens that have arisen in the Ordinary Course of Business and that do not (in any case or in the aggregate) materially detract from the value of the assets subject thereto or materially impair the operations of the Company or any of its Subsidiaries or Oasis, as applicable, (c) statutory liens to secure obligations to landlords, lessors or renters under leases or rental agreements, (d) deposits or pledges made in connection with, or to secure payment of, workers' compensation, unemployment insurance or similar programs mandated by Law and (e) statutory liens in favor of carriers, warehousemen, mechanics and materialmen, to secure claims for labor, materials or supplies.

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

"**Personal Information**" means information about an identified or identifiable individual.

"**Privacy Laws**" mean Laws relating to privacy, security and/or collection, use or other processing of Personal Information.

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

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

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

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

"**Subsequent Transaction**" means any Acquisition Transaction (with all references to 20% in the definition of Acquisition Transaction being treated as references to 50% for these purposes).

An Entity shall be deemed to be a "**Subsidiary**" of a Person if such Person directly or indirectly owns or purports to own, beneficially or of record, (a) an amount of voting securities or other interests in such Entity that is sufficient to enable such Person to elect at least a majority of the members of such entity's board of directors or other governing body or (b) at least 50% of the outstanding equity, voting, beneficial or financial interests in such Entity.

"**Superior Offer**" means an unsolicited bona fide written Acquisition Proposal (with all references to 20% in the definition of Acquisition Transaction being treated as references to 50% for these purposes) that: (a) was not obtained or made as a direct or indirect result of a breach of (or in violation of) the Agreement, (b) is on terms and conditions that the Oasis Board or the Company Board, as applicable, determines in good faith, based

on such matters that it deems relevant (including the likelihood of consummation thereof and the financing terms thereof), as well as any written offer by the other Party to the Agreement to amend the terms of the Agreement, and following consultation with its outside legal counsel and financial advisors, if any, are more favorable, from a financial point of view, to Oasis's stockholders or the Company's stockholders, as applicable, than the terms of the Contemplated Transactions, (c) is not subject to any financing conditions (and if financing is required, such financing is then fully committed to the third party) and (d) is reasonably capable of being completed on the terms proposed without unreasonable delay.

"**Tax**" means any federal, state, local, foreign or other tax, including any income tax, franchise tax, capital gains tax, gross receipts tax, value-added tax, surtax, estimated tax, unemployment tax, national health insurance tax, excise tax, ad valorem tax, transfer tax, stamp tax, sales tax, use tax, property tax, business tax, withholding tax, payroll tax, customs duty, alternative or add-on minimum or other tax of any kind whatsoever, and including any fine, penalty, addition to tax or interest imposed by a Governmental Authority with respect thereto.

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

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

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

Term	Section
2014 Company Plan	3.6(c)
2015 Company Plan	3.6(c)
Anti-Bribery Laws	3.23
Agreement	Preamble
Capitalization Date	4.6(a)
Certificate of Merger	2.3
Certifications	4.7(a)
Closing	2.3
Closing Date	2.3
Company	Preamble
Company 409A Plan	3.17(j)
Company Allocation Certificate	6.17(a)
Company Audited Financial Statements	6.1(g)
Company Unaudited Interim Balance Sheet	3.7(a)
Company Board Adverse Recommendation Change	6.2(d)
Company Board Recommendation	6.2(c)
Company Disclosure Schedule	Section 3
Company Financials	3.7(a)
Company Grant Date	3.6(f)
Company Interim Financial Statements	6.1(g)
Company Lock-Up Agreements	Recitals
Company Material Contract	3.13(a)
Company Permits	3.14(b)
Company Preferred Stock	3.6(a)
Company Product Candidates	3.14(d)
Company Real Estate Leases	3.11
Company Regulatory Permits	3.14(d)
Company's Replacement Counsel	9.10

Term	Section
Company Series A Preferred Stock	3.6(a)
Company Series A-1 Preferred Stock	3.6(a)
Company Series A-2 Preferred Stock	3.6(a)
Company Series B Preferred Stock	3.6(a)
Company Stock Certificate	2.7
Company Stockholder Support Agreement	Recitals
Company Stockholder Written Consents	Recitals
Company Tax Certificate	6.12(a)
Company Termination Fee	10.3(b)
Continuing Employee	6.7(a)
Costs	6.9(a)
COVID-19 Measures	5.1(a)
CVR	2.6(a)
CVR Agreement	2.6(a)
D&O Indemnified Parties	6.9(a)
Dissenting Shares	2.9(a)
Drug Regulatory Agency	3.14(c)
Effective Time	2.3
End Date	10.1(b)
Exchange Agent	2.8(a)
FDA	3.14(c)
FDCA	3.14(c)
Form S-4	6.1(a)
Foreign Company Employee Plan	3.17(h)
Funding Agreement	Recitals
GAAP	3.7(a)
Investor Agreements	6.15
Liability	3.9
Merger	Recitals
Merger Consideration	2.5(a)(ii)
Merger Sub	Preamble
Nasdaq Listing Application	6.11
Notice Period	6.2(d)
Oasis	Preamble
Oasis 2017 Plan	4.6(c)
Oasis 2018 Plan	4.6(c)
Oasis 409A Plan	4.17(i)
Oasis Allocation Certificate	6.17(b)
Oasis Board Adverse Recommendation Change	6.3(b)
Oasis Board Recommendation	6.3(b)
Oasis Budget	5.1(b)(xvii)
Oasis Disclosure Schedule	Section 4
Oasis ESPP	4.6(c)
Oasis Grant Date	4.6(f)
Oasis Lock-Up Agreements	Recitals
Oasis Material Contract	4.13(a)
Oasis Notice Period	6.3(c)
Oasis Permits	4.14(b)
Oasis Product Candidates	4.14(d)
Oasis Regulatory Permits	4.14(d)
Oasis Real Estate Leases	4.11

Term	Section
Oasis Reverse Stock Split	6.18
Oasis SEC Documents	4.7(a)
Oasis Stockholder Matters	6.3(a)
Oasis Stockholder Meeting	6.3(a)
Oasis Stockholder Support Agreement	Recitals
Oasis Tax Certificate	6.12(a)
Oasis Termination Fee	10.3(d)
Pre-Closing Period	5.1(a)
Privacy Policies	3.22
Proxy Statement	6.1(a)
Registration Statement	6.1(a)
Required Company Stockholder Vote	3.4
Required Oasis Stockholder Vote	4.4
SEC Documents	6.21
Stockholder Notice	6.2(b)
Surviving Corporation	2.1
Transaction Litigation	6.20

1.2 Other Definitional and Interpretative Provisions. The words “hereof,” “herein” and “hereunder” and words of like import used in this Agreement shall refer to this Agreement as a whole and not to any particular provision of this Agreement. The captions herein are included for convenience of reference only and shall be ignored in the construction or interpretation hereof. References to Sections, Exhibits and Schedules are to Sections, Exhibits and Schedules of this Agreement unless otherwise specified. Any capitalized terms used in any Exhibit or Schedule but not otherwise defined therein shall have the meaning as defined in this Agreement. Any singular term in this Agreement shall be deemed to include the plural, and any plural term the singular, the masculine gender shall include the feminine and neuter genders; the feminine gender shall include the masculine and neuter genders; and the neuter gender shall include masculine and feminine gender. Whenever the words “include,” “includes” or “including” are used in this Agreement, they shall be deemed to be followed by the words “without limitation,” whether or not they are in fact followed by those words or words of like import. The word “or” is not exclusive. “Writing,” “written” and comparable terms refer to printing, typing and other means of reproducing words (including electronic media) in a visible form. References to any agreement or Contract are to that agreement or Contract as amended, modified or supplemented from time to time in accordance with the terms hereof and thereof. References to any Person include the successors and permitted assigns of that Person. References to any statute are to that statute and to the rules and regulations promulgated thereunder, in each case as amended, modified, re-enacted thereof, substituted, from time to time. References to “$” and “dollars” are to the currency of the United States. All accounting terms used herein will be interpreted, and all accounting determinations hereunder will be made, in accordance with GAAP unless otherwise expressly specified. References from or through any date shall mean, unless otherwise specified, from and including or through and including, respectively. All references to “days” shall be to calendar days unless otherwise indicated as a “Business Day.” Except as otherwise specifically indicated, for purposes of measuring the beginning and ending of time periods in this Agreement (including for purposes of “Business Day” and for hours in a day or Business Day), the time at which a thing, occurrence or event shall begin or end shall be deemed to occur in the Eastern time zone of the United States. The Parties agree that any rule of construction to the effect that ambiguities are to be resolved against the drafting Party shall not be applied in the construction or interpretation of this Agreement. The Parties agree that the Company Disclosure Schedule or Oasis Disclosure Schedule shall be arranged in sections and subsections corresponding to the numbered and lettered sections and subsections contained in Section 3 or Section 4, respectively. The disclosures in any section or subsection of the Company Disclosure Schedule or the Oasis Disclosure Schedule shall qualify other sections and subsections in Section 3 or Section 4, respectively, to the extent it is readily apparent from a reading of the disclosure that such disclosure is applicable to such other sections and subsections. The words “delivered” or “made available” mean, with respect to any documentation, that prior to 5:00 p.m. (New York City time) on the date that is the day prior to the date of this

Agreement, a copy of such material has been posted to and made available by a Party to the other Party and its Representatives in the electronic data room maintained by such disclosing Party for the purposes of the Contemplated Transactions.

Section 2. Description of Transaction

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

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

2.3 Closing; Effective Time. Unless this Agreement is earlier terminated pursuant to the provisions of Section 10.1, and subject to the satisfaction or waiver of the conditions set forth in Sections 7, 8 and 9, the consummation of the Merger (the "**Closing**") shall take place remotely, as promptly as practicable (but in no event later than the second Business Day following the satisfaction or waiver of the last to be satisfied or waived of the conditions set forth in Sections 7, 8 and 9, other than those conditions that by their nature are to be satisfied at the Closing, but subject to the satisfaction or waiver of each of such conditions), or at such other time, date and place as Oasis and the Company may mutually agree in writing. The date on which the Closing actually takes place is referred to as the "**Closing Date**." At the Closing, the Parties shall cause the Merger to be consummated by executing and filing with the Secretary of State of the State of Delaware a certificate of merger with respect to the Merger, satisfying the applicable requirements of the DGCL and in form and substance as agreed to by the Parties (the "**Certificate of Merger**"). The Merger shall become effective at the time of the filing of such Certificate of Merger with the Secretary of State of the State of Delaware or at such later time as may be specified in such Certificate of Merger with the consent of Oasis and the Company (the time as of which the Merger becomes effective being referred to as the "**Effective Time**").

2.4 Certificate of Incorporation and Bylaws; Directors and Officers. At the Effective Time:

(a) the certificate of incorporation of the Surviving Corporation shall be amended and restated as set forth in an exhibit to the Certificate of Merger, until thereafter amended as provided by the DGCL and such certificate of incorporation;

(b) the certificate of incorporation of Oasis shall be identical to the certificate of incorporation of Oasis immediately prior to the Effective Time, until thereafter amended as provided by the DGCL and such certificate of incorporation; provided, however, that at the Effective Time, Oasis shall file an amendment to its certificate of incorporation to (i) effect the Oasis Reverse Stock Split, (ii) change the name of Oasis to "Adicet Bio, Inc." and (iii) make such other changes as are mutually agreeable to Oasis and the Company;

(c) the bylaws of the Surviving Corporation shall be identical to the bylaws of Merger Sub as in effect immediately prior to the Effective Time, until thereafter amended as provided by the DGCL and such bylaws;

(d) the directors and officers of Oasis, each to hold office in accordance with the certificate of incorporation and bylaws of Oasis, shall be as set forth in Section 6.14; and

(e) the directors and officers of the Surviving Corporation, each to hold office in accordance with the certificate of incorporation and bylaws of the Surviving Corporation, shall be the directors and officers of Oasis as set forth in Section 6.14, after giving effect to the provisions of Section 6.14.

2.5 Conversion of Shares.

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

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

(ii) subject to Section 2.5(c), each share of Company Capital Stock outstanding immediately prior to the Effective Time (excluding shares to be canceled pursuant to Section 2.5(a)(i) and excluding Dissenting Shares) shall be automatically converted solely into the right to receive a number of shares of Oasis Common Stock equal to the Exchange Ratio (the "**Merger Consideration**").

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

(c) No fractional shares of Oasis Common Stock shall be issued in connection with the Merger, and no certificates or scrip for any such fractional shares shall be issued, with no cash being paid for any fractional share eliminated by such rounding. Any fractional shares of Oasis Common Stock a holder of Company Capital Stock would otherwise be entitled to receive shall be aggregated together first prior to eliminating any remaining fractional share.

(d) All Company Options outstanding immediately prior to the Effective Time under the Company Plans and all Company Warrants shall be treated in accordance with Section 6.5.

(e) Each share of common stock, $0.01 par value per share, of Merger Sub issued and outstanding immediately prior to the Effective Time shall be converted into and exchanged for one validly issued, fully paid and nonassessable share of common stock, $0.01 par value per share, of the Surviving Corporation. Each stock certificate of Merger Sub evidencing ownership of any such shares shall, as of the Effective Time, evidence ownership of such shares of common stock of the Surviving Corporation.

(f) If, between the time of calculating the Exchange Ratio and the Effective Time, the outstanding shares of Company Capital Stock or Oasis Common Stock shall have been changed into, or exchanged for, a different number of shares or a different class, by reason of any stock dividend, subdivision, reclassification, recapitalization, split (including the Oasis Reverse Stock Split to the extent such split has not previously been taken into account in calculating the Exchange Ratio), combination or exchange of shares or other like change, the Exchange Ratio shall, to the extent necessary, be equitably adjusted to reflect such change to the extent necessary to provide the holders of Company Capital Stock, Company Options, Company Warrants, Oasis Options, Oasis Restricted Stock Units and Oasis Common Stock with the same economic effect as contemplated by this Agreement prior to such stock dividend, subdivision, reclassification, recapitalization, split, combination or exchange of shares or other like change; provided, however, that nothing herein will be construed to permit the Company or Oasis to take any action with respect to Company Capital Stock or Oasis Common Stock, respectively, that is prohibited or not expressly permitted by the terms of this Agreement.

2.6 Contingent Value Right.

(a) Holders of Oasis Common Stock of record as of immediately prior to the Effective Time (including, for the avoidance of doubt, those shares of Oasis Common Stock issued upon settlement of Oasis Restricted Stock Units pursuant to Section 6.8) shall be entitled to one contractual contingent value right (a "**CVR**") issued by Oasis subject to and in accordance with the terms and conditions of the CVR Agreement, in substantially the form attached hereto as Exhibit E (the "**CVR Agreement**"), for each share of Oasis Common Stock held by such holders.

(b) At or prior to the Effective Time, Oasis shall authorize and duly adopt, execute and deliver, and will ensure that Exchange Agent and Holders' Representative (as defined in the CVR Agreement) execute and deliver, the CVR Agreement, subject to any reasonable revisions to the CVR Agreement that are requested by such Exchange Agent and are reasonably acceptable to the Company and the Holders' Representative (as defined in the CVR Agreement) (provided that such revisions are not, individually or in the aggregate, materially detrimental or adverse, taken as a whole, to any holder of CVR). Oasis and the Company shall cooperate, including by making changes to the form of CVR Agreement, as necessary to ensure that the CVRs are not subject to registration under the Securities Act, the Exchange Act or any applicable state securities or "blue sky" laws.

(c) Oasis, the Exchange Agent and (if necessary) Holders' Representative shall, at or prior to the Effective Time, duly authorize, execute and deliver the CVR Agreement.

2.7 Closing of the Company's Transfer Books. At the Effective Time: (a) all shares of Company Capital Stock outstanding immediately prior to the Effective Time shall be treated in accordance with Section 2.5(a), and all holders of certificates representing shares of Company Capital Stock that were outstanding immediately prior to the Effective Time shall cease to have any rights as stockholders of the Company and (b) the stock transfer books of the Company shall be closed with respect to all shares of Company Capital Stock outstanding immediately prior to the Effective Time. No further transfer of any such shares of Company Capital Stock shall be made on such stock transfer books after the Effective Time. If, after the Effective Time, a valid certificate previously representing any shares of Company Capital Stock outstanding immediately prior to the Effective Time (a "**Company Stock Certificate**") is presented to the Exchange Agent or to the Surviving Corporation, such Company Stock Certificate shall be canceled and shall be exchanged as provided in Sections 2.5 and 2.8.

2.8 Surrender of Certificates.

(a) On or prior to the Closing Date, Oasis and the Company shall jointly select a reputable bank, transfer agent or trust company to act as exchange agent in the Merger (the "**Exchange Agent**"). At the Effective Time, Oasis shall deposit with the Exchange Agent evidence of book-entry shares representing the shares of Oasis Common Stock issuable pursuant to Section 2.5(a) in exchange for shares of Company Capital Stock.

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

receive pursuant to the provisions of Section 2.5(a) and (B) the Company Stock Certificate so surrendered shall be canceled. Until surrendered as contemplated by this Section 2.8(b), each Company Stock Certificate shall be deemed, from and after the Effective Time, to represent only the right to receive book-entry shares of Oasis Common Stock representing the Merger Consideration. If any Company Stock Certificate shall have been lost, stolen or destroyed, Oasis may, in its discretion and as a condition precedent to the delivery of any shares of Oasis Common Stock, require the owner of such lost, stolen or destroyed Company Stock Certificate to provide an applicable affidavit with respect to such Company Stock Certificate and post a bond indemnifying Oasis against any claim suffered by Oasis related to the lost, stolen or destroyed Company Stock Certificate or any Oasis Common Stock issued in exchange therefor as Oasis may reasonably request.

(c) No dividends or other distributions declared or made with respect to Oasis Common Stock with a record date after the Effective Time shall be paid to the holder of any unsurrendered Company Stock Certificate with respect to the shares of Oasis Common Stock that such holder has the right to receive in the Merger until such holder surrenders such Company Stock Certificate or provides an affidavit of loss or destruction in lieu thereof in accordance with this Section 2.8 (at which time (or, if later, on the applicable payment date) such holder shall be entitled, subject to the effect of applicable abandoned property, escheat or similar Laws, to receive all such dividends and distributions, without interest).

(d) Any shares of Oasis Common Stock deposited with the Exchange Agent that remain undistributed to holders of Company Stock Certificates as of the date that is 180 days after the Closing Date shall be delivered to Oasis upon demand, and any holders of Company Stock Certificates who have not theretofore surrendered their Company Stock Certificates in accordance with this Section 2.8 shall thereafter look only to Oasis for satisfaction of their claims for Oasis Common Stock and any dividends or distributions with respect to shares of Oasis Common Stock.

(e) Each of the Exchange Agent, Oasis, Company Options Trustee and the Surviving Corporation shall be entitled to deduct and withhold from any consideration deliverable pursuant to this Agreement such amounts as are required to be deducted or withheld from such consideration under the Code or under any other applicable Law; provided, that if Oasis intends to deduct or withhold (or intends to instruct the Exchange Agent or the Company Options Trustee to deduct or withhold) from any payment of consideration deliverable pursuant to this Agreement, Oasis shall use commercially reasonable efforts to (1) provide the Company and the applicable payee with reasonably advance notice of such intention to withhold and (2) permit the Company and/or such payee to provide such certifications or other documentation as may be necessary and appropriate to permit such payment to be made free of, or at a reduced rate of, withholding, including, with regard to Company Israeli Options and Company Israeli Options Shares, an Israeli Tax Ruling in accordance with Section 6.12(b) below. To the extent such amounts are so deducted or withheld, and remitted to the appropriate taxing authority, such amounts shall be treated for all purposes under this Agreement as having been paid to the Person to whom such amounts would otherwise have been paid.

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

2.9 Appraisal Rights.

(a) Notwithstanding any provision of this Agreement to the contrary, shares of Company Capital Stock that are outstanding immediately prior to the Effective Time and which are held by stockholders who have exercised and perfected appraisal rights for such shares of Company Capital Stock in accordance with the DGCL (collectively, the “Dissenting Shares”) shall not be converted into or represent the right to receive the Merger Consideration described in Section 2.5 attributable to such Dissenting Shares. Such stockholders shall be entitled to receive payment of the appraised value of such shares of Company Capital Stock held by them in accordance

with the DGCL, unless and until such stockholders fail to perfect or effectively withdraw or otherwise lose their appraisal rights under the DGCL. All Dissenting Shares held by stockholders who shall have failed to perfect or who effectively shall have withdrawn or lost their right to appraisal of such shares of Company Capital Stock under the DGCL (whether occurring before, at or after the Effective Time) shall thereupon be deemed to be converted into and to have become exchangeable for, as of the Effective Time, the right to receive the Merger Consideration attributable to such Dissenting Shares upon their surrender in the manner provided in Section 2.5.

(b) The Company shall give Oasis prompt written notice of any demands by dissenting stockholders received by the Company, withdrawals of such demands and any other instruments served on the Company and any material correspondence received by the Company in connection with such demands, and the Company shall have the right to direct all negotiations and proceedings with respect to such demands. The Company shall not, without Oasis's prior written consent, not to be unreasonably withheld, delayed or conditioned, make any payment with respect to, or settle or offer to settle, any such demands, or agree to do any of the foregoing.

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

2.11 Tax Consequences. For U.S. federal (and applicable state and local) income tax purposes, the Merger is intended to qualify as a "reorganization" within the meaning of Section 368(a) of the Code. The Parties adopt this Agreement as a "plan of reorganization" within the meaning of Treasury Regulations Section 1.368-2(g).

Section 3. Representations and Warranties of the Company.

Subject to Section 3, except as set forth in the written disclosure schedule delivered by the Company to Oasis (the "**Company Disclosure Schedule**"), the Company represents and warrants to Oasis and Merger Sub as follows:

3.1 Due Organization; Subsidiaries.

(a) Each of the Company and its Subsidiaries is a corporation or other legal entity duly incorporated or otherwise organized, validly existing and in good standing under the Laws of the jurisdiction of its incorporation or organization and has all necessary corporate power and authority: (i) to conduct its business in the manner in which its business is currently being conducted, (ii) to own or lease and use its property and assets in the manner in which its property and assets are currently owned or leased and used and (iii) to perform its obligations under all Contracts by which it is bound.

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

(c) The Company has no Subsidiaries, except for the Entities identified in Section 3.1(c) of the Company Disclosure Schedule; and neither the Company nor any of the Entities identified in Section 3.1(c) of the Company Disclosure Schedule owns any capital stock of, or any equity, ownership or profit sharing interest of any nature in, or controls directly or indirectly, any other Entity other than the Entities identified in

Section 3.1(c) of the Company Disclosure Schedule. Except for strategic relationships to promote the Company's products and services, which relationships are conducted through contractual relationships between the Company and its strategic partners, but do not involve any interest of the Company in any separate legal entity, and as set forth on Section 3.1(c) of the Company Disclosure Schedule, neither the Company nor any of its Subsidiaries is and or has otherwise been, directly or indirectly, a party to, member of or participant in any partnership, joint venture or similar business entity. Neither the Company nor any of its Subsidiaries has agreed or is obligated to make, or is bound by any Contract under which it may become obligated to make, any future investment in or capital contribution to any other Entity. Neither the Company nor any of its Subsidiaries has, at any time, been a general partner of, or has otherwise been liable for any of the debts or other obligations of, any general partnership, limited partnership or other Entity.

3.2 Organizational Documents. The Company has delivered to Oasis accurate and complete copies of the Organizational Documents of the Company and each of its Subsidiaries. Neither the Company nor any of its Subsidiaries is in breach or violation of its Organizational Documents in any material respect.

3.3 Authority; Binding Nature of Agreement**.** The Company and each of its Subsidiaries have all necessary corporate power and authority to enter into and to perform its obligations under this Agreement and, subject to receipt of the Required Company Stockholder Vote, to consummate the Contemplated Transactions. The Company Board has (i) determined that the Contemplated Transactions are fair to, advisable and in the best interests of the Company and its stockholders, (ii) approved and declared advisable this Agreement and the Contemplated Transactions and (iii) determined to recommend, upon the terms and subject to the conditions set forth in this Agreement, that the stockholders of the Company vote to adopt or approve the Agreement and thereby approve the Contemplated Transactions. This Agreement has been duly executed and delivered by the Company and assuming the due authorization, execution and delivery by Oasis and Merger Sub, constitutes the legal, valid and binding obligation of the Company, enforceable against the Company in accordance with its terms, subject to the Enforceability Exceptions. Prior to the execution of the Company Stockholder Support Agreements, the Company Board approved the Company Stockholder Support Agreements and the transactions contemplated thereby.

3.4 Vote Required**.** The affirmative vote or written consent of (a) the holders of a majority of the shares of Company Capital Stock (on an as-converted to Company Common Stock basis), (b) the holders of a majority of the shares of Company Preferred Stock, voting together as a single class (on an as-converted to Company Common Stock basis) and (c) the holders of a majority of the shares of Company Series B Preferred Stock (on an as-converted to Company Common Stock basis), voting as a single class, in each case, outstanding on the record date for the Company Stockholder Written Consent and entitled to vote thereon (the "**Required Company Stockholder Vote**"), is the only vote of the holders of any class or series of Company Capital Stock necessary to adopt and approve this Agreement and approve the Contemplated Transactions.

3.5 Non-Contravention; Consents**.**

(a) Subject to obtaining the Required Company Stockholder Vote and the filing of the Certificate of Merger required by the DGCL, and except as set forth on Section 3.5 of the Company Disclosure Schedule, neither (x) the execution, delivery or performance of this Agreement by the Company, nor (y) the consummation of the Contemplated Transactions, will directly or indirectly (with or without notice or lapse of time):

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

(ii) contravene, conflict with or result in a material violation of, or give any Governmental Authority or other Person the right to challenge the Contemplated Transactions or to exercise any remedy or obtain any relief under, any Law or any Order by which the Company or its Subsidiaries, or any of the assets owned or used by the Company or its Subsidiaries, is subject;

(iii) contravene, conflict with or result in a material violation of any of the terms or requirements of, or give any Governmental Authority the right to revoke, withdraw, suspend, cancel, terminate or modify, any Governmental Authorization that is held by the Company or its Subsidiaries;

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

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

(b) Except for (i) as set forth on Section 3.5 of the Company Disclosure Schedule, (ii) the Required Company Stockholder Vote, (iii) the filing of the Certificate of Merger with the Secretary of State of the State of Delaware pursuant to the DGCL, and (iv) such consents, waivers, approvals, orders, authorizations, registrations, declarations and filings as may be required under applicable federal and state securities laws, neither the Company nor any of its Subsidiaries was, is, or will be required to make any filing with or give any notice to, or to obtain any Consent from, any Person in connection with (x) the execution, delivery or performance of this Agreement or (y) the consummation of the Contemplated Transactions.

(c) The Company Board has taken and will take all actions necessary to ensure that the restrictions applicable to business combinations contained in Section 203 of the DGCL are, and will be, inapplicable to the execution, delivery and performance of this Agreement and the Company Stockholder Support Agreements and to the consummation of the Contemplated Transactions. No other state takeover statute or similar Law applies or purports to apply to the Merger, this Agreement, the Company Stockholder Support Agreements or any of the Contemplated Transactions.

3.6 Capitalization.

(a) The authorized Company Capital Stock as of the date of this Agreement consists of (i) 140,200,938 shares of Company Common Stock, par value $0.0001 per share, of which 17,544,535 shares have been issued and are outstanding as of the date of this Agreement, (ii) 629,633 shares of Series A-1 preferred stock, par value $0.0001 per share (the "**Company Series A-1 Preferred Stock**"), of which 629,633 shares have been issued and are outstanding as of the date of this Agreement, (iii) 2,428,688 shares of Series A-2 preferred stock, par value $0.0001 per share (the "**Company Series A-2 Preferred Stock**"), of which 2,428,688 shares have been issued and are outstanding as of the date of this Agreement, (iv) 37,104,185 shares of Series A preferred stock, par value $0.0001 per share (the "**Company Series A Preferred Stock**"), of which 37,104,185 shares have been issued and are outstanding as of the date of this Agreement, and (v) 59,200,938 shares of Series B preferred stock, par value $0.0001 per share (the "**Company Series B Preferred Stock,**" and together with the Company Series A-1 Preferred Stock, the Company Series A-2 Preferred Stock, and the Company Series A Preferred Stock, the "**Company Preferred Stock**"), of which 57,004,415 shares have been issued and are outstanding as of the date of this Agreement. The Company does not hold any shares of its capital stock in its treasury.

(b) Except as set forth in Section 3.6(b) of the Company Disclosure Schedule, all of the outstanding shares of Company Common Stock and Company Preferred Stock and all outstanding securities of the Subsidiaries as set out in Section 3.6(b) of the Company Disclosure Schedule have been duly authorized and validly issued, and are fully paid and nonassessable and are free of any Encumbrances. Except as set forth in

Section 3.6(b) of the Company Disclosure Schedule, none of the outstanding shares of Company Common Stock or Company Preferred Stock is entitled or subject to any preemptive right, right of participation, right of maintenance or any similar right and none of the outstanding shares of Company Common Stock or Company Preferred Stock is subject to any right of first refusal in favor of the Company. Except as contemplated herein and as set forth in Section 3.6(b) of the Company Disclosure Schedule, there is no Company Contract relating to the voting or registration of, or restricting any Person from purchasing, selling, pledging or otherwise disposing of (or granting any option or similar right with respect to), any shares of Company Common Stock or Company Preferred Stock. The Company is not under any obligation, nor is it bound by any Contract pursuant to which it may become obligated, to repurchase, redeem or otherwise acquire any outstanding shares of Company Common Stock or other securities. Section 3.6(b) of the Company Disclosure Schedule accurately and completely lists all repurchase rights held by the Company with respect to shares of Company Common Stock (including shares issued pursuant to the exercise of stock options) and specifies which of those repurchase rights are currently exercisable. Each share of Company Preferred Stock is convertible into one share of Company Common Stock.

(c) Except for the Company's 2015 Stock Incentive Plan (as amended, modified or restated from time to time, the "**2015 Company Plan**") and the Company's Share Option Plan (2014) (as amended, modified or restated from time to time, the "**2014 Company Plan**"), the Company does not have any stock option plan or any other plan, program, agreement or arrangement providing for any equity-based compensation for any Person. As of the date of this Agreement, the Company has reserved 21,594,044 shares of Company Common Stock for issuance under the 2015 Company Plan, of which 2,858,945 shares have been issued upon exercise of Company Options granted under the 2015 Company Plan and are currently outstanding, 13,522,439 shares have been reserved for issuance upon exercise of Company Options granted under the 2015 Company Plan that are currently outstanding, and 5,212,660 shares of Company Common Stock remain available for future issuance pursuant to the 2015 Company Plan. As of the date of this Agreement, the Company has reserved 1,397,554 shares of Company Common Stock for issuance under the 2014 Company Plan, of which 19,725 shares have been issued upon exercise of Company Options granted under the 2014 Company Plan and are currently outstanding, 1,376,596 shares have been reserved for issuance upon exercise of Company Options granted under the 2014 Company Plan that are currently outstanding, 1,233 shares have been forfeited and are no longer currently outstanding and no shares of Company Common Stock remain available for future issuance pursuant to the 2014 Company Plan. Section 3.6(c) of the Company Disclosure Schedule sets forth the following information with respect to each Company Option outstanding as of the date of this Agreement: (i) the name of the optionee, (ii) the number of shares of Company Common Stock subject to such Company Option at the time of grant, (iii) the number of shares of Company Common Stock subject to such Company Option as of the date of this Agreement, (iv) the exercise price of such Company Option, (v) the date on which such Company Option was granted, (vi) the applicable vesting schedule, including any acceleration provisions, (vii) the date on which such Company Option expires, (viii) whether such Company Option is intended to be an "incentive stock option" (as defined in the Code) or a non-qualified stock option and (ix) whether such Company Option is an Extended Company Option. The Company has made available to Oasis an accurate and complete copy of the Company Plans and forms of all stock option agreements approved for use thereunder. No vesting of Company Options will accelerate in connection with the closing of the Contemplated Transactions. Company Warrants to purchase 1,909,646 shares of the Company Series B Preferred Stock are issued and outstanding as of the date of this Agreement.

(d) Except for the conversion provisions for the Company Preferred Stock, the outstanding Company Options set forth on Section 3.6(c) of the Company Disclosure Schedule, the Company Warrants, the rights pursuant to the Funding Agreement or as set forth on Section 3.6(d) of the Company Disclosure Schedule, there is no: (i) outstanding subscription, option, call, warrant or right (whether or not currently exercisable) to acquire any shares of the capital stock or other securities of the Company or any of its Subsidiaries, (ii) outstanding security, instrument or obligation that is or may become convertible into or exchangeable for any shares of the capital stock or other securities of the Company or any of its Subsidiaries, (iii) stockholder rights plan (or similar plan commonly referred to as a "poison pill") or Contract under which the Company or any of its Subsidiaries is or may become obligated to sell or otherwise issue any shares of its capital stock or any other

securities or (iv) condition or circumstance that could be reasonably likely to give rise to or provide a basis for the assertion of a claim by any Person to the effect that such Person is entitled to acquire or receive any shares of capital stock or other securities of the Company or any of its Subsidiaries. There are no outstanding or authorized stock appreciation, phantom stock, profit participation or other similar rights with respect to the Company or any of its Subsidiaries.

(e) All outstanding shares of Company Common Stock, Company Preferred Stock, Company Options and Company Warrants and other securities of the Company have been issued and granted in material compliance with (i) all applicable securities laws and other applicable Law and (ii) all requirements set forth in applicable Contracts.

(f) With respect to Company Options granted pursuant to the Company Plans, (i) each grant of a Company Option was duly authorized no later than the date on which the grant of such Company Option was by its terms to be effective (the "**Company Grant Date**") by all necessary corporate action, including, as applicable, approval by the Company Board (or a duly constituted and authorized committee thereof) and any required stockholder approval by the necessary number of votes or written consents, and the award agreement governing such grant (if any) was duly executed and delivered by each party thereto, (ii), each Company Option grant was made in accordance with the terms of the Company Plan pursuant to which it was granted and, to the Knowledge of the Company all other applicable Law and regulatory rules or requirements and (iii) the per share exercise price of each Company Option was not less than the fair market value of a share of Company Common Stock on the applicable Company Grant Date.

3.7 Financial Statements.

(a) Section 3.7(a) of the Company Disclosure Schedule includes true and complete copies of (i) the Company's audited consolidated balance sheets at December 31, 2017 and December 31, 2018, (ii) the Company's unaudited consolidated balance sheet at December 31, 2019, (iii) the Company's unaudited consolidated balance sheet at March 31, 2020 (the "**Company Unaudited Interim Balance Sheet**"), (iv) the Company's audited consolidated statements of income, cash flow and stockholders' equity for the years ended December 31, 2017 and December 31, 2018, (v) the Company's unaudited consolidated statements of income, cash flow and stockholders' equity for the year ended December 31, 2019 and (vi) the Company's unaudited statements of income, cash flow and stockholders' equity for the three months ended March 31, 2020 (collectively, the "**Company Financials**"). The Company Financials (A) were prepared in accordance with United States generally accepted accounting principles ("**GAAP**") (except as may be indicated in the footnotes to such Company Financials and that unaudited financial statements may not have notes thereto and other presentation items that may be required by GAAP and are subject to normal and recurring year-end adjustments that are not reasonably expected to be material in amount) applied on a consistent basis unless otherwise noted therein throughout the periods indicated and (B) fairly present, in all material respects, the financial position and operating results of the Company and its consolidated Subsidiaries as of the dates and for the periods indicated therein.

(b) Each of the Company and its Subsidiaries maintains a system of internal accounting controls designed to provide reasonable assurance that: (i) transactions are executed in accordance with management's general or specific authorizations, (ii) transactions are recorded as necessary to permit preparation of the financial statements of the Company and its Subsidiaries in conformity with GAAP and to maintain accountability of the Company's and its Subsidiaries' assets, (iii) access to the Company's and its Subsidiaries' assets is permitted only in accordance with management's general or specific authorization and (iv) the recorded accountability for the Company's and its Subsidiaries' assets is compared with the existing assets at regular intervals and appropriate action is taken with respect to any differences. The Company and each of its Subsidiaries maintains internal controls consistent with the practices of similarly situated private companies over financial reporting that provides reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with GAAP.

(c) Section 3.7(c) of the Company Disclosure Schedule lists, and the Company has delivered to Oasis accurate and complete copies of the documentation creating or governing, all securitization transactions and "off-balance sheet arrangements" (as defined in Item 303(c) of Regulation S-K under the Exchange Act) effected by the Company or any of its Subsidiaries since January 1, 2017.

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

3.8 Absence of Changes. Except as set forth on Section 3.8 of the Company Disclosure Schedule, between the date of the Company Unaudited Interim Balance Sheet and the date of this Agreement, the Company has conducted its business only in the Ordinary Course of Business (except for the execution and performance of this Agreement and the discussions, negotiations and transactions related thereto) and there has not been any (a) Company Material Adverse Effect or (b) action, event or occurrence that would have required consent of Oasis pursuant to Section 5.2(b) of this Agreement had such action, event or occurrence taken place after the execution and delivery of this Agreement.

3.9 Absence of Undisclosed Liabilities. Neither the Company nor any of its Subsidiaries has any liability, indebtedness, obligation, expense, claim, deficiency, guaranty or endorsement of any kind, whether accrued, absolute, contingent, matured, unmatured or otherwise (each a "**Liability**"), in each case, of a type required to be reflected or reserved for on a balance sheet prepared in accordance with GAAP, except for: (a) Liabilities disclosed, reflected or reserved against in the Company Unaudited Interim Balance Sheet, (b) normal and recurring current Liabilities that have been incurred by the Company or its Subsidiaries since the date of the Company Unaudited Interim Balance Sheet in the Ordinary Course of Business (none of which relates to any breach of contract, breach of warranty, tort, infringement, or violation of Law), (c) Liabilities for performance of obligations of the Company or any of its Subsidiaries under Company Contracts, (d) Liabilities incurred in connection with the Contemplated Transactions, and (e) Liabilities listed in Section 3.9 of the Company Disclosure Schedule.

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

3.11 Real Property; Leasehold. Neither the Company nor any of its Subsidiaries owns or has ever owned any real property. The Company has made available to Oasis (a) an accurate and complete list of all real properties with respect to which the Company directly or indirectly holds a valid leasehold interest as well as any other real estate that is in the possession of or leased by the Company or any of its Subsidiaries and (b) copies of all leases under which any such real property is possessed (the "**Company Real Estate Leases**"), each of which is in full force and effect, with no existing material default thereunder.

3.12 Intellectual Property.

(a) Section 3.12(a) of the Company Disclosure Schedule is an accurate, true and complete listing of all Company Registered IP.

(b) Section 3.12(b) of the Company Disclosure Schedule accurately identifies (i) all material Company Contracts pursuant to which Company IP Rights are licensed to the Company or any of its Subsidiaries (other than (A) any non-customized software that (1) is so licensed solely in executable or object code form pursuant to a non-exclusive software license and other Intellectual Property associated with such software and (2) is not incorporated into, or material to the development, manufacturing, or distribution of, any of the Company's or any of its Subsidiaries' products or services, (B) any Intellectual Property licensed on a non-exclusive basis ancillary to the purchase or use of equipment, reagents or other materials, (C) any confidential information provided under confidentiality agreements, (D) agreements between Company or its Subsidiaries and its respective employees or contractors in substantially the Company's or its Subsidiaries' standard form thereof and (E) material transfer agreements, clinical trial agreements, or services agreements) and (ii) whether the license or licenses granted to the Company or any of its Subsidiaries are exclusive or non-exclusive.

(c) Section 3.12(c) of the Company Disclosure Schedule accurately identifies each Company Contract pursuant to which any Person has been granted any license or covenant not to sue under, or otherwise has received or acquired any right (whether or not currently exercisable) or interest in, any Company Owned IP Rights (other than (i) any confidential information provided under confidentiality agreements, (ii) material transfer agreements, (iii) agreements between Company or its Subsidiaries and its respective employees or contractors in substantially the Company's or its Subsidiaries' standard form thereof and (iv) any Company Owned IP Rights non-exclusively licensed to academic collaborators, suppliers or service providers for the sole purpose of enabling such academic collaborator, supplier or service providers to provide services for the Company's benefit).

(d) Neither the Company nor any of its Subsidiaries is bound by, and no Company Owned IP Rights are subject to, any Contract containing any covenant or other provision that limits or restricts the ability of the Company or any of its Subsidiaries to use, exploit, assert, or enforce any Company Owned IP Rights anywhere in the world.

(e) The Company or one of its Subsidiaries exclusively owns all right, title, and interest to and in Company Owned IP Rights (other than co-owned rights each as identified in Section 3.12(a) of the Company Disclosure Schedule), in each case, free and clear of any Encumbrances (other than Permitted Encumbrances). Without limiting the generality of the foregoing:

(i) All documents and instruments necessary to register or apply for or renew registration of Company Registered IP have been validly executed, delivered, and filed in a timely manner with the appropriate Governmental Authority.

(ii) Each Person who is or was an employee or contractor of the Company or any of its Subsidiaries and who is or was involved in the creation or development of any Company Owned IP Rights has signed a valid, enforceable agreement containing a present assignment of such Intellectual Property to the Company or such Subsidiary and confidentiality provisions protecting trade secrets and confidential information of the Company and its Subsidiaries.

(iii) To the Knowledge of the Company, no current or former stockholder, officer, director, or employee of the Company or any of its Subsidiaries has any claim, right (whether or not currently exercisable), or interest to or in any Company Owned IP Rights. To the Knowledge of the Company, no employee of the Company or any or any of its Subsidiaries is (a) bound by or otherwise subject to any Contract restricting him or her from performing his or her duties for the

Company or such Subsidiary or (b) in breach of any Contract with any former employer or other Person concerning Company Owned IP Rights or confidentiality provisions protecting trade secrets and confidential information comprising Company Owned IP Rights.

(iv) No funding, facilities, or personnel of any Governmental Authority were used, directly or indirectly, to develop or create, in whole or in part, any Company Owned IP Rights.

(v) The Company and each of its Subsidiaries has taken reasonable steps to maintain the confidentiality of and otherwise protect and enforce its rights in all proprietary information that the Company or such Subsidiary holds, or purports to hold, as confidential or a trade secret.

(vi) Neither the Company nor any of its Subsidiaries has assigned or otherwise transferred ownership of, or agreed to assign or otherwise transfer ownership of, any material Company IP Rights to any other Person.

(vii) To the Knowledge of the Company, the Company IP Rights constitute all Intellectual Property necessary for the Company and its Subsidiaries to conduct its business as currently conducted; provided, however, that the foregoing representation is not a representation with respect to non-infringement of Intellectual Property.

(f) The Company has delivered or made available to Oasis, a complete and accurate copy of all Company IP Rights Agreements. With respect to each of the Company IP Rights Agreements: (i) each such agreement is valid and binding on the Company or its Subsidiaries, as applicable, and in full force and effect, (ii) the Company has not received any written notice of termination or cancellation under such agreement, or received any written notice of breach or default under such agreement, which breach has not been cured or waived and (iii) neither the Company nor its Subsidiaries, and to the Knowledge of the Company, no other party to any such agreement, is in breach or default thereof in any material respect.

(g) The manufacture, marketing, sale, offering for sale, importation, use or intended use or other disposal of any product as currently sold or under development by the Company or any of its Subsidiaries does not violate any license or agreement between the Company or its Subsidiaries and any third party in any material respect, and, to the Knowledge of the Company, does not infringe or misappropriate any valid and issued Patent right or other Intellectual Property of any other Person, other than any Company IP Rights licensed to the Company by any other Person, which infringement or misappropriation would reasonably be expected to have a Company Material Adverse Effect. To the Knowledge of the Company, no third party is infringing upon any Patents within the Company Owned IP Rights, or otherwise violating any Company IP Rights Agreements in any material respect.

(h) As of the date of this Agreement, Company is not a party to any Legal Proceeding (including, but not limited to, opposition, interference or other proceeding in any patent or other government office) contesting the validity, enforceability, claim construction, ownership or right to use, sell, offer for sale, license or dispose of any Company IP Rights. Neither the Company nor any of its Subsidiaries has received any written notice asserting that any Company IP Rights or the proposed use, sale, offer for sale, license or disposition of products, methods, or processes claimed or covered thereunder infringes or misappropriates or violates the rights of any other Person or that the Company or any of its Subsidiaries have otherwise infringed, misappropriated or otherwise violated any Intellectual Property of any Person. None of the Company Owned IP Rights is subject to any outstanding order of, judgment of, decree of or agreement with any Governmental Authority that limits the ability of the Company to exploit any Company Owned IP Rights.

(i) Each item of Company Registered IP is and at all times has been filed and maintained in material compliance with all applicable Law and all filings, payments, and other actions required to be made or taken to maintain such item of Company Registered IP in full force and effect have been made by the applicable deadline. To the Knowledge of the Company, all Company Registered IP that is issued or granted is valid and enforceable.

(j) To the Knowledge of the Company, no trademark (whether registered or unregistered) or trade name owned, used, or applied for by the Company or any of its Subsidiaries infringes any trademark (whether registered or unregistered) or trade name owned, used, or applied for by any other Person.

(k) Except as set forth in Sections 3.12(b) or 3.12(c) of the Company Disclosure Schedule or as contained in license, distribution and service agreements entered into in the Ordinary Course of Business by the Company (i) neither the Company nor any of its Subsidiaries is bound by any Contract to indemnify, defend, hold harmless, or reimburse any other Person with respect to any Intellectual Property infringement, misappropriation, or similar claim which is material to the Company and its Subsidiaries, taken as a whole and (ii) neither the Company nor any of its Subsidiaries has ever assumed, or agreed to discharge or otherwise take responsibility for, any existing or potential liability of another Person for infringement, misappropriation, or violation of any Intellectual Property right, which assumption, agreement or responsibility remains in force as of the date of this Agreement.

(l) Neither the Company nor any of its Subsidiaries is party to any Contract that, as a result of such execution, delivery and performance of this Agreement, will cause the grant of any license or other right to any Company IP Rights, result in breach of, default under or termination of such Contract with respect to any Company IP Rights, or impair the right of the Company or the Surviving Corporation and its Subsidiaries to use, sell or license or enforce any Company IP Rights or portion thereof, except for the occurrence of any such grant or impairment that would not individually or in the aggregate, reasonably be expected to result in a Company Material Adverse Effect.

3.13 Agreements, Contracts and Commitments.

(a) Section 3.13(a) of the Company Disclosure Schedule lists the following Company Contracts in effect as of the date of this Agreement (each, a "**Company Material Contract**" and collectively, the "**Company Material Contracts**"):

(i) each Company Contract relating to any material bonus, deferred compensation, severance, incentive compensation, pension, profit-sharing or retirement plans, or any other employee benefit plans or arrangements;

(ii) each Company Contract requiring payments by the Company after the date of this Agreement in excess of $100,000 pursuant to its express terms relating to the employment of, or the performance of employment-related services by, any Person, including any employee, consultant or independent contractor, or Entity providing employment related, consulting or independent contractor services, not terminable by the Company or its Subsidiaries on ninety (90) calendar days' or less notice without liability, except to the extent general principles of wrongful termination Law may limit the Company's, its Subsidiaries' or such successor's ability to terminate employees at will;

(iii) each Company Contract relating to any agreement or plan, including any stock option plan, stock appreciation right plan or stock purchase plan, any of the benefits of which will be increased, or the vesting of benefits of which will be accelerated, by the occurrence of any of the Contemplated Transactions (either alone or in conjunction with any other event, such as termination of employment), or the value of any of the benefits of which will be calculated on the basis of any of the Contemplated Transactions;

(iv) each Company Contract relating to any agreement of indemnification or guaranty not entered into in the Ordinary Course of Business;

(v) each Company Contract containing (A) any covenant limiting the freedom of the Company, its Subsidiaries or the Surviving Corporation to engage in any line of business or compete with any Person, or limiting the development, manufacture or distribution of the

Company's products or services, (B) any most-favored pricing arrangement, (C) any exclusivity provision or (D) any non-solicitation provision with respect to employees of other Persons, in each case, except for restrictions that would not materially affect the ability of the Company to conduct its business;

(vi) each Company Contract relating to capital expenditures and requiring payments after the date of this Agreement in excess of $100,000 pursuant to its express terms and not cancelable without penalty;

(vii) each Company Contract relating to the disposition or acquisition of material assets or any ownership interest in any Entity, in each case, involving payments in excess of $100,000 after the date of this Agreement;

(viii) each Company Contract relating to any mortgages, indentures, loans, notes or credit agreements, security agreements or other agreements or instruments relating to the borrowing of money or extension of credit or creating any material Encumbrances in each case in excess of $100,000 with respect to any assets of the Company or any of its Subsidiaries or any loans or debt obligations with officers or directors of the Company;

(ix) each Company Contract requiring payment by or to the Company after the date of this Agreement in excess of $250,000 pursuant to its express terms relating to: (A) any distribution agreement (identifying any that contain exclusivity provisions), (B) any agreement involving provision of services or products with respect to any pre-clinical or clinical development activities of the Company, (C) any dealer, distributor, joint marketing, alliance, joint venture, cooperation, development or other agreement currently in force under which the Company has continuing obligations to develop or market any product, technology or service, or any agreement pursuant to which the Company has continuing obligations to develop any Intellectual Property that will not be owned, in whole or in part, by the Company or (D) any Contract to license any patent, trademark registration, service mark registration, trade name or copyright registration to or from any third party to manufacture or produce any product, service or technology of the Company or any Contract to sell, distribute or commercialize any products or service of the Company, in each case, except for Company Contracts entered into in the Ordinary Course of Business;

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

(xi) each Company Real Estate Lease;

(xii) each Company Contract to which the Company is a party or by which any of its assets and properties is currently bound, which involves annual obligations of payment by, or annual payments to, the Company in excess of $250,000 after the date of this Agreement; or

(xiii) any other Company Contract that is not terminable at will (with no penalty or payment) by the Company or its Subsidiaries, as applicable, and (A) which involves payment or receipt by the Company or its Subsidiaries after the date of this Agreement under any such agreement, contract or commitment of more than $250,000 in the aggregate, or obligations after the date of this Agreement in excess of $250,000 in the aggregate or (B) that is material to the business or operations of the Company and its Subsidiaries, taken as a whole.

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

Company Material Contract, or would permit any other party to seek damages which would reasonably be expected to have a Company Material Adverse Effect. As to the Company and its Subsidiaries, as of the date of this Agreement, each Company Material Contract is valid, binding, enforceable and in full force and effect, subject to the Enforceability Exceptions. No Person is renegotiating, or has a right pursuant to the terms of any Company Material Contract to change, any material amount paid or payable to the Company under any Company Material Contract or any other material term or provision of any Company Material Contract.

3.14 Compliance; Permits; Restrictions.

(a) The Company and each of its Subsidiaries are, and since January 1, 2017 have been, in material compliance with all applicable Laws. No investigation, claim, suit, proceeding, audit, Order, or other action by any Governmental Authority is pending or, to the Knowledge of the Company, threatened against the Company or any of its Subsidiaries. There is no agreement or Order binding upon the Company or any of its Subsidiaries which (i) has or would reasonably be expected to have the effect of prohibiting or materially impairing any business practice of the Company or any of its Subsidiaries, any acquisition of material property by the Company or any of its Subsidiaries or the conduct of business by the Company or any of its Subsidiaries as currently conducted, (ii) is reasonably likely to have an adverse effect on the Company's ability to comply with or perform any covenant or obligation under this Agreement or (iii) is reasonably likely to have the effect of preventing, delaying, making illegal or otherwise interfering with the Contemplated Transactions.

(b) The Company and its Subsidiaries hold all required Governmental Authorizations which are material to the operation of the business of the Company and its Subsidiaries as currently conducted (the "**Company Permits**"). Section 3.14(b) of the Company Disclosure Schedule identifies each Company Permit. Each of the Company and its Subsidiaries is in material compliance with the terms of the Company Permits. No Legal Proceeding is pending or, to the Knowledge of the Company, threatened, which seeks to revoke, substantially limit, suspend, or materially modify any Company Permit. The rights and benefits of each Company Permit will be available to the Surviving Corporation or its Subsidiaries, as applicable, immediately after the Effective Time on terms substantially identical to those enjoyed by the Company and its Subsidiaries as of the date of this Agreement and immediately prior to the Effective Time.

(c) There are no Legal Proceedings pending or, to the Knowledge of the Company, threatened with respect to an alleged material violation by the Company or any of its Subsidiaries of the Federal Food, Drug, and Cosmetic Act ("**FDCA**"), the Public Health Service Act, Food and Drug Administration ("**FDA**") regulations adopted thereunder, the Controlled Substances Act or any other similar Law promulgated by the FDA or other comparable Governmental Authority responsible for regulation of the development, testing, manufacturing, processing, storage, labeling, sale, marketing, advertising, distribution and importation or exportation of drug products ("**Drug Regulatory Agency**").

(d) The Company and each of its Subsidiaries holds all required Governmental Authorizations issuable by any Drug Regulatory Agency necessary for the conduct of the business of the Company or such Subsidiary as currently conducted, and the development, testing, manufacturing, processing, storage, labeling, sale, marketing, advertising, distribution and importation or exportation, as currently conducted, of any of its products or product candidates (the "**Company Product Candidates**") (collectively, the "**Company Regulatory Permits**") and no such Company Regulatory Permit has been (i) revoked, withdrawn, suspended, cancelled or terminated or (ii) modified in any adverse manner, other than immaterial adverse modifications. The Company and each of its Subsidiaries have timely maintained and are in compliance in all material respects with the Company Regulatory Permits and have not, since January 1, 2017, received any written notice or other written communication from any Drug Regulatory Agency regarding (A) any material violation of or failure to comply materially with any term or requirement of any Company Regulatory Permit or (B) any revocation, withdrawal, suspension, cancellation, termination or material modification of any Company Regulatory Permit. The Company has made available to Oasis all information requested by Oasis in the Company's or its Subsidiaries' possession or control relating to the Company Product Candidates and the development, testing, manufacturing,

processing, storage, labeling, sale, marketing, advertising, distribution and importation or exportation of the Company Product Candidates, including but not limited to complete copies of the following (to the extent there are any): (x) adverse event reports; pre-clinical, clinical and other study reports and material study data; inspection reports, notices of adverse findings, untitled letters, warning letters, filings and letters and other written correspondence to and from any Drug Regulatory Agency; and meeting minutes with any Drug Regulatory Agency and (y) similar reports, material study data, notices, letters, filings, correspondence and meeting minutes with any other Governmental Authority. All such information is accurate and complete in all material respects.

(e) All clinical, pre-clinical and other studies and tests conducted by or on behalf of, or sponsored by, the Company or its Subsidiaries, or in which the Company or its Subsidiaries or their respective current products or product candidates, including the Company Product Candidates, have participated, were and, if still pending, are being conducted in all material respects in accordance with standard medical and scientific research procedures and in compliance in all material respects with the applicable regulations of the Drug Regulatory Agencies and other applicable Law, including 21 C.F.R. Parts 50, 54, 56, 58 and 312. Neither the Company nor any of its Subsidiaries has received any written notices, correspondence, or other communications from any Institutional Review Board or Drug Regulatory Agency requiring, or to the Knowledge of the Company threatening to initiate, any action to place a clinical hold order on, or otherwise terminate, delay, or suspend any clinical studies conducted by or on behalf of, or sponsored by, the Company or any of its Subsidiaries or in which the Company or any of its Subsidiaries or their respective current products or product candidates, including the Company Product Candidates, have participated. Further, no clinical investigator, researcher, or clinical staff participating in any clinical study conducted by or, to the Knowledge of the Company, on behalf of the Company or its Subsidiaries has been disqualified from participating in studies involving the Company Product Candidates, and to the Knowledge of the Company, no such administrative action to disqualify such clinical investigators, researchers or clinical staff has been threatened or is pending.

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

(g) All manufacturing operations conducted by, or to the Knowledge of the Company, for the benefit of, the Company or its Subsidiaries in connection with any Company Product Candidate, since January 1, 2017, have been and are being conducted in compliance in all material respects with applicable Laws, including the FDA's standards for current good manufacturing practices, including applicable requirements contained in 21 C.F.R. Parts 210, 211, 600-680, and 1271, and the respective counterparts thereof promulgated by Governmental Authorities in countries outside the United States.

(h) No laboratory or manufacturing site owned by the Company or its Subsidiaries, and to the Knowledge of the Company, no manufacturing site of a contract manufacturer or laboratory, with respect to any

Company Product Candidate, (i) is subject to a Drug Regulatory Agency shutdown or import or export prohibition or (ii) has received any Form FDA 483, notice of violation, warning letter, untitled letter, or similar correspondence or notice from the FDA or other Governmental Authority alleging or asserting noncompliance with any applicable Law, in each case, that have not been complied with or closed to the satisfaction of the relevant Governmental Authority, and, to the Knowledge of the Company, neither the FDA nor any other Governmental Authority is considering such action.

3.15 Legal Proceedings; Orders.

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

(b) There is no Order to which the Company or any of its Subsidiaries, or any of the material assets owned or used by the Company or any of its Subsidiaries, is subject. To the Knowledge of the Company, no officer or other Key Employee of the Company or any of its Subsidiaries is subject to any Order that prohibits such officer or employee from engaging in or continuing any conduct, activity or practice relating to the business of the Company or any of its Subsidiaries or to any material assets owned or used by the Company or any of its Subsidiaries.

3.16 Tax Matters.

(a) The Company and each of its Subsidiaries have timely filed all U.S. federal income Tax Returns and other material Tax Returns that they were required to file under applicable Law. All such Tax Returns were correct and complete in all material respects and have been prepared in material compliance with all applicable Law. Subject to exceptions as would not be material, no claim has ever been made by a Governmental Authority in a jurisdiction where the Company or any of its Subsidiaries does not file Tax Returns that the Company or any such Subsidiary is subject to taxation by that jurisdiction.

(b) All material Taxes due and owing by the Company and each of its Subsidiaries (whether or not shown on any Tax Return) have been paid. Since the date of the Company Unaudited Interim Balance Sheet, neither the Company nor any of its Subsidiaries has incurred any material Liability for Taxes outside the Ordinary Course of Business or otherwise inconsistent with past custom and practice.

(c) The Company and each of its Subsidiaries have withheld and paid all material Taxes required to have been withheld and paid in connection with any amounts paid or owing to any employee, independent contractor, creditor, stockholder, or other third party.

(d) There are no Encumbrances for material Taxes (other than Taxes not yet due and payable or for Taxes that are being contested in good faith, in each case, for which adequate reserves have been established in accordance with GAAP) upon any of the assets of the Company or any of its Subsidiaries.

(e) No deficiencies for material Taxes with respect to the Company or any of its Subsidiaries have been claimed, proposed or assessed by any Governmental Authority in writing. There are no pending (or, based on written notice, threatened) material audits, assessments or other actions for or relating to any liability in respect of Taxes of the Company or any of its Subsidiaries. Neither the Company nor any of its Subsidiaries (or any of their predecessors) has waived any statute of limitations in respect of material Taxes or agreed to any extension of time with respect to a material Tax assessment or deficiency.

(f) Neither the Company nor any of its Subsidiaries has been a United States real property holding corporation within the meaning of Section 897(c)(2) of the Code in the last five years.

(g) Neither the Company nor any of its Subsidiaries is a party to any material Tax allocation, Tax sharing or similar agreement (including indemnity arrangements), other than customary indemnification provisions in commercial contracts entered into in the Ordinary Course of Business with vendors, customers, lenders, or landlords.

(h) Neither the Company nor any of its Subsidiaries has ever been a member of an affiliated group filing a consolidated U.S. federal income Tax Return (other than a group the common parent of which is the Company). Neither the Company nor any of its Subsidiaries has any material Liability for the Taxes of any Person (other than the Company and any of its Subsidiaries) under Treasury Regulations Section 1.1502-6 (or any similar provision of state, local, or foreign law) or as a transferee or successor.

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

(j) Neither the Company nor any of its Subsidiaries has entered into any transaction identified as a "listed transaction" for purposes of Treasury Regulations Sections 1.6011-4(b)(2) or 301.6111-2(b)(2).

(k) Section 3.16(k) of the Company Disclosure Schedule sets forth the entity classification of the Company and each of its Subsidiaries for U.S. federal income tax purposes under Section 7701 of the Code.

(l) Neither the Company nor any of its Subsidiaries is aware of any facts, or has knowingly taken or agreed to take any action, in each case, that would reasonably be expected to prevent or impede the Merger from qualifying as a "reorganization" within the meaning of Section 368(a) of the Code.

3.17 Employee and Labor Matters; Benefit Plans.

(a) The employment of each of the Company's and any of its Subsidiaries' employees is terminable by the Company or the applicable Subsidiary at will. The Company has made available to Oasis accurate and complete copies of all employee manuals and handbooks, disclosure materials, policy statements and other materials relating to the employment of Company Associates to the extent currently effective and material.

(b) Neither the Company nor any of its Subsidiaries is a party to, bound by, or has a duty to bargain under, any collective bargaining agreement or other Contract with a labor organization representing any of its employees, and there are no labor organizations representing or, to the Knowledge of the Company, purporting to represent or seeking to represent any employees of the Company or its Subsidiaries.

(c) Section 3.17(c) of the Company Disclosure Schedule lists all material Company Employee Plans. True, complete and correct copies of the following documents, with respect to each material Company Employee Plan, where applicable, have previously been made available to Oasis: (i) all documents embodying or governing such Company Employee Plan (or for unwritten Company Employee Plans a written description of the material terms of such Company Employee Plan) and any funding medium for the Company Employee Plan; (ii) the most recent IRS determination or opinion letter; (iii) the most recently filed Form 5500; (iv) the most recent actuarial valuation report; (v) the most recent summary plan description (or other descriptions provided to employees) and all modifications thereto; and (vi) all non-routine correspondence to and from any governmental agency.

(d) Each Company Employee Plan that is intended to be qualified under Section 401(a) of the Code has received a favorable determination or opinion letter with respect to such qualified status from the IRS. To the Knowledge of the Company, nothing has occurred that would reasonably be expected to adversely affect the qualified status of any such Company Employee Plan or the exempt status of any related trust.

(e) Each Company Employee Plan has been established, maintained and operated in compliance, in all material respects, with its terms and all applicable Law, including without limitation, the Code, ERISA, and the Affordable Care Act. No Legal Proceeding (other than those relating to routine claims for benefits) is pending or, to the Knowledge of the Company, threatened with respect to any Company Employee Plan. All payments and/or contributions required to have been timely made with respect to all Company Employee Plans either have been made or have been accrued in accordance with the terms of the applicable Company Employee Plan and applicable Law.

(f) Neither the Company nor any of its ERISA Affiliates has maintained, contributed to, or been required to contribute to or had any liability or obligation (including on account of any ERISA Affiliate) with respect to (whether contingent or otherwise) (i) any employee benefit plan that is or was subject to Title IV or Section 302 of ERISA or Section 412 of the Code, (ii) a Multiemployer Plan, (iii) any funded welfare benefit plan within the meaning of Section 419 of the Code, (iv) any Multiple Employer Plan, or (v) any Multiple Employer Welfare Arrangement. Neither the Company nor any of its ERISA Affiliates has ever incurred any liability under Title IV of ERISA that has not been paid in full.

(g) Except as set forth in Section 3.17(g) of the Company Disclosure Schedule, no Company Employee Plan provides for medical or any other welfare benefits to any service provider beyond termination of service or retirement, other than (1) pursuant to COBRA or an analogous state law requirement or (2) continuation coverage through the end of the month in which such termination or retirement occurs. Neither the Company nor any of its Subsidiaries sponsors or maintains any self-funded medical or long-term disability employee benefit plan.

(h) Except as set forth in Section 3.17(h) of the Company Disclosure Schedule, no Company Employee Plan is subject to any Law of a foreign jurisdiction outside of the United States (a "**Foreign Company Employee Plan**").

(i) With respect to each Foreign Company Employee Plan, the fair market value of the assets of each funded Foreign Company Employee Plan (including the liability of any insurer to any such Foreign Company Employee Plan) is sufficient to procure or provide for the accrued benefit obligations, as of the date of this Agreement, with respect to all current and former participants in such Foreign Company Employee Plan according to the actuarial assumptions and valuations most recently used to determined employer contributions to such Foreign Company Employee Plan and none of the transactions contemplated by this Agreement will cause such assets or insurance obligations to be materially less than such benefit obligations. Each Foreign Company Employee Plan required or intended to be registered, qualified or approved under applicable law has in fact been registered, qualified or approved, as the case may be, under applicable law and has been maintained in good standing with applicable regulatory authorities in all material respects, and if intended to qualify for favorable tax treatment, there are no existing circumstances or events that have occurred that would reasonably be expected to affect adversely such favorable tax treatment with respect to such Foreign Company Employee Plan.

(j) No Company Options or other equity-based awards issued or granted by the Company are subject to the requirements of Section 409A of the Code. Each Company Employee Plan that constitutes in any part a "nonqualified deferred compensation plan" (as such term is defined under Section 409A(d)(1) of the Code and the guidance thereunder) (each, a "**Company 409A Plan**") has been operated and maintained in all material respects, in operational and documentary compliance, with the requirements of Section 409A of the Code and the applicable guidance thereunder. To the Company's Knowledge, no payment to be made under any Company 409A Plan is or, when made in accordance with the terms of the Company 409A Plan, will be subject to the penalties of Section 409A(a)(1) of the Code.

(k) To the Company's Knowledge, any transfer of property which was subject to a substantial risk of forfeiture and which would otherwise have been subject to taxation under Section 83(a) of the Code is covered by a valid and timely filed election under Section 83(b) of the Code, and a copy of such election has been provided to the Company.

(l) The Company and each of its Subsidiaries is in material compliance with all applicable federal, state and local laws, rules and regulations respecting employment, employment practices, terms and conditions of employment, worker (including, without limitation, employee and independent contractor) classification, tax withholding, prohibited discrimination, equal employment, fair employment practices, meal and rest periods, immigration status, employee safety and health, wages (including overtime wages), compensation, and hours of work, and in each case, with respect to the employees of the Company and its Subsidiaries: (i) has withheld and reported all material amounts required by law or by agreement to be withheld and reported with respect to wages, salaries and other payments to employees, (ii) is not liable for any material arrears of wages, severance pay or any Taxes or any penalty for failure to comply with any of the foregoing and (iii) is not liable for any material payment to any trust or other fund governed by or maintained by or on behalf of any Governmental Authority, with respect to unemployment compensation benefits, social security or other benefits or obligations for employees (other than routine payments to be made in the Ordinary Course of Business). There are no actions, suits, claims or administrative matters pending or, to the Knowledge of the Company or any of its Subsidiaries, threatened or reasonably anticipated against the Company or any of its Subsidiaries relating to any employee, employment agreement or Company Employee Plan (other than routine claims for benefits). To the Knowledge of the Company or any of its Subsidiaries, there are no pending or threatened or reasonably anticipated claims or actions against the Company, any of its Subsidiaries, any Company trustee or any trustee of any Subsidiary under any workers' compensation policy or long-term disability policy. Neither the Company nor any Subsidiary thereof is a party to a conciliation agreement, consent decree or other agreement or Order with any federal, state, or local agency or Governmental Authority with respect to employment practices.

(m) Neither the Company nor any of its Subsidiaries has any material liability with respect to any misclassification currently or within the past three years of: (i) any Person as an independent contractor rather than as an employee, (ii) any employee leased from another employer or (iii) any employee currently or formerly classified as exempt from overtime wages. Neither the Company nor any of its Subsidiaries has taken any action which would constitute a "plant closing" or "mass layoff" within the meaning of the WARN Act or similar state or local law, issued any notification of a plant closing or mass layoff required by the WARN Act or similar state or local law, or incurred any liability or obligation under WARN or any similar state or local law that remains unsatisfied.

(n) There has never been, nor has there been any threat of, any strike, slowdown, work stoppage, lockout, job action, union, organizing activity, question concerning representation or any similar activity or dispute, affecting the Company or any of its Subsidiaries. No event has occurred within the past six months, and no condition or circumstance exists, that might directly or indirectly be likely to give rise to or provide a basis for the commencement of any such strike, slowdown, work stoppage, lockout, job action, union organizing activity, question concerning representation or any similar activity or dispute.

(o) Neither the Company nor any of its Subsidiaries is, nor has the Company or any of its Subsidiaries been, engaged in any unfair labor practice within the meaning of the National Labor Relations Act. There is no Legal Proceeding, claim, labor dispute or grievance pending or, to the Knowledge of the Company or any of its Subsidiaries, threatened or reasonably anticipated relating to any employment contract, privacy right, labor dispute, wages and hours, leave of absence, plant closing notification, workers' compensation policy, long-term disability policy, harassment, retaliation, immigration, employment statute or regulation, safety or discrimination matter involving any Company Associate, including charges of unfair labor practices or discrimination complaints.

(p) There is no contract, agreement, plan or arrangement to which the Company or any of its Subsidiaries is a party or by which it is bound to gross-up, indemnify, or otherwise reimburse any of its employees for excise taxes paid pursuant to Section 4999 or Section 409A of the Code.

(q) Except as set forth in Section 3.17(q) of the Company Disclosure Schedule, neither the Company nor any of its Subsidiaries is a party to any Contract that, as a result of the execution and delivery of

this Agreement, the shareholder approval of this Agreement, nor the consummation of the transactions contemplated hereby, could (either alone or in conjunction with any other event) reasonably be expected to (i) result in the payment of any "parachute payment" within the meaning of Section 280G of the Code, or (ii) result in, or cause the accelerated vesting, payment, funding or delivery of, or increase the amount or value of, any payment or benefit to any employee, officer, director or other service provider of the Company or any of its Subsidiaries.

3.18 Environmental Matters. Since January 1, 2017, the Company and each of its Subsidiaries has complied with all applicable Environmental Laws, which compliance includes the possession by the Company of all permits and other Governmental Authorizations required under applicable Environmental Laws and compliance with the terms and conditions thereof, except for any failure to be in compliance that, individually or in the aggregate, would not result in a Company Material Adverse Effect. Neither the Company nor any of its Subsidiaries has received since January 1, 2017, any written notice or other communication (in writing or otherwise), whether from a Governmental Authority, citizens group, employee or otherwise, that alleges that the Company or any of its Subsidiaries is not in compliance with any Environmental Law and, to the Knowledge of the Company, there are no circumstances that may prevent or interfere with the Company's or any of its Subsidiaries' compliance with any Environmental Law in the future, except where such failure to comply would not reasonably be expected to have a Company Material Adverse Effect. To the Knowledge of the Company: (i) no current or prior owner of any property leased or controlled by the Company or any of its Subsidiaries has received since January 1, 2017, any written notice or other communication relating to property owned or leased at any time by the Company or any of its Subsidiaries, whether from a Governmental Authority, citizens group, employee or otherwise, that alleges that such current or prior owner or the Company or any of its Subsidiaries is not in compliance with or violated any Environmental Law relating to such property and (ii) neither the Company nor any of its Subsidiaries has any material liability under any Environmental Law.

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

3.20 Transactions with Affiliates. Section 3.20 of the Company Disclosure Schedule describes any material transactions or relationships, since January 1, 2017, between, on one hand, the Company or any of its Subsidiaries and, on the other hand, any (a) executive officer or director of the Company or any of its Subsidiaries or, to the Knowledge of the Company, any of such executive officer's or director's immediate family members, (b) owner of more than five percent (5%) of the voting power of the outstanding Company Capital Stock or (c) to the Knowledge of the Company, any "related person" (within the meaning of Item 404 of Regulation S-K under the Securities Act) of any such officer, director or owner (other than the Company or its Subsidiaries) in the case of each of (a), (b) or (c) that is of the type that would be required to be disclosed under Item 404 of Regulation S-K under the Securities Act.

3.21 No Financial Advisors. Except as set forth on Section 3.21 of the Company Disclosure Schedule, no broker, finder or investment banker is entitled to any brokerage fee, finder's fee, opinion fee, success fee, transaction fee or other fee or commission in connection with the Contemplated Transactions based upon arrangements made by or on behalf of the Company or any of its Subsidiaries.

3.22 Privacy and Data Security. The Company has complied with all applicable Privacy Laws and the applicable terms of any Company Contracts relating to privacy, security, collection or use of Personal Information of any individuals (including clinical trial participants, patients, patient family members, caregivers or advocates, physicians and other health care professionals, clinical trial investigators, researchers, pharmacists) that interact with the Company in connection with the operation of the Company's business, except for such non-compliance as has not had, and would not reasonably be expected to have, individually or in the aggregate, a Company Material Adverse Effect. To the Knowledge of the Company, the Company has implemented and maintains reasonable written policies and procedures, satisfying the requirements of applicable Privacy Laws, concerning the privacy, security, collection and use of Personal Information (the "**Privacy Policies**") and has complied with the same, except for such non-compliance as has not to the Knowledge of the Company had, and would not reasonably be expected to have, individually or in the aggregate, a Company Material Adverse Effect. To the Knowledge of the Company, as of the date hereof, no claims have been asserted or threatened against the Company by any Person alleging a violation of Privacy Laws, Privacy Policies and/or the applicable terms of any Company Contracts relating to privacy, security, collection or use of Personal Information of any individuals. To the Knowledge of the Company, there have been no data security incidents, personal data breaches or other adverse events or incidents related to Personal Information or Company data in the custody or control of the Company or any service provider acting on behalf of the Company, in each case where such incident, breach or event would result in a notification obligation to any Person under applicable law or pursuant to the terms of any Company Contract.

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

3.24 CFIUS. The Company does not engage in the design, fabrication, development, testing, production or manufacture of critical technologies and is not a TID US Business within the meaning of the Defense Production Act of 1950, as amended, including all implementing regulations thereof.

3.25 No Other Representations or Warranties. The Company hereby acknowledges and agrees that, except for the representations and warranties contained in this Agreement, neither Oasis nor any other person on behalf of Oasis makes any express or implied representation or warranty with respect to Oasis or with respect to any other information provided to the Company, any of its Subsidiaries or stockholders or any of their respective Affiliates in connection with the Contemplated Transactions, and (subject to the express representations and warranties of Oasis set forth in Section 4 (in each case as qualified and limited by the Oasis Disclosure Schedule)) none of the Company, its Subsidiaries or any of their respective Representatives or stockholders, has relied on any such information (including the accuracy or completeness thereof).

Section 4. Representations and Warranties of Oasis and Merger Sub.

Subject to Section 10.1(h), except (i) as set forth in the written disclosure schedule delivered by Oasis to the Company (the "**Oasis Disclosure Schedule**") or (ii) as disclosed in the Oasis SEC Documents filed with the SEC prior to the date hereof and publicly available on the SEC's Electronic Data Gathering Analysis and Retrieval system (but (A) without giving effect to any amendment thereof filed with, or furnished to the SEC on or after the date hereof and (B) excluding any disclosures contained under the heading "Risk Factors" and any disclosure of risks included in any "forward-looking statements" disclaimer or in any other section to the extent they are forward-looking statements or cautionary, predictive or forward-looking in nature), it being understood that any matter disclosed in the Oasis SEC Documents (x) shall not be deemed disclosed for purposes of Sections 4.1(a), 4.1(b), 4.3, 4.4, 4.5, or 4.6 and (y) shall be deemed to be disclosed in a section of the Oasis Disclosure Schedule

only to the extent that it is readily apparent from a reading of such Oasis SEC Document that it is applicable to such section of the Oasis Disclosure Schedule, Oasis and Merger Sub represent and warrant to the Company as follows:

4.1 Due Organization; Subsidiaries.

(a) Each of Oasis and its Subsidiaries (including Merger Sub) is a corporation duly incorporated, validly existing and in good standing under the Laws of the jurisdiction of its incorporation or organization and has all necessary corporate power and authority: (i) to conduct its business in the manner in which its business is currently being conducted, (ii) to own or lease and use its property and assets in the manner in which its property and assets are currently owned or leased and used and (iii) to perform its obligations under all Contracts by which it is bound. Since the date of its incorporation, Merger Sub has not engaged in any activities other than in connection with or as contemplated by this Agreement. All of Oasis's Subsidiaries are wholly owned by Oasis.

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

(c) Except as set forth on Section 4.1(c) of the Oasis Disclosure Schedule, Oasis has no Subsidiaries other than Merger Sub and Oasis does not own any capital stock of, or any equity ownership or profit sharing interest of any nature in, or control directly or indirectly, any other Entity other than Merger Sub. Oasis is not and has not otherwise been, directly or indirectly, a party to, member of or participant in any partnership, joint venture or similar business entity. Oasis has not agreed and is not obligated to make, nor is Oasis bound by any Contract under which it may become obligated to make, any future investment in or capital contribution to any other Entity. Oasis has not, at any time, been a general partner of, and has not otherwise been liable for any of the debts or other obligations of, any general partnership, limited partnership or other Entity.

4.2 Organizational Documents**.** Oasis has delivered to the Company accurate and complete copies of Oasis's Organizational Documents. Oasis is not in breach or violation of its Organizational Documents in any material respect.

4.3 Authority; Binding Nature of Agreement. Each of Oasis and Merger Sub has all necessary corporate power and authority to enter into and to perform its obligations under this Agreement and to consummate the Contemplated Transactions. The Oasis Board (at meetings duly called and held) has: (a) determined that the Contemplated Transactions are fair to, advisable and in the best interests of Oasis and its stockholders, (b) approved and declared advisable this Agreement and the Contemplated Transactions, including the issuance of shares of Oasis Common Stock to the stockholders of the Company pursuant to the terms of this Agreement and (c) determined to recommend, upon the terms and subject to the conditions set forth in this Agreement, that the stockholders of Oasis vote to approve this Agreement and the Contemplated Transactions, including the issuance of shares of Oasis Common Stock to the stockholders of the Company, pursuant to the terms of this Agreement. The Merger Sub Board (by unanimous written consent) has: (x) determined that the Contemplated Transactions are fair to, advisable, and in the best interests of Merger Sub and its sole stockholder, (y) deemed advisable and approved this Agreement and the Contemplated Transactions and (z) determined to recommend, upon the terms and subject to the conditions set forth in this Agreement, that the stockholder of Merger Sub vote to adopt this Agreement and thereby approve the Contemplated Transactions. This Agreement has been duly executed and delivered by Oasis and Merger Sub and, assuming the due authorization, execution and delivery by the Company, constitutes the legal, valid and binding obligation of Oasis and Merger Sub, enforceable against each of Oasis and Merger Sub in accordance with its terms, subject to the Enforceability Exceptions.

4.4 Vote Required. The affirmative vote of a majority of (a) the votes cast at the Oasis Stockholder Meeting is the only vote of the holders of any class or series of Oasis's capital stock necessary to approve the

issuance of the shares of Oasis Common Stock to the stockholders of the Company pursuant to the terms of this Agreement, and (b) the shares of Oasis Common Stock entitled to vote thereon is the only vote of the holders of any class or series of Oasis's capital stock necessary to approve an amendment to Oasis's certificate of incorporation to effect the Oasis Reverse Stock Split (collectively, the "**Required Oasis Stockholder Vote**").

4.5 Non-Contravention; Consents.

(a) Subject to obtaining the Required Oasis Stockholder Vote and the filing of the Certificate of Merger required by the DGCL, neither (x) the execution, delivery or performance of this Agreement by Oasis or Merger Sub, nor (y) the consummation of the Contemplated Transactions, will directly or indirectly (with or without notice or lapse of time):

(i) contravene, conflict with or result in a violation of any of the provisions of the Organizational Documents of Oasis or its Subsidiaries;

(ii) contravene, conflict with or result in a material violation of, or give any Governmental Authority or other Person the right to challenge the Contemplated Transactions or to exercise any remedy or obtain any relief under, any Law or any Order to which Oasis or its Subsidiaries or any of the assets owned or used by Oasis or its Subsidiaries, is subject;

(iii) contravene, conflict with or result in a material violation of any of the terms or requirements of, or give any Governmental Authority the right to revoke, withdraw, suspend, cancel, terminate or modify, any Governmental Authorization that is held by Oasis or its Subsidiaries or that otherwise relates to the business of Oasis, or any of the assets owned, leased or used by Oasis;

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

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

(b) Except for (i) any Consent set forth on Section 4.5 of the Oasis Disclosure Schedule under any Oasis Contract, (ii) the Required Oasis Stockholder Vote, (iii) the filing of the Certificate of Merger with the Secretary of State of the State of Delaware pursuant to the DGCL and (iv) such consents, waivers, approvals, orders, authorizations, registrations, declarations and filings as may be required under applicable federal and state securities laws, neither Oasis nor any of its Subsidiaries was, is or will be required to make any filing with or give any notice to, or to obtain any Consent from, any Person in connection with (x) the execution, delivery or performance of this Agreement or (y) the consummation of the Contemplated Transactions.

(c) The Oasis Board and the Merger Sub Board have taken and will take all actions necessary to ensure that the restrictions applicable to business combinations contained in Section 203 of the DGCL are, and will be, inapplicable to the execution, delivery and performance of this Agreement and to the consummation of the Contemplated Transactions. No other state takeover statute or similar Law applies or purports to apply to the Merger, this Agreement or any of the other Contemplated Transactions.

4.6 Capitalization.

(a) The authorized capital stock of Oasis consists of (i) 150,000,000 shares of Oasis Common Stock, par value $0.0001 per share, of which 36,445,751 shares have been issued and are outstanding as of April 24,

2020 (the "Capitalization Date") and (ii) 10,000,000 shares of preferred stock, par value $0.0001 per share, of which no shares have been issued and are outstanding as of the Capitalization Date. Oasis does not hold any shares of its capital stock in its treasury.

(b) All of the outstanding shares of Oasis Common Stock have been duly authorized and validly issued, and are fully paid and nonassessable and are free of any Encumbrances. None of the outstanding shares of Oasis Common Stock is entitled or subject to any preemptive right, right of participation, right of maintenance or any similar right. None of the outstanding shares of Oasis Common Stock is subject to any right of first refusal in favor of Oasis. Except as contemplated herein, there is no Oasis Contract relating to the voting or registration of, or restricting any Person from purchasing, selling, pledging or otherwise disposing of (or granting any option or similar right with respect to), any shares of Oasis Common Stock. Oasis is not under any obligation, nor is Oasis bound by any Contract pursuant to which it may become obligated, to repurchase, redeem or otherwise acquire any outstanding shares of Oasis Common Stock or other securities. Section 4.6(b) of the Oasis Disclosure Schedule accurately and completely describes all repurchase rights held by Oasis with respect to shares of Oasis Common Stock (including shares issued pursuant to the exercise of stock options) and specifies which of those repurchase rights are currently exercisable.

(c) Except for the Oasis 2017 Stock Incentive Plan (the "**Oasis 2017 Plan**"), the Oasis 2018 Stock Option and Incentive Plan (the "**Oasis 2018 Plan**") and the Oasis 2018 Employee Stock Purchase Plan (the "Oasis ESPP"), and except as set forth on Section 4.6(c) of the Oasis Disclosure Schedule, Oasis does not have any stock option plan or any other plan, program, agreement or arrangement providing for any equity-based compensation for any Person. As of the date of this Agreement, Oasis has reserved 5,087,250 shares of Oasis Common Stock for issuance under the Oasis Stock Plans, of which 23,702 shares have been issued and are currently outstanding, 2,947,187 shares have been reserved for issuance upon exercise or settlement of Oasis Options and Oasis Restricted Stock Units, as applicable, granted under the Oasis Stock Plans, and 2,116,361 shares remain available for future issuance pursuant to the Oasis Stock Plans. As of the date of this Agreement, Oasis has reserved 920,030 shares of Oasis Common Stock for future issuance pursuant to the Oasis ESPP. Section 4.6(c) of the Oasis Disclosure Schedule sets forth the following information with respect to each Oasis Option and Oasis Restricted Stock Unit outstanding as of the date of this Agreement, as applicable: (i) the name of the holder, (ii) the number of shares of Oasis Common Stock subject to such Oasis Option and Oasis Restricted Stock Units at the time of grant, (iii) the number of shares of Oasis Common Stock subject to such Oasis Option and Oasis Restricted Stock Units as of the date of this Agreement, (iv) the exercise price of such Oasis Option, (v) the date on which such Oasis Option and Oasis Restricted Stock Units was granted, (vi) the applicable vesting schedule, including any acceleration provisions, (vii) the date on which such Oasis Option expires and (viii) whether such Oasis Option is intended to be an "incentive stock option" (as defined in the Code) or a non-qualified stock option. Oasis has made available to the Company accurate and complete copies of equity incentive plans pursuant to which Oasis has equity-based awards, the forms of all award agreements evidencing such equity-based awards and evidence of board and stockholder approval of the Oasis Stock Plans and any amendments thereto.

(d) Except for the outstanding Oasis Options and Oasis Restricted Stock Units, the rights pursuant to the Funding Agreement or as set forth on Section 4.6(d) of the Oasis Disclosure Schedule, there is no: (i) outstanding subscription, option, call, warrant or right (whether or not currently exercisable) to acquire any shares of the capital stock or other securities of Oasis, (ii) outstanding security, instrument or obligation that is or may become convertible into or exchangeable for any shares of the capital stock or other securities of Oasis, (iii) stockholder rights plan (or similar plan commonly referred to as a "poison pill") or Contract under which Oasis is or may become obligated to sell or otherwise issue any shares of its capital stock or any other securities or (iv) condition or circumstance that could be reasonably likely to give rise to or provide a basis for the assertion of a claim by any Person to the effect that such Person is entitled to acquire or receive any shares of capital stock or other securities of Oasis. There are no outstanding or authorized stock appreciation, phantom stock, profit participation or other similar rights with respect to Oasis.

(e) All outstanding shares of Oasis Common Stock, Oasis Options, Oasis Restricted Stock Units and other securities of Oasis have been issued and granted in material compliance with (i) all applicable securities laws and other applicable Law and (ii) all requirements set forth in applicable Contracts.

(f) With respect to Oasis Options and Oasis Restricted Stock Units granted pursuant to the Oasis Stock Plans, (i) each grant of an Oasis Option or Oasis Restricted Stock Unit was duly authorized no later than the date on which the grant of such Oasis Option and Oasis Restricted Stock Unit was by its terms to be effective (the "**Oasis Grant Date**") by all necessary corporate action, including, as applicable, approval by the Oasis Board (or a duly constituted and authorized committee thereof) and any required stockholder approval by the necessary number of votes or written consents, and the award agreement governing such grant (if any) was duly executed and delivered by each party thereto, (ii) each Oasis Option and Oasis Restricted Stock Unit grant was made in accordance with the terms of the Oasis Stock Plan pursuant to which it was granted and, to the Knowledge of Oasis, all other applicable Law and regulatory rules or requirements and (iii) the per share exercise price of each Oasis Option was not less than the fair market value of a share of Oasis Common Stock on the applicable Oasis Grant Date.

4.7 SEC Filings; Financial Statements.

(a) Oasis has filed or furnished, as applicable, on a timely basis all forms, statements, certifications, reports and documents required to be filed or furnished by it with the SEC under the Exchange Act or the Securities Act since January 1, 2018 (the "**Oasis SEC Documents**"). As of the time it was filed with the SEC (or, if amended or superseded by a filing prior to the date of this Agreement, then on the date of such filing), each of the Oasis SEC Documents complied in all material respects with the applicable requirements of the Securities Act or the Exchange Act (as the case may be) and as of the time they were filed, none of the Oasis SEC Documents contained any untrue statement of a material fact or omitted to state a material fact required to be stated therein or necessary in order to make the statements therein, in light of the circumstances under which they were made, not misleading. The certifications and statements required by (i) Rule 13a-14 under the Exchange Act and (ii) 18 U.S.C. §1350 (Section 906 of the Sarbanes-Oxley Act) relating to the Oasis SEC Documents (collectively, the "**Certifications**") are accurate and complete and comply as to form and content with all applicable Laws. As used in this Section 4.7, the term "file" and variations thereof shall be broadly construed to include any manner in which a document or information is furnished, supplied or otherwise made available to the SEC.

(b) The financial statements (including any related notes) contained or incorporated by reference in the Oasis SEC Documents: (i) complied as to form in all material respects with the Securities Act and the Exchange Act, as applicable, and the published rules and regulations of the SEC applicable thereto, (ii) were prepared in accordance with GAAP (except as may be indicated in the notes to such financial statements or, in the case of unaudited financial statements, as permitted by Form 10-Q of the SEC, and except that the unaudited financial statements may not contain footnotes and are subject to normal and recurring year-end adjustments that are not reasonably expected to be material in amount) applied on a consistent basis unless otherwise noted therein throughout the periods indicated and (iii) fairly present, in all material respects, the financial position of Oasis as of the respective dates thereof and the results of operations and cash flows of Oasis for the periods covered thereby. Other than as expressly disclosed in the Oasis SEC Documents filed prior to the date hereof, there has been no material change in Oasis's accounting methods or principles that would be required to be disclosed in Oasis's financial statements in accordance with GAAP. The books of account and other financial records of Oasis and each of its Subsidiaries are true and complete in all material respects.

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

(d) Except as set forth on Section 4.7(d) of the Oasis Disclosure Schedule, Oasis has not received any comment letter from the SEC or the staff thereof or any correspondence from Nasdaq or the staff thereof relating to the delisting or maintenance of listing of the Oasis Common Stock on Nasdaq. Oasis has not disclosed any unresolved comments in the Oasis SEC Documents.

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

(f) Except as set forth on Section 4.7(f) of the Oasis Disclosure Schedule, Oasis is in compliance in all material respects with the applicable provisions of the Sarbanes-Oxley Act and the applicable listing and governance rules and regulations of Nasdaq.

(g) Oasis maintains a system of internal control over financial reporting (as defined in Rules 13a-15(f) and 15d-15(f) of the Exchange Act) that is sufficient to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with GAAP, including policies and procedures sufficient to provide reasonable assurance (i) that Oasis maintains records that in reasonable detail accurately and fairly reflect Oasis's transactions and dispositions of assets, (ii) that transactions are recorded as necessary to permit preparation of financial statements in accordance with GAAP, (iii) that receipts and expenditures are made only in accordance with authorizations of management and the Oasis Board and (iv) regarding prevention or timely detection of the unauthorized acquisition, use or disposition of Oasis's assets that could have a material effect on Oasis's financial statements. Oasis has evaluated the effectiveness of Oasis's internal control over financial reporting and, to the extent required by applicable Law, presented in any applicable Oasis SEC Document that is a report on Form 10-K or Form 10-Q (or any amendment thereto) its conclusions about the effectiveness of the internal control over financial reporting as of the end of the period covered by such report or amendment based on such evaluation. Oasis has disclosed to Oasis's auditors and the Audit Committee of the Oasis Board (and made available to the Company a summary of the significant aspects of such disclosure) (A) all significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting that are reasonably likely to adversely affect Oasis's ability to record, process, summarize and report financial information and (B) any fraud, whether or not material, that involves management or other employees who have a significant role in Oasis's or its Subsidiaries' internal control over financial reporting. Except as disclosed in the Oasis SEC Documents filed prior to the date hereof, Oasis's internal control over financial reporting is effective and Oasis has not identified any material weaknesses in the design or operation of Oasis's internal control over financial reporting.

(h) Oasis's "disclosure controls and procedures" (as defined in Rules 13a-15(e) and 15d-15(e) of the Exchange Act) are designed to ensure that all information (both financial and non-financial) required to be disclosed by Oasis in the reports that it files or submits under the Exchange Act is recorded, processed, summarized and reported within the time periods specified in the rules and forms of the SEC, and that all such information is accumulated and communicated to Oasis's principal executive officer and principal financial officer as appropriate to allow timely decisions regarding required disclosure and to make the Certifications and such disclosure controls and procedures are effective. Oasis has carried out evaluations of the effectiveness of its disclosure controls and procedures as required by Rule 13a-15 of the Exchange Act.

4.8 Absence of Changes. Except as set forth on Section 4.8 of the Oasis Disclosure Schedule, between December 31, 2019 and the date of this Agreement, Oasis has conducted its business only in the Ordinary Course of Business (except for the execution and performance of this Agreement and the discussions, negotiations and transactions related thereto) and there has not been any (a) Oasis Material Adverse Effect or (b) action, event or occurrence that would have required consent of the Company pursuant to Section 5.1(b) of this Agreement had such action, event or occurrence taken place after the execution and delivery of this Agreement.

4.9 Absence of Undisclosed Liabilities. Neither Oasis not any of its Subsidiaries has any Liability of a type required to be reflected or reserved for on a balance sheet prepared in accordance with GAAP, except for: (a) Liabilities disclosed, reflected or reserved against in the Oasis Audited Balance Sheet, (b) normal and recurring current Liabilities that have been incurred by Oasis or its Subsidiaries since the date of the Oasis Audited Balance Sheet in the Ordinary Course of Business (none of which relates to any breach of contract, breach of warranty, tort, infringement, or violation of Law), (c) Liabilities for performance of obligations of Oasis or any of its Subsidiaries under Oasis Contracts and (d) Liabilities described in Section 4.9 of the Oasis Disclosure Schedule.

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

4.11 Real Property; Leasehold. Neither Oasis nor any of its Subsidiaries owns or has ever owned any real property. Oasis has made available to the Company (a) an accurate and complete list of all real properties with respect to which Oasis directly or indirectly holds a valid leasehold interest as well as any other real estate that is in the possession of or leased by Oasis or any of its Subsidiaries and (b) copies of all leases under which any such real property is possessed (the "**Oasis Real Estate Leases**"), each of which is in full force and effect, with no existing material default thereunder.

4.12 Intellectual Property.

(a) Section 4.12(a) of the Oasis Disclosure Schedule is an accurate, true and complete listing of all Oasis Registered IP.

(b) Section 4.12(b) of the Oasis Disclosure Schedule accurately identifies (i) all material Oasis Contracts pursuant to which Oasis IP Rights are licensed to Oasis (other than (A) any non-customized software that (1) is so licensed solely in executable or object code form pursuant to a non-exclusive, software license and other Intellectual Property associated with such software and (2) is not incorporated into, or material to the development, manufacturing, or distribution of, any of Oasis products or services, (B) any Intellectual Property licensed on a non-exclusive basis ancillary to the purchase or use of equipment, reagents or other materials, (C) any confidential information provided under confidentiality agreements, (D) agreements between Oasis and its employees or contractors in Oasis's standard form thereof and (E) material transfer agreements, clinical trial agreements, or services agreements) and (ii) whether the license or licenses granted to Oasis or its Subsidiaries are exclusive or non-exclusive.

(c) Section 4.12(c) of the Oasis Disclosure Schedule accurately identifies each Oasis Contract pursuant to which any Person has been granted any license under, or otherwise has received or acquired any right (whether or not currently exercisable) or interest in, any Oasis Owned IP Rights (other than (i) any confidential information provided under confidentiality agreements, (ii) material transfer agreements, (iii) agreements between Oasis and its employees or contractors in Oasis's standard form thereof and (iv) any Oasis Owned IP Rights non-exclusively licensed to academic collaborators, suppliers or service providers for the sole purpose of enabling such academic collaborator, supplier or service providers to provide services for Oasis's benefit).

(d) Neither Oasis nor any of its Subsidiaries is bound by, and no Oasis Owned IP Rights are subject to, any Contract containing any covenant or other provision that limits or restricts the ability Oasis or any of its Subsidiaries to use, exploit, assert, or enforce any Oasis Owned IP Rights anywhere in the world.

(e) Oasis or one of its Subsidiaries exclusively owns all right, title, and interest to and in the Oasis Owned IP Rights (other than co-owned rights each as identified in Section 4.12(a) of the Oasis Disclosure Schedule), in each case, free and clear of any Encumbrances (other than Permitted Encumbrances). Without limiting the generality of the foregoing:

(i) All documents and instruments necessary to register or apply for or renew registration of Oasis Registered IP have been validly executed, delivered, and filed in a timely manner with the appropriate Governmental Authority.

(ii) Each Person who is or was an employee or contractor of the Oasis or any of its Subsidiaries and who is or was involved in the creation or development of any Oasis Owned IP Rights has signed a valid, enforceable agreement containing a present assignment of such Intellectual Property to Oasis or such Subsidiary and confidentiality provisions protecting trade secrets and confidential information of Oasis and its Subsidiaries.

(iii) To the Knowledge of Oasis, no current or former stockholder, officer, director, or employee of the Company or any of its Subsidiaries has any claim, right (whether or not currently exercisable), or interest to or in any Oasis Owned IP Rights. To the Knowledge of the Oasis, no employee of Oasis or any or any of its Subsidiaries is (a) bound by or otherwise subject to any Contract restricting him or her from performing his or her duties for Oasis or such Subsidiary or (b) in breach of any Contract with any former employer or other Person concerning Oasis Owned IP Rights or confidentiality provisions protecting trade secrets and confidential information comprising Oasis Owned IP Rights.

(iv) No funding, facilities, or personnel of any Governmental Authority were used, directly or indirectly, to develop or create, in whole or in part, any Oasis Owned IP Rights.

(v) Oasis and each of its Subsidiaries has taken reasonable steps to maintain the confidentiality of and otherwise protect and enforce its rights in all proprietary information that Oasis or such Subsidiary holds, or purports to hold, as confidential or a trade secret.

(f) Neither Oasis nor any of its Subsidiaries has assigned or otherwise transferred ownership of, or agreed to assign or otherwise transfer ownership of, any material Oasis Owned IP Rights to any other Person.

(g) Oasis has delivered, or made available to the Company, a complete and accurate copy of all Oasis IP Rights Agreements.

(h) Neither the manufacture, marketing, offering for sale, sale, importation, use or intended use or other disposal of any product as currently sold or under development by Oasis violates any license or agreement between Oasis or its Subsidiaries and any third party in any material respect, and, to the Knowledge of Oasis, does not infringe or misappropriate any valid and issued Patent right or other Intellectual Property of any other Person, other than any Oasis IP Rights licensed to Oasis by any other Person, which infringement or misappropriation would reasonably be expected to have an Oasis Material Adverse Effect. To the Knowledge of Oasis, no third party is infringing upon any Patents owned by Oasis within the Oasis IP Rights, or violating any Oasis IP Rights Agreements in any material respect.

(i) As of the date of this Agreement, Oasis is not a party to any Legal Proceeding (including, but not limited to, opposition, interference or other proceeding in any patent or other government office) contesting the validity, ownership or right to use, sell, offer for sale, license or dispose of any Oasis IP Rights. Oasis has not received any written notice asserting that any Oasis Registered IP or the proposed use, sale, offer for sale, license or disposition of any products, methods, or processes claimed or covered thereunder infringes or misappropriates or violates the rights of any other Person or that Oasis or any of its Subsidiaries have otherwise infringed, misappropriated or otherwise violated any Intellectual Property of any Person.

(j) To the Knowledge of Oasis, no trademark (whether registered or unregistered) or trade name owned, used, or applied for by Oasis infringes any trademark (whether registered or unregistered) or trade name owned, used, or applied for by any other Person except as would not have an Oasis Material Adverse Effect.

(k) Except as may be set forth in the Contracts listed on Section 4.12(b) or 4.12(c) of the Oasis Disclosure Schedule or as contained in license, distribution and service agreements entered into in the Ordinary Course of Business by Oasis (i) Oasis is not bound by any Contract to indemnify, defend, hold harmless, or reimburse any other Person with respect to any Intellectual Property infringement, misappropriation, or similar claim which is material to Oasis taken as a whole and (ii) Oasis has never assumed, or agreed to discharge or otherwise take responsibility for, any existing or potential liability of another Person for infringement, misappropriation, or violation of any Intellectual Property right, which assumption, agreement or responsibility remains in force as of the date of this Agreement.

(l) Neither Oasis nor any of its Subsidiaries is party to any Contract that, as a result of such execution, delivery and performance of this Agreement, will cause the grant of any license or other right to any Oasis IP Rights, result in breach of, default under or termination of such Contract with respect to any Oasis IP Rights, or impair the right of the Oasis or the Surviving Corporation and its Subsidiaries to use, sell or license or enforce any Oasis IP Rights or portion thereof, except for the occurrence of any such grant or impairment that would not individually or in the aggregate, reasonably be expected to result in a Company Material Adverse Effect.

4.13 Agreements, Contracts and Commitments**.**

(a) Section 4.13 of the Oasis Disclosure Schedule identifies each Oasis Contract that is in effect as of the date of this Agreement (each an "**Oasis Material Contract**" and collectively, the "**Oasis Material Contracts**"):

(i) each Oasis Contract relating to any material bonus, deferred compensation, severance, incentive compensation, pension, profit-sharing or retirement plans, or any other employee benefit plans or arrangements;

(ii) each Oasis Contract requiring payments by Oasis after the date of this Agreement in excess of $100,000 pursuant to its express terms relating to the employment of, or the performance of employment-related services by, any Person, including any employee, consultant or independent contractor, or Entity providing employment related, consulting or independent contractor services, not terminable by the Company or its Subsidiaries on ninety (90) calendar days' or less notice without liability, except to the extent general principles of wrongful termination Law may limit Oasis or its Subsidiaries' or such successor's ability to terminate employees at will;

(iii) each Oasis Contract relating to any agreement or plan, including any stock option plan, stock appreciation right plan or stock purchase plan, any of the benefits of which will be increased, or the vesting of benefits of which will be accelerated, by the occurrence of any of the Contemplated Transactions (either alone or in conjunction with any other event, such as termination of employment), or the value of any of the benefits of which will be calculated on the basis of any of the Contemplated Transactions;

(iv) each Oasis Contract relating to any agreement of indemnification or guaranty not entered into in the Ordinary Course of Business;

(v) each Oasis Contract containing (A) any covenant limiting the freedom of the Oasis, its Subsidiaries or the Surviving Corporation to engage in any line of business or compete with any Person, or limiting the development, manufacture or distribution of the Company's products or services, (B) any most-favored pricing arrangement, (C) any exclusivity provision or (D) any non-solicitation provision with respect to employees of other Persons, in each case, except for restrictions that would not materially affect the ability of Oasis or its Subsidiaries to conduct its business;

(vi) each Oasis Contract relating to capital expenditures and requiring payments after the date of this Agreement in excess of $100,000 pursuant to its express terms and not cancelable without penalty;

(vii) each Oasis Contract relating to the disposition or acquisition of material assets or any ownership interest in any Entity, in each case, involving payments in excess of $100,000 after the date of this Agreement;

(viii) each Oasis Contract relating to any mortgages, indentures, loans, notes or credit agreements, security agreements or other agreements or instruments relating to the borrowing of money or extension of credit or creating any material Encumbrances in excess of $100,000 with respect to any assets of Oasis or any of its Subsidiaries or any loans or debt obligations with officers or directors of the Company;

(ix) each Oasis Contract requiring payment by or to Oasis after the date of this Agreement in excess of $250,000 pursuant to its express terms relating to: (A) any distribution agreement (identifying any that contain exclusivity provisions), (B) any agreement involving provision of services or products with respect to any pre-clinical or clinical development activities of Oasis, (C) any dealer, distributor, joint marketing, alliance, joint venture, cooperation, development or other agreement currently in force under which Oasis has continuing obligations to develop or market any product, technology or service, or any agreement pursuant to which Oasis has continuing obligations to develop any Intellectual Property that will not be owned, in whole or in part, by Oasis or (D) any Contract to license any patent, trademark registration, service mark registration, trade name or copyright registration to or from any third party to manufacture or produce any product, service or technology of Oasis or any Contract to sell, distribute or commercialize any products or service of Oasis, in each case, except for Oasis Contracts entered into in the Ordinary Course of Business;

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

(xi) each Oasis Real Estate Lease;

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

(xiii) each Oasis Contract to which Oasis is a party or by which any of its assets and properties is currently bound, which involves annual obligations of payment by, or annual payments to, Oasis in excess of $250,000 after the date of this Agreement; or

(xiv) any other Oasis Contract that is not terminable at will (with no penalty or payment) by Oasis or its Subsidiaries, as applicable, and (A) which involves payment or receipt by Oasis or its Subsidiaries after the date of this Agreement under any such agreement, contract or commitment of more than $250,000 in the aggregate, or obligations after the date of this Agreement in excess of $250,000 in the aggregate or (B) that is material to the business or operations of Oasis and its Subsidiaries, taken as a whole.

(b) Oasis has delivered or made available to the Company accurate and complete copies of all Oasis Material Contracts, including all amendments thereto. There are no Oasis Material Contracts that are not in written form. Oasis has not nor, to Oasis's Knowledge as of the date of this Agreement, has any other party to an Oasis Material Contract, breached, violated or defaulted under, or received notice that it breached, violated or defaulted under, any of the terms or conditions of any Oasis Material Contract in such manner as would permit any other party to cancel or terminate any such Oasis Material Contract, or would permit any other party to seek damages which would reasonably be expected to have an Oasis Material Adverse Effect. As to Oasis and its Subsidiaries, as of the date of this Agreement, each Oasis Material Contract is valid, binding, enforceable and in

full force and effect, subject to the Enforceability Exceptions. No Person is renegotiating, or has a right pursuant to the terms of any Oasis Material Contract to change, any material amount paid or payable to Oasis under any Oasis Material Contract or any other material term or provision of any Oasis Material Contract.

4.14 Compliance; Permits; Restrictions.

(a) Oasis and each of its Subsidiaries is, and since January 1, 2017, has been in material compliance with all applicable Laws. No investigation, claim, suit, proceeding, audit, Order, or other action by any Governmental Authority is pending or, to the Knowledge of Oasis, threatened against Oasis or any of its Subsidiaries. There is no agreement or Order binding upon Oasis or any of its Subsidiaries which (i) has or could reasonably be expected to have the effect of prohibiting or materially impairing any business practice of Oasis, any acquisition of material property by Oasis or any of its Subsidiaries or the conduct of business by Oasis or any of its Subsidiaries as currently conducted, (ii) is reasonably likely to have an adverse effect on Oasis's ability to comply with or perform any covenant or obligation under this Agreement or (iii) is reasonably likely to have the effect of preventing, delaying, making illegal or otherwise interfering with the Contemplated Transactions.

(b) Each of Oasis and its Subsidiaries holds all required Governmental Authorizations that are material to the operation of the business of Oasis and Merger Sub as currently conducted (collectively, the "**Oasis Permits**"). Section 4.14(b) of the Oasis Disclosure Schedule identifies each Oasis Permit. Each of Oasis and its Subsidiaries is in material compliance with the terms of the Oasis Permits. No Legal Proceeding is pending or, to the Knowledge of Oasis, threatened, which seeks to revoke, substantially limit, suspend, or materially modify any Oasis Permit. The rights and benefits of each Oasis Permit will be available to Oasis and Surviving Corporation immediately after the Effective Time on terms substantially identical to those enjoyed by Oasis and its Subsidiaries as of the date of this Agreement and immediately prior to the Effective Time.

(c) There are no Legal Proceedings pending or, to the Knowledge of Oasis, threatened with respect to an alleged material violation by Oasis or any of its Subsidiaries of the FDCA, FDA regulations adopted thereunder, the Controlled Substances Act or any other similar Law promulgated by a Drug Regulatory Agency.

(d) Each of Oasis and its Subsidiaries holds all required Governmental Authorizations issuable by any Drug Regulatory Agency necessary for the conduct of the business of Oasis and Merger Sub as currently conducted, and, as applicable, the development, testing, manufacturing, processing, storage, labeling, sale, marketing, advertising, distribution and importation or exportation, as currently conducted, of any of its product candidates (the "**Oasis Product Candidates**") (the "**Oasis Regulatory Permits**") and no such Oasis Regulatory Permit has been (i) revoked, withdrawn, suspended, cancelled or terminated or (ii) modified in any adverse manner other than immaterial adverse modifications. Oasis has timely maintained and is in compliance in all material respects with the Oasis Regulatory Permits and neither Oasis nor or any of its Subsidiaries has, since January 1, 2017, received any written notice or other written communication from any Drug Regulatory Agency regarding (A) any material violation of or failure to comply materially with any term or requirement of any Oasis Regulatory Permit or (B) any revocation, withdrawal, suspension, cancellation, termination or material modification of any Oasis Regulatory Permit. Except for the information and files identified in Section 4.14(d) of the Oasis Disclosure Schedule, Oasis has made available to the Company all information requested by the Company in Oasis's or its Subsidiaries' possession or control relating to the Oasis Product Candidates and the development, testing, manufacturing, processing, storage, labeling, sale, marketing, advertising, distribution and importation or exportation of the Oasis Product Candidates, including, but not limited to, complete copies of the following (to the extent there are any): (x) adverse event reports; pre-clinical, clinical and other study reports and material study data; inspection reports, notices of adverse findings, untitled letters, warning letters, filings and letters and other written correspondence to and from any Drug Regulatory Agency; and meeting minutes with any Drug Regulatory Agency and (y) similar reports, material study data, notices, letters, filings, correspondence and meeting minutes with any other Governmental Authority. All such information are accurate and complete in all material respects.

(e) All clinical, pre-clinical and other studies and tests conducted by or on behalf of, or sponsored by, Oasis or its Subsidiaries, in which Oasis or its subsidiaries or their respective product candidates, including the Oasis Product Candidates, have participated were and, if still pending, are being conducted in all material respects in accordance with standard medical and scientific research procedures and in compliance in all material respects with the applicable regulations of the Drug Regulatory Agencies and other applicable Law, including, without limitation, 21 C.F.R. Parts 50, 54, 56, 58 and 312. Other than as set forth on Section 4.14(e) of the Oasis Disclosure Schedule, neither Oasis nor any of its Subsidiaries has received any written notices, correspondence, or other communications from any Institutional Review Board or Drug Regulatory Agency requiring or, to the Knowledge of Oasis, any action to place a clinical hold order on, or otherwise terminate, delay, or suspend any clinical studies conducted by or on behalf of, or sponsored by, Oasis or any of its Subsidiaries or in which Oasis or any of its Subsidiaries or its current product candidates, including the Oasis Product Candidates, have participated. Further, no clinical investigator, researcher, or clinical staff participating in any clinical study conducted by or, to the Knowledge of Oasis, on behalf of Oasis has been disqualified from participating in studies involving the Oasis Product Candidates, and to the Knowledge of Oasis, no such administrative action to disqualify such clinical investigators, researchers or clinical staff has been threatened or is pending.

(f) Neither Oasis nor, to the Knowledge of Oasis, any contract manufacturer with respect to any Oasis Product Candidate is the subject of any pending or, to the Knowledge of Oasis, threatened investigation in respect of its business or products by the FDA pursuant to its "Fraud, Untrue Statements of Material Facts, Bribery, and Illegal Gratuities" Final Policy set forth in 56 Fed. Reg. 46191 (September 10, 1991) and any amendments thereto. To the Knowledge of Oasis, Oasis and any contract manufacturer with respect to any Oasis Product Candidate has not committed any acts, made any statement, or failed to make any statement, in each case in respect of its business or products that would violate FDA's "Fraud, Untrue Statements of Material Facts, Bribery, and Illegal Gratuities" Final Policy, and any amendments thereto. None of Oasis, and to the Knowledge of Oasis, any contract manufacturer with respect to any Oasis Product Candidate, or any of their respective officers, employees or agents has been convicted of any crime or engaged in any conduct that could result in a material debarment or exclusion under (i) 21 U.S.C. Section 335a or (ii) any similar applicable Law. To the Knowledge of Oasis, no material debarment or exclusionary claims, actions, proceedings or investigations in respect of their business or products are pending or threatened against Oasis, and to the Knowledge of the Oasis, any contract manufacturer with respect to any Oasis Product Candidate, or any of its officers, employees or agents.

(g) All manufacturing operations conducted by, or to the Knowledge of the Oasis, for the benefit of, Oasis in connection with any Oasis Product Candidate, since January 1, 2017, have been and are being conducted in compliance in all material respects with applicable Laws, including the FDA's standards for current good manufacturing practices, including applicable requirements contained in 21 C.F.R. Parts 210 and 211, and the respective counterparts thereof promulgated by Governmental Authorities in countries outside the United States.

(h) No laboratory or manufacturing site owned by Oasis, and to the Knowledge of Oasis, no manufacturing site of a contract manufacturer or laboratory, with respect to any Oasis Product Candidate, (i) is subject to a Drug Regulatory Agency shutdown or import or export prohibition or (ii) has received any Form FDA 483, notice of violation, warning letter, untitled letter, or similar correspondence or notice from the FDA or other Governmental Authority alleging or asserting noncompliance with any applicable Law, in each case, that have not been complied with or closed to the satisfaction of the relevant Governmental Authority, and, to the Knowledge of Oasis, neither the FDA nor any other Governmental Authority is considering such action.

4.15 Legal Proceedings; Orders.

(a) Except as set forth in Section 4.15 of the Oasis Disclosure Schedule, as of the date of this Agreement there is no pending Legal Proceeding and, to the Knowledge of Oasis, no Person has threatened in writing to commence any Legal Proceeding: (i) that involves Oasis or any of its Subsidiaries or any Oasis

Associate (in his or her capacity as such) or any of the material assets owned or used by Oasis or any of its Subsidiaries or (ii) that challenges, or that may have the effect of preventing, delaying, making illegal or otherwise interfering with, the Contemplated Transactions.

(b) There is no Order to which Oasis or any of its Subsidiaries, or any of the material assets owned or used by Oasis or any of its Subsidiaries is subject. To the Knowledge of Oasis, no officer or other Key Employee of Oasis or any of its Subsidiaries is subject to any Order that prohibits such officer or employee from engaging in or continuing any conduct, activity or practice relating to the business of Oasis or any of its Subsidiaries or to any material assets owned or used by Oasis or any of its Subsidiaries.

4.16 Tax Matters.

(a) Each of Oasis and its Subsidiaries has timely filed all U.S. federal income Tax Returns and other material Tax Returns that they were required to file under applicable Law. All such Tax Returns were correct and complete in all material respects and have been prepared in material compliance with all applicable Law. Subject to exceptions as would not be material, no claim has ever been made by a Governmental Authority in a jurisdiction where Oasis or any of its Subsidiaries does not file Tax Returns that Oasis is subject to taxation by that jurisdiction.

(b) All material Taxes due and owing by Oasis and each of its Subsidiaries (whether or not shown on any Tax Return) have been paid. Since the date of the Oasis Audited Balance Sheet, neither Oasis nor any of its Subsidiaries has incurred any material Liability for Taxes outside the Ordinary Course of Business or otherwise inconsistent with past custom and practice.

(c) Each of Oasis and its Subsidiaries has withheld and paid all material Taxes required to have been withheld and paid in connection with any amounts paid or owing to any employee, independent contractor, creditor, stockholder, or other third party.

(d) There are no Encumbrances for material Taxes (other than Taxes not yet due and payable or for Taxes that are being contested in good faith, in each case, for which adequate reserves have been established in accordance with GAAP) upon any of the assets of Oasis or any of its Subsidiaries.

(e) No deficiencies for material Taxes with respect to Oasis or any of its Subsidiaries have been claimed, proposed or assessed by any Governmental Authority in writing. There are no pending (or, based on written notice, threatened) material audits, assessments or other actions for or relating to any liability in respect of Taxes of Oasis or any of its Subsidiaries. Neither Oasis nor any of its Subsidiaries has waived any statute of limitations in respect of material Taxes or agreed to any extension of time with respect to a material Tax assessment or deficiency.

(f) Neither Oasis nor any of its Subsidiaries is a party to any material Tax allocation, Tax sharing or similar agreement (including indemnity arrangements), other than customary indemnification provisions in commercial contracts entered into in the Ordinary Course of Business with vendors, customers, lenders and landlords.

(g) Neither Oasis nor any of its Subsidiaries has been a member of an affiliated group filing a consolidated U.S. federal income Tax Return (other than a group the common parent of which is Oasis). Oasis does not have any material Liability for the Taxes of any Person (other than Oasis and Merger Sub) under Treasury Regulations Section 1.1502-6 (or any similar provision of state, local, or foreign law) or as a transferee or successor.

(h) Neither Oasis nor any of its Subsidiaries has distributed stock of another Person, or had its stock distributed by another Person, in a transaction that was purported or intended to be governed in whole or in part by Section 355 of the Code or Section 361 of the Code.

(i) Neither Oasis nor any of its Subsidiaries has entered into any transaction identified as a "listed transaction" for purposes of Treasury Regulations Sections 1.6011-4(b)(2) or 301.6111-2(b)(2).

(j) Section 4.16(j) of the Oasis Disclosure Schedule sets forth the entity classification of Oasis and each of its Subsidiaries for U.S. federal income tax purposes under Section 7701 of the Code.

(k) Neither Oasis nor any of its Subsidiaries is aware of any facts or has knowingly taken or agreed to take any action, in each case, that would reasonably be expected to prevent or impede the Merger from qualifying as a "reorganization" within the meaning of Section 368(a) of the Code.

4.17 Employee and Labor Matters; Benefit Plans.

(a) The employment of Oasis's employees is terminable by Oasis at will. Oasis has made available to the Company accurate and complete copies of all employee manuals and handbooks, disclosure materials, policy statements and other materials relating to the employment of Oasis Associates to the extent currently effective and material.

(b) Oasis is not a party to, bound by, and does not have a duty to bargain under, any collective bargaining agreement or other Contract with a labor organization representing any of its employees, and there are no labor organizations representing or, to the Knowledge of Oasis, purporting to represent or seeking to represent any employees of Oasis.

(c) Section 4.17(c) of the Oasis Disclosure Schedule lists all material Oasis Employee Plans. True, complete and correct copies of the following documents, with respect to each material Oasis Employee Plan, where applicable, have previously been made available to the Company: (i) all documents embodying or governing such Oasis Employee Plan (or for unwritten Oasis Employee Plans a written description of the material terms of such Oasis Employee Plan) and any funding medium for the Oasis Employee Plan; (ii) the most recent IRS determination or opinion letter; (iii) the most recently filed Form 5500; (iv) the most recent actuarial valuation report; (v) the most recent summary plan description (or other descriptions provided to employees) and all modifications thereto; and (vi) all non-routine correspondence to and from any governmental agency.

(d) Each Oasis Employee Plan that is intended to be qualified under Section 401(a) of the Code has received a favorable determination or opinion letter with respect to such qualified status from the IRS. To the Knowledge of Oasis, nothing has occurred that would reasonably be expected to adversely affect the qualified status of any such Oasis Employee Plan or the exempt status of any related trust.

(e) Each Oasis Employee Plan has been established, maintained and operated in compliance, in all material respects, with its terms all applicable Law, including, without limitation, the Code, ERISA and the Affordable Care Act. No Legal Proceeding (other than those relating to routine claims for benefits) is pending or, to the Knowledge of Oasis, threatened with respect to any Oasis Employee Plan. All payments and/or contributions required to have been timely made with respect to all Oasis Employee Plans either have been made or have been accrued in accordance with the terms of the applicable Oasis Employee Plan and applicable Law.

(f) Neither Oasis nor any of its ERISA Affiliates has maintained, contributed to, or been required to contribute to or had any liability or obligation (including on account of any ERISA Affiliate) with respect to (whether contingent or otherwise) (i) any "employee benefit plan" that is or was subject to Title IV or Section 302 of ERISA or Section 412 of the Code, (ii) a Multiemployer Plan, (iii) any funded welfare benefit plan within the meaning of Section 419 of the Code, (iv) any Multiple Employer Plan, or (v) any Multiple Employer Welfare Arrangement. Neither Oasis nor any of its ERISA Affiliates has ever incurred any liability under Title IV of ERISA that has not been paid in full.

(g) No Oasis Employee Plan provides for medical or any other welfare benefits to any service provider beyond termination of service or retirement, other than (1) pursuant to COBRA or an analogous state law

requirement or (2) continuation coverage through the end of the month in which such termination or retirement occurs. Oasis does not sponsor or maintain any self-funded medical or long-term disability benefit plan.

(h) No Oasis Employee Plan is subject to any law of a foreign jurisdiction outside of the United States.

(i) No Oasis Options or other equity-based award issued or granted by Oasis are subject to the requirements of Section 409A of the Code. Each Oasis Employee Plan that constitutes in any part a "nonqualified deferred compensation plan" (as such term is defined under Section 409A(d)(1) of the Code and the guidance thereunder) (each, a "**Oasis 409A Plan**") has been operated and maintained in all material respects in operational and documentary compliance with the requirements of Section 409A of the Code and the applicable guidance thereunder. To Oasis's Knowledge, no payment to be made under any Oasis 409A Plan is or, when made in accordance with the terms of the Oasis 409A Plan, will be subject to the penalties of Section 409A(a)(1) of the Code.

(j) Oasis is in material compliance with all applicable federal, state and local laws, rules and regulations respecting employment, employment practices, terms and conditions of employment, worker (including, without limitation, employee and independent contractor) classification, tax withholding, prohibited discrimination, equal employment, fair employment practices, meal and rest periods, immigration status, employee safety and health, wages (including overtime wages), compensation, and hours of work, and in each case, with respect to the employees of Oasis: (i) has withheld and reported all material amounts required by law or by agreement to be withheld and reported with respect to wages, salaries and other payments to employees, (ii) is not liable for any material arrears of wages, severance pay or any Taxes or any penalty for failure to comply with any of the foregoing and (iii) is not liable for any material payment to any trust or other fund governed by or maintained by or on behalf of any Governmental Authority, with respect to unemployment compensation benefits, social security or other benefits or obligations for employees (other than routine payments to be made in the Ordinary Course of Business). There are no actions, suits, claims or administrative matters pending or, to the Knowledge of Oasis, threatened or reasonably anticipated against Oasis relating to any employee, employment agreement or Oasis Employee Plan (other than routine claims for benefits). To the Knowledge of Oasis, there are no pending or threatened or reasonably anticipated claims or actions against Oasis, any Oasis trustee or any trustee of any Subsidiary under any workers' compensation policy or long-term disability policy. Oasis is not a party to a conciliation agreement, consent decree or other agreement or Order with any federal, state, or local agency or Governmental Authority with respect to employment practices.

(k) Oasis has no material liability with respect to any misclassification currently or within the past three years of: (i) any Person as an independent contractor rather than as an employee, (ii) any employee leased from another employer or (iii) any employee currently or formerly classified as exempt from overtime wages. Oasis has not taken any action which would constitute a "plant closing" or "mass layoff" within the meaning of the WARN Act or similar state or local law, issued any notification of a plant closing or mass layoff required by the WARN Act or similar state or local law, or incurred any liability or obligation under WARN or any similar state or local law that remains unsatisfied.

(l) There has never been, nor has there been any threat of, any strike, slowdown, work stoppage, lockout, job action, union, organizing activity, question concerning representation or any similar activity or dispute, affecting Oasis. No event has occurred within the past six months, and no condition or circumstance exists, that might directly or indirectly be likely to give rise to or provide a basis for the commencement of any such strike, slowdown, work stoppage, lockout, job action, union organizing activity, question concerning representation or any similar activity or dispute.

(m) Oasis is not, nor has Oasis been, engaged in any unfair labor practice within the meaning of the National Labor Relations Act. There is no Legal Proceeding, claim, labor dispute or grievance pending or, to the Knowledge of Oasis, threatened or reasonably anticipated relating to any employment contract, privacy right,

labor dispute, wages and hours, leave of absence, plant closing notification, workers' compensation policy, long-term disability policy, harassment, retaliation, immigration, employment statute or regulation, safety or discrimination matter involving any Oasis Associate, including charges of unfair labor practices or discrimination complaints.

(n) There is no contract, agreement, plan or arrangement to which Oasis or any of its Subsidiaries is a party or by which it is bound to gross-up, indemnify, or otherwise reimburse any of its employees for excise taxes paid pursuant to Section 4999 or Section 409A of the Code.

(o) Except as set forth in Section 4.17(o) of the Oasis Disclosure Schedule, neither Oasis nor any of its Subsidiaries is a party to any Contract that as a result of the execution and delivery of this Agreement, the shareholder approval of this Agreement, nor the consummation of the transactions contemplated hereby, could (either alone or in conjunction with any other event) reasonably be expected to (i) result in the payment of any "parachute payment" within the meaning of Section 280G of the Code or (ii) result in, or cause the accelerated vesting, payment, funding or delivery of, or increase the amount or value of, any payment or benefit to any employee, officer, director or other service provider of Oasis or any of its Subsidiaries.

4.18 Environmental Matters. Since January 1, 2017, Oasis has complied with all applicable Environmental Laws, which compliance includes the possession by Oasis of all permits and other Governmental Authorizations required under applicable Environmental Laws and compliance with the terms and conditions thereof, except for any failure to be in compliance that, individually or in the aggregate, would not result in an Oasis Material Adverse Effect. Oasis has not received since January 1, 2017, any written notice or other communication (in writing or otherwise), whether from a Governmental Authority, citizens group, employee or otherwise, that alleges that Oasis is not in compliance with any Environmental Law, and, to the Knowledge of Oasis, there are no circumstances that may prevent or interfere with Oasis's compliance with any Environmental Law in the future, except where such failure to comply would not reasonably be expected to have an Oasis Material Adverse Effect. To the Knowledge of Oasis: (i) no current or prior owner of any property leased or controlled by Oasis has received since January 1, 2017, any written notice or other communication relating to property owned or leased at any time by Oasis, whether from a Governmental Authority, citizens group, employee or otherwise, that alleges that such current or prior owner or Oasis is not in compliance with or violated any Environmental Law relating to such property and (ii) Oasis has no material liability under any Environmental Law.

4.19 Insurance. Oasis has made available to the Company accurate and complete copies of all material insurance policies and all material self-insurance programs and arrangements relating to the business, assets, liabilities and operations of Oasis and Merger Sub. Each of such insurance policies is in full force and effect and Oasis and Merger Sub are in compliance in all material respects with the terms thereof. Other than customary end of policy notifications from insurance carriers, since January 1, 2017, Oasis has not received any notice or other communication regarding any actual or possible: (i) cancellation or invalidation of any insurance policy or (ii) refusal or denial of any coverage, reservation of rights or rejection of any material claim under any insurance policy. Each of Oasis and Merger Sub has provided timely written notice to the appropriate insurance carrier(s) of each Legal Proceeding pending against Oasis for which Oasis has insurance coverage, and no such carrier has issued a denial of coverage or a reservation of rights with respect to any such Legal Proceeding, or informed Oasis of its intent to do so.

4.20 Transactions with Affiliates. Except as set forth in the Oasis SEC Documents filed prior to the date of this Agreement, since the date of Oasis's last proxy statement filed in 2019 with the SEC, no event has occurred that would be required to be reported by Oasis pursuant to Item 404 of Regulation S-K promulgated by the SEC. Section 4.20 of the Oasis Disclosure Schedule identifies each Person who is (or who may be deemed to be) an Affiliate of Oasis as of the date of this Agreement.

4.21 No Financial Advisors. Except as set forth on Section 4.21 of the Oasis Disclosure Schedule, no broker, finder or investment banker is entitled to any brokerage fee, finder's fee, opinion fee, success fee,

transaction fee or other fee or commission in connection with the Contemplated Transactions based upon arrangements made by or on behalf of Oasis.

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

4.23 Privacy and Data Security. Oasis has complied with all applicable Privacy Laws and the applicable terms of any Oasis Contracts relating to privacy, security, collection or use of Personal Information of any individuals (including clinical trial participants, patients, patient family members, caregivers or advocates, physicians and other health care professionals, clinical trial investigators, researchers, pharmacists) that interact with Oasis in connection with the operation of Oasis's business, except for such non-compliance as has not had, and would not reasonably be expected to have, individually or in the aggregate, an Oasis Material Adverse Effect. To the Knowledge of Oasis, Oasis has implemented and maintains reasonable Privacy Policies and has complied with its Privacy Policies, except for such non-compliance as has not to the Knowledge of the Oasis had, and would not reasonably be expected to have, individually or in the aggregate, an Oasis Material Adverse Effect. To the Knowledge of Oasis, as of the date hereof, no claims have been asserted or threatened against Oasis by any Person alleging a violation of Privacy Laws, Privacy Policies and/or the applicable terms of any Oasis Contracts relating to privacy, security, collection or use of Personal Information of any individuals. To the Knowledge of Oasis, there have been no data security incidents, personal data breaches or other adverse events or incidents related to Personal Information or Oasis data in the custody or control of Oasis or any service provider acting on behalf of Oasis, in each case where such incident, breach or event would result in a notification obligation to any Person under applicable law or pursuant to the terms of any Oasis Contract.

4.24 Opinion of Financial Advisor. The Oasis Board has received an opinion of JMP Securities LLC to the effect that, as of the date of this Agreement and subject to the assumptions, qualifications, limitations and other matters set forth therein, the Exchange Ratio is fair, from a financial point of view, to Oasis. It is agreed and understood that such opinion is for the benefit of the Oasis Board and may not be relied upon by the Company.

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

4.26 CFIUS. Oasis does not engage in the design, fabrication, development, testing, production or manufacture of critical technologies and is not a TID US Business within the meaning of the Defense Production Act of 1950, as amended, including all implementing regulations thereof.

4.27 No Other Representations or Warranties. Oasis hereby acknowledges and agrees that, except for the representations and warranties contained in this Agreement, neither the Company nor any of its Subsidiaries nor any other person on behalf of the Company or its Subsidiaries makes any express or implied representation or warranty with respect to the Company or its Subsidiaries or with respect to any other information provided to Oasis, Merger Sub or stockholders or any of their respective Affiliates in connection with the Contemplated Transactions, and (subject to the express representations and warranties of the Company set forth in Section 3 (in each case as qualified and limited by the Company Disclosure Schedule)) none of Oasis, Merger Sub or any of their respective Representatives or stockholders, has relied on any such information (including the accuracy or completeness thereof).

Section 5. Certain Covenants of the Parties.

5.1 Operation of Oasis's Business.

(a) Except (i) as expressly contemplated or permitted by this Agreement or the Funding Agreement, (ii) as set forth on Section 5.1(a) of the Oasis Disclosure Schedule, (iii) as required by applicable Law, (iv) as required to comply with any quarantine, "shelter in place", "stay at home", workforce reduction, social distancing, shut down, closure, sequester or any other Law, Order, directive, guidelines or recommendations by any Governmental Authority in connection with or in response to COVID-19 ("**COVID-19 Measures**"), (v) any action taken or not taken by Oasis or any of its Subsidiaries (including Merger Sub) in good faith to respond to the actual or anticipated effect on Oasis or any of its Subsidiaries (including Merger Sub) of COVID-19 or the COVID-19 Measures, including changes in relationships with officers, employees, agents, independent contractors, suppliers, customers and other business partners, or (vi) unless the Company shall otherwise consent in writing (which consent shall not be unreasonably withheld, delayed or conditioned), during the period commencing on the date of this Agreement and continuing until the earlier to occur of the termination of this Agreement pursuant to Section 10 and the Effective Time (the **"Pre-Closing Period"**), Oasis shall, and shall cause each of its Subsidiaries (including Merger Sub) to, use commercially reasonable efforts to conduct its business and operations in the Ordinary Course of Business and in material compliance with all applicable Law (including maintaining compliance in all material respects with the applicable listing and governance rules and regulations of Nasdaq) and the requirements of all Contracts that constitute Oasis Material Contracts.

(b) Except (i) as expressly contemplated or permitted by this Agreement or the Funding Agreement, (ii) as set forth in Section 5.1(b) of the Oasis Disclosure Schedule, (iii) as required by applicable Law, (iv) as required to comply with any COVID-19 Measures, (v) any action taken or not taken by Oasis or any of its Subsidiaries (including Merger Sub) in good faith to respond to the actual or anticipated effect on Oasis or any of its Subsidiaries (including Merger Sub) of COVID-19 or the COVID-19 Measures, including changes in relationships with officers, employees, agents, independent contractors, suppliers, customers and other business partners, or (vi) with the prior written consent of the Company (which consent shall not be unreasonably withheld, delayed or conditioned), at all times during the Pre-Closing Period, Oasis shall not, nor shall it cause or permit any of its Subsidiaries to:

(i) declare, accrue, set aside or pay any dividend or make any other distribution in respect of any shares of its capital stock (other than dividends and distributions by a direct or indirect wholly owned Subsidiary of Oasis to its parent) or repurchase, redeem or otherwise reacquire any shares of its capital stock or other securities (except for shares of Oasis Common Stock from terminated employees, directors or consultants of Oasis in accordance with agreements in effect on the date of this Agreement providing for the repurchase of shares at no more than the purchase price thereof in connection with any termination of services to Oasis or any of its Subsidiaries);

(ii) sell, issue, grant, pledge or otherwise dispose of or encumber or authorize the issuance of: (A) any capital stock or other security (except for Oasis Common Stock issued upon the valid exercise or settlement of outstanding Oasis Options or Oasis Restricted Stock Units as applicable), (B) any option, warrant or right to acquire any capital stock or any other security or (C) any instrument convertible into or exchangeable for any capital stock or other security;

(iii) except as required to give effect to anything in contemplation of the Closing, amend any of its Organizational Documents, or effect or be a party to any merger, consolidation, share exchange, business combination, recapitalization, reclassification of shares, stock split, reverse stock split or similar transaction except, for the avoidance of doubt, the Contemplated Transactions;

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

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

(vi) other than in the Ordinary Course of Business: (A) adopt, establish or enter into any Oasis Employee Plan, (B) cause or permit any Oasis Employee Plan to be amended other than as required by law, (C) pay any bonus or make any profit-sharing or similar payment to (except with respect to obligations in place on the date of this Agreement pursuant to any Oasis Employee Plan), or increase the amount of the wages, salary, commissions, fringe benefits or other compensation or remuneration payable to, any of its employees, directors or consultants, (D) increase the severance or change of control benefits offered to any current or new employees, directors or consultants or (E) hire any (x) officer, (y) employee or (z) consultant except as set forth on Section 5.1(b)(vi) of the Oasis Disclosure Schedule;

(vii) enter into any material transaction outside the Ordinary Course of Business;

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

(ix) make (other than consistent with past practice), change or revoke any material Tax election; file any material amendment to any Tax Return or adopt or change any material accounting method in respect of Taxes;

(x) delay or fail to repay when due any material obligation, including accounts payable and accrued expenses, other than in the Ordinary Course of Business;

(xi) forgive any loans to any Person, including its employees, officers, directors or Affiliate;

(xii) sell, assign, transfer, license, sublicense or otherwise dispose of any material Oasis IP Rights (other than in the Ordinary Course of Business);

(xiii) other than in the Ordinary Course of Business, (A) materially change pricing or royalties or other payments set or charged by Oasis or any of its Subsidiaries to its customers or licensees or (B) agree to materially change pricing or royalties or other payments set or charged by Persons who have licensed Intellectual Property to Oasis or any of its Subsidiaries; or

(xiv) either solely or in collaboration with any third party, directly or indirectly, commence, enter, join, revive, solicit, or otherwise get engaged in, any clinical trial other than the clinical trials existing on or prior to the date of this Agreement and disclosed by Oasis on Section 5.1(b)(xiv) of the Oasis Disclosure Schedule;

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

(xvi) waive, settle or compromise any pending or threatened Legal Proceeding against Oasis or any of its Subsidiaries, other than waivers, settlements or agreements (A) for an amount not in excess of $100,000 in the aggregate (excluding amounts to be paid under existing insurance policies or renewals thereof), and (B) that do not impose any material restrictions on the operations or businesses of Oasis or its Subsidiaries, taken as a whole, or any equitable relief on, or the admission of wrongdoing by, Oasis or any of its Subsidiaries;

(xvii) except as otherwise set forth in Oasis's operating budget delivered to the Company concurrently with the execution of this Agreement (the **"Oasis Budget"**, as set forth on Section 5.1(b)(xvii) of the Oasis Disclosure Schedule) (and other than incurrence or payment of Oasis Transaction Expenses up to an aggregate of $500,000 in excess of the amount budgeted for the aggregate Oasis Transaction Expenses in the Oasis Budget), make any expenditures, incur any liabilities or discharge or satisfy any liabilities in amounts that exceed the aggregate amount of the Oasis Budget by, in the aggregate, more than $500,000;

(xviii) take any action that results in Oasis owing any payments or amounts as set forth in Section 5.1(b)(xviii) of the Oasis Disclosure Schedule;

(xix) enter into, amend, terminate, or waive any material option or right under, any Oasis Material Contract, other than in the Ordinary Course of Business; or

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

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

5.2 Operation of the Company's Business.

(a) Except (i) as expressly contemplated or permitted by this Agreement or the Funding Agreement, (ii) as set forth in Section 5.2(a) of the Company Disclosure Schedule, (iii) as required by applicable Law, (iv) as required to comply with any COVID-19 Measures, (v) any action taken or not taken by the Company or any of its Subsidiaries in good faith to respond to the actual or anticipated effect on the Company or any of its Subsidiaries of COVID-19 or the COVID-19 Measures, including changes in relationships with officers, employees, agents, independent contractors, suppliers, customers and other business partners, or (vi) unless Oasis shall otherwise consent in writing (which consent shall not be unreasonably withheld, delayed or conditioned), during the Pre-Closing Period the Company shall, and shall cause its Subsidiaries to, use commercially reasonable efforts to conduct its business and operations in the Ordinary Course of Business and in material compliance with all applicable Law and the requirements of all Contracts that constitute Company Material Contracts.

(b) Except (i) as expressly contemplated or permitted by this Agreement or the Funding Agreement, (ii) as set forth in Section 5.2(b) of the Company Disclosure Schedule, (iii) as required by applicable Law, (iv) as required to comply with any COVID-19 Measures, (v) any action taken or not taken by the Company or any of its Subsidiaries in good faith to respond to the actual or anticipated effect on the Company or any of its Subsidiaries of COVID-19 or the COVID-19 Measures, including changes in relationships with officers, employees, agents, independent contractors, suppliers, customers and other business partners, or (vi) with the prior written consent of Oasis (which consent shall not be unreasonably withheld, delayed or conditioned), at all times during the Pre-Closing Period, the Company shall not, nor shall it cause or permit any of its Subsidiaries to, do any of the following:

(i) declare, accrue, set aside or pay any dividend or make any other distribution in respect of any shares of capital stock (other than dividends and distributions by a direct or indirect wholly owned Subsidiary of the Company to its parent) or repurchase, redeem or otherwise reacquire any shares of Company Capital Stock or other securities (except for shares of Company Common Stock from terminated employees, directors or consultants of the Company in accordance with agreements in effect on the date of this Agreement providing for the repurchase of shares at no more than the purchase price thereof in connection with any termination of services to Company or any of its Subsidiaries);

(ii) except as required to give effect to anything in contemplation of the Closing, amend any of its or its Subsidiaries' Organizational Documents, or effect or be a party to any merger, consolidation, share exchange, business combination, recapitalization, reclassification of shares, stock split, reverse stock split or similar transaction except, for the avoidance of doubt, the Contemplated Transactions;

(iii) sell, issue, grant, pledge or otherwise dispose of or encumber or authorize any of the foregoing actions with respect to: (A) any capital stock or other security of the Company or any of

its Subsidiaries (except for shares of outstanding Company Common Stock issued upon the valid exercise of Company Options), (B) any option, warrant or right to acquire any capital stock or any other security other than option grants to employees and service providers in the Ordinary Course of Business or (C) any instrument convertible into or exchangeable for any capital stock or other security of the Company or any of its Subsidiaries;

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

(v) (A) lend money to any Person, (B) incur or guarantee any indebtedness for borrowed money, other than in the Ordinary Course of Business, (C) guarantee any debt securities of others or (D) make any capital expenditure or commitment in excess of $250,000;

(vi) other than in the Ordinary Course of Business: (A) adopt, establish or enter into any Company Employee Plan, (B) cause or permit any Company Employee Plan to be amended other than as required by law, (C) pay any bonus or make any profit-sharing or similar payment to (except with respect to obligations in place on the date of this Agreement pursuant to any Company Employee Plan), or increase the amount of the wages, salary, commissions, fringe benefits or other compensation or remuneration payable to, any of its directors, consultants or employees or (D) increase the severance or change of control benefits offered to any current or new employees, directors or consultants;

(vii) enter into any material transaction outside the Ordinary Course of Business;

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

(ix) make (other than consistent with past practice), change or revoke any material Tax election; file any material amendment to any Tax Return or adopt or change any material accounting method in respect of Taxes;

(x) enter into, amend, terminate, or waive any material option or right under, any Company Material Contract, other than in the Ordinary Course of Business;

(xi) delay or fail to repay when due any material obligation, including accounts payable and accrued expenses, other than in the Ordinary Course of Business;

(xii) forgive any loans to any Person, including its employees, officers, directors or Affiliate;

(xiii) sell, assign, transfer, license, sublicense or otherwise dispose of any material Company IP Rights (other than in the Ordinary Course of Business);

(xiv) other than in the Ordinary Course of Business, (A) materially change pricing or royalties or other payments set or charged by the Company or any of its Subsidiaries to its customers or licensees or (B) agree to materially change pricing or royalties or other payments set or charged by Persons who have licensed Intellectual Property to the Company or any of its Subsidiaries;

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

(xvi) waive, settle or compromise any pending or threatened Legal Proceeding against the Company or any of its Subsidiaries, other than waivers, settlements or agreements (A) for an amount not in excess of $100,000 in the aggregate (excluding amounts to be paid under existing insurance policies or renewals thereof), and (B) that do not impose any material restrictions on the operations or businesses of the Company or its Subsidiaries, taken as a whole, or any equitable relief on, or the admission of wrongdoing by, the Company or any of its Subsidiaries; or

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

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

5.3 Access and Investigation.

(a) Subject to the terms of the Confidentiality Agreement, which the Parties agree will continue in full force following the date of this Agreement, during the Pre-Closing Period, upon reasonable notice, Oasis, on the one hand, and the Company, on the other hand, shall and shall use commercially reasonable efforts to cause such Party's Representatives to: (a) provide the other Party and such other Party's Representatives with reasonable access during normal business hours to such Party's Representatives, personnel, property and assets and to all existing books, records, Tax Returns, work papers and other documents and information relating to such Party and its Subsidiaries, (b) provide the other Party and such other Party's Representatives with such copies of the existing books, records, Tax Returns, work papers, product data, and other documents and information relating to such Party and its Subsidiaries, and with such additional financial, operating and other data and information regarding such Party and its Subsidiaries as the other Party may reasonably request, (c) permit the other Party's officers and other employees to meet, upon reasonable notice and during normal business hours, with the chief executive officer and other officers and managers of such Party responsible for such Party's financial statements and the internal controls of such Party to discuss such matters as the other Party may deem necessary and; (d) make available to the other Party copies of any material notice, report or other document filed with or sent to or received from any Governmental Authority in connection with the Contemplated Transactions. Any investigation conducted by either Oasis or the Company pursuant to this Section 5.3 shall be conducted in such manner as not to interfere unreasonably with the conduct of the business of the other Party.

(b) Notwithstanding anything herein to the contrary in this Section 5.3, no access or examination contemplated by this Section 5.3 shall be permitted to the extent that it would require any Party or its Subsidiaries to (i) waive the attorney-client privilege or attorney work product privilege, (ii) violate any applicable Law, or (iii) breach such Party's confidentiality obligations to a third party; provided, that such Party or its Subsidiary (1) shall be entitled to withhold only such information that may not be provided without causing such violation or waiver, (2) shall provide to the other Party all related information that may be provided without causing such violation or waiver (including, to the extent permitted, redacted versions of any such information), (3) shall enter into such effective and appropriate joint-defense agreements or other protective arrangements as may be reasonably requested by the other Party in order that all such information may be provided to the other Party without causing such violation or waiver and (4) in the case of subsection (iii) above, upon the other Party's reasonable request, such Party shall use its reasonable efforts to obtain such third party's consent to permit such other Party access to such information, subject to appropriate confidentiality protections.

5.4 No Solicitation.

(a) Each of Oasis and the Company agrees that, during the Pre-Closing Period, neither it nor any of its Subsidiaries shall, nor shall it or any of its Subsidiaries authorize any of its Representatives to, directly or indirectly: (i) solicit, initiate or knowingly encourage, induce or facilitate the communication, making, submission or announcement of any Acquisition Proposal or Acquisition Inquiry or take any action that could reasonably be expected to lead to an Acquisition Proposal or Acquisition Inquiry, (ii) furnish any non-public information regarding such Party to any Person in connection with or in response to an Acquisition Proposal or Acquisition Inquiry, (iii) engage in discussions or negotiations with any Person with respect to any Acquisition Proposal or Acquisition Inquiry, (iv) approve, endorse or recommend any Acquisition Proposal (subject to Section 6.2 and Section 6.3), (v) execute or enter into any letter of intent or any Contract contemplating or otherwise relating to any Acquisition Transaction, (vi) take any action that could reasonably be expected to lead to an Acquisition Proposal or Acquisition Inquiry or (vii) publicly propose to do any of the foregoing; provided,

however, that, notwithstanding anything contained in this Section 5.4 and subject to compliance with this Section 5.4, prior to the approval of this Agreement by a Party's stockholders (i.e., the Required Company Stockholder Vote, in the case of the Company and its Subsidiaries, or the Required Oasis Stockholder Vote in the case of Oasis), such Party may furnish non-public information regarding such Party and its Subsidiaries to, and enter into discussions or negotiations with, any Person in response to a bona fide written Acquisition Proposal by such Person which such Party's board of directors determines in good faith, after consultation with such Party's financial advisors and outside legal counsel, constitutes, or is reasonably likely to result in, a Superior Offer (and is not withdrawn) if: (A) neither such Party nor any Representative of such Party shall have breached this Section 5.4 in any material respect, (B) the board of directors of such Party concludes in good faith based on the advice of outside legal counsel, that the failure to take such action would reasonably be expected to be inconsistent with the board of directors' fiduciary duties under applicable Law, (C) at least two (2) Business Days prior to initially furnishing any such nonpublic information to, or entering into discussions with, such Person, such Party gives the other Party written notice of the identity of such Person and of such Party's intention to furnish nonpublic information to, or enter into discussions with, such Person, (D) such Party receives from such Person an executed Acceptable Confidentiality Agreement and (E) at least two (2) Business Days prior to furnishing any such nonpublic information to such Person, such Party furnishes such nonpublic information to the other Party (to the extent such information has not been previously furnished by such Party to the other Party). Without limiting the generality of the foregoing, each Party acknowledges and agrees that, in the event any Representative of such Party takes any action that, if taken by such Party, would constitute a breach of this Section 5.4 by such Party, the taking of such action by such Representative shall be deemed to constitute a breach of this Section 5.4 by such Party for purposes of this Agreement.

(b) If any Party or any Representative of such Party receives an Acquisition Proposal or Acquisition Inquiry at any time during the Pre-Closing Period, then such Party shall promptly (and in no event later than one Business Day after such Party becomes aware of such Acquisition Proposal or Acquisition Inquiry) advise the other Party orally and in writing of such Acquisition Proposal or Acquisition Inquiry (including the identity of the Person making or submitting such Acquisition Proposal or Acquisition Inquiry, and the terms thereof). Such Party shall keep the other Party reasonably informed with respect to the status and terms of any such Acquisition Proposal or Acquisition Inquiry and any material modification or material proposed modification thereto.

(c) Each Party shall immediately (i) cease and cause to be terminated any existing discussions, negotiations and communications with any Person that relate to any Acquisition Proposal or Acquisition Inquiry as of the date of this Agreement and (ii) request the destruction or return of any nonpublic information provided to such Person as soon as practicable after the date of this Agreement.

5.5 Notification of Certain Matters. During the Pre-Closing Period, each of the Company, on the one hand, and Oasis, on the other hand, shall promptly notify the other (and, if in writing, furnish copies of) if any of the following occurs: (a) any notice or other communication is received from any Person alleging that the Consent of such Person is or may be required in connection with any of the Contemplated Transactions, (b) any Legal Proceeding against or involving or otherwise affecting such Party or its Subsidiaries is commenced, or, to the Knowledge of such Party, threatened against such Party or, to the Knowledge of such Party, any director, officer or Key Employee of such Party, (c) such Party becomes aware of any inaccuracy in any representation or warranty made by such Party in this Agreement or (d) the failure of such Party to comply with any covenant or obligation of such Party; in each case that could reasonably be expected to make the timely satisfaction of any of the conditions set forth in Sections 7, 8 and 9, as applicable, impossible or materially less likely. No such notice shall be deemed to supplement or amend the Company Disclosure Schedule or the Oasis Disclosure Schedule for the purpose of (x) determining the accuracy of any of the representations and warranties made by the Company in this Agreement or (y) determining whether any condition set forth in Section 7, 8 or 9 has been satisfied. Any failure by either Party to provide notice pursuant to this Section 5.5 shall not be deemed to be a breach for purposes of Section 8.2 or 9.2, as applicable, unless such failure to provide such notice was knowing and intentional.

Section 6. Additional Agreements of the Parties.

6.1 Registration Statement; Proxy Statement.

(a) As promptly as practicable after the date of this Agreement, (i) Oasis, in cooperation with the Company, shall prepare and file with the SEC a proxy statement relating to the Oasis Stockholder Meeting to be held in connection with the Merger (together with any amendments thereof or supplements thereto, the **"Proxy Statement"**) and (ii) Oasis, in cooperation with the Company, shall prepare and file with the SEC a registration statement on Form S-4 (the "**Form S-4**"), in which the Proxy Statement shall be included as a part (the Proxy Statement and the Form S-4, collectively, the "**Registration Statement**"), in connection with the registration under the Securities Act of the issuance of the shares of Oasis Common Stock to be issued by virtue of the Merger. Oasis shall use its commercially reasonable efforts to (i) cause the Registration Statement to comply with the applicable rules and regulations promulgated by the SEC, (ii) cause the Registration Statement to become effective as promptly as practicable, (iii) respond promptly to any comments or requests of the SEC or its staff related to the Registration Statement and (iv) have the Registration Statement declared effective under the Securities Act as promptly as practicable after it is filed with the SEC. Oasis shall take all or any action required under any applicable federal, state, securities and other Laws in connection with the issuance of shares of Oasis Common Stock pursuant to the Merger. Each of the Parties shall reasonably cooperate with the other Party and furnish all information concerning itself and their Affiliates, as applicable, to the other Parties that is required by law to be included in the Registration Statement or as the other Parties may reasonably request in connection with such actions and the preparation of the Registration Statement and Proxy Statement.

(b) Oasis covenants and agrees that the Registration Statement (and the letter to stockholders, notice of meeting and form of proxy included therewith) will not, at any Applicable Time, contain any untrue statement of a material fact or omit to state any material fact required to be stated therein or necessary in order to make the statements made therein, in light of the circumstances under which they were made, not misleading. The Company covenants and agrees that the information supplied by or on behalf of the Company or its Subsidiaries to Oasis for inclusion in the Registration Statement (including the Company Financials) will not, at any Applicable Time, contain any untrue statement of a material fact or omit to state any material fact required to be stated therein or necessary in order to make such information, in light of the circumstances under which they were made, not misleading. Notwithstanding the foregoing, (i) Oasis makes no covenant, representation or warranty with respect to statements made in the Registration Statement (and the letter to stockholders, notice of meeting and form of proxy included therewith), if any, based on information provided by the Company or its Subsidiaries or any of their Representatives for inclusion therein and (ii) the Company makes no covenant, representation or warranty with respect to statements made in the Registration Statement (and the letter to stockholders, notice of meeting and form of proxy included therewith), if any, based on information provided by Oasis or its Subsidiaries or any of their Representatives for inclusion therein.

(c) Oasis shall use commercially reasonable efforts to cause the Proxy Statement to be mailed to Oasis's stockholders as promptly as practicable after the Registration Statement is declared effective under the Securities Act.

(d) If at any time before the Effective Time (i) any Party (A) becomes aware of any event or information that, pursuant to the Securities Act or the Exchange Act, should be disclosed in an amendment or supplement to the Registration Statement or Proxy Statement, (B) receives notice of any SEC request for an amendment or supplement to the Registration Statement or for additional information related thereto, or (C) receives SEC comments on the Registration Statement, or (ii) the information provided in the Registration Statement has become "stale" and new information should be disclosed in an amendment or supplement to the Registration Statement; then in each such case such Party, as the case may be, shall promptly inform the other Parties thereof and shall cooperate with such other Parties in filing such amendment or supplement with the SEC (and, if related to the Proxy Statement, mailing such amendment or supplement to the Oasis stockholders) or otherwise addressing such SEC request or comments and each Party and shall use their reasonable best efforts to

cause any such amendment to become effective, if required. Oasis shall promptly notify the Company if it becomes aware (1) that the Registration Statement has become effective, (2) of the issuance of any stop order or suspension of the qualification or registration of the Oasis Common Stock issuable in connection with the Merger for offering or sale in any jurisdiction, or (3) any order of the SEC related to the Registration Statement, and shall promptly provide to the Company copies of all correspondence between it or any of its Representatives, on the one hand, and the SEC or staff of the SEC, on the other hand, with respect to the Registration Statement and all orders of the SEC relating to the Registration Statement.

(e) Without limiting the Company's obligation in Section 6.1(a), the Company will use commercially reasonable efforts to cause to be delivered to Oasis a letter of the Company's independent accounting firm, dated no more than two (2) Business Days before the date on which the Registration Statement becomes effective (and reasonably satisfactory in form and substance to Oasis), that is customary in scope and substance for letters delivered by independent public accountants in connection with registration statements similar to the Registration Statement.

(f) The Company and its legal counsel shall be given reasonable opportunity to review and comment on the Registration Statement, including all amendments and supplements thereto, prior to the filing thereof with the SEC, and on the response to any comments of the SEC on the Registration Statement, prior to the filing thereof with the SEC. No filing of, or amendment or supplement to, the Registration Statement will be made by Oasis, and no filing of, or amendment or supplement to, the Proxy Statement will be made by Oasis, in each case, without the prior consent of the Company, which shall not be unreasonably withheld, conditioned or delayed.

(g) As promptly as reasonably practicable following the date of this Agreement the Company will (i) use commercially reasonable efforts to cause the Company's financial statements for the fiscal year ended December 31, 2019 to be delivered to Oasis in a manner as is required under applicable Law for the inclusion of such financial statements in the Proxy Statement and the Registration Statement and (ii) furnish to Oasis unaudited interim financial statements for each interim period completed prior to Closing that would be required to be included in the Registration Statement or any periodic report due prior to the Closing if the Company were subject to the periodic reporting requirements under the Securities Act or the Exchange Act (the "**Company Interim Financial Statements**"). Each of the audited financial statements of the Company for each of its fiscal years required to be included in the Registration Statement (the "**Company Audited Financial Statements**") and the Company Interim Financial Statements will be suitable for inclusion in the Registration Statement and prepared in accordance with GAAP as applied on a consistent basis during the periods involved (except in each case as described in the notes thereto) and on that basis will present fairly, in all material respects, the financial position and the results of operations, changes in stockholders' equity, and cash flows of the Company as of the dates of and for the periods referred to in the Company Audited Financial Statements or the Company Interim Financial Statements, as the case may be.

6.2 Company Stockholder Written Consent.

(a) Promptly after the Registration Statement has been declared effective under the Securities Act, and in any event no later than five (5) Business Days thereafter, the Company shall solicit for approval by written consent from Company stockholders sufficient for the Required Company Stockholder Vote in lieu of a meeting pursuant to Section 228 of the DGCL, for purposes of (i) adopting and approving this Agreement and the Contemplated Transactions, (ii) acknowledging that the approval given thereby is irrevocable and that such stockholder is aware of its rights to demand appraisal for its shares pursuant to Section 262 of the DGCL, a copy of which will be attached thereto, and that such stockholder has received and read a copy of Section 262 of the DGCL and (iii) acknowledging that by its approval of the Merger it is not entitled to appraisal rights with respect to its shares in connection with the Merger and thereby waives any rights to receive payment of the fair value of its capital stock under the DGCL. Under no circumstances shall the Company assert that any other approval or consent is necessary by its stockholders to approve this Agreement and the Contemplated Transactions.

(b) Reasonably promptly following receipt of the Required Company Stockholder Vote, the Company shall prepare and mail a notice (the "**Stockholder Notice**") to every stockholder of the Company that did not execute the Company Stockholder Written Consent. The Stockholder Notice shall (i) be a statement to the effect that the Company Board determined that the Merger is advisable in accordance with Section 251(b) of the DGCL and in the best interests of the stockholders of the Company and approved and adopted this Agreement, the Merger and the other Contemplated Transactions, (ii) provide the stockholders of the Company to whom it is sent with notice of the actions taken in the Company Stockholder Written Consent, including the adoption and approval of this Agreement, the Merger and the other Contemplated Transactions in accordance with Section 228(e) of the DGCL and the certificate of incorporation and bylaws of the Company and (iii) include a description of the appraisal rights of the Company's stockholders available under the DGCL, along with such other information as is required thereunder and pursuant to applicable Law. All materials (including any amendments thereto) submitted to the stockholders of the Company in accordance with this Section 6.2(b) shall be subject to Oasis's advance review and reasonable approval.

(c) The Company agrees that, subject to Section 6.2(d): (i) the Company Board shall recommend that the Company's stockholders vote to adopt and approve this Agreement and the Contemplated Transactions and shall use commercially reasonable efforts to solicit such approval within the time set forth in Section 6.2(a) (the recommendation of the Company Board that the Company's stockholders vote to adopt and approve this Agreement being referred to as the "**Company Board Recommendation**") and (ii) the Company Board Recommendation shall not be withdrawn or modified (and the Company Board shall not publicly propose to withdraw or modify the Company Board Recommendation) in a manner adverse to Oasis, and no resolution by the Company Board or any committee thereof to withdraw or modify the Company Board Recommendation in a manner adverse to Oasis or to adopt, approve or recommend (or publicly propose to adopt, approve or recommend) any Acquisition Proposal shall be adopted or proposed.

(d) Notwithstanding anything to the contrary contained in Section 6.2(c), and subject to compliance with Section 5.4 and Section 6.2, if at any time prior to approval and adoption of this Agreement by the Required Company Stockholder Vote, the Company receives a bona fide written Superior Offer, the Company Board may withhold, amend, withdraw or modify the Company Board Recommendation (or publicly propose to withhold, amend, withdraw or modify the Company Board Recommendation) in a manner adverse to Oasis (collectively, a "**Company Board Adverse Recommendation Change**") if, but only if, following the receipt of and on account of such Superior Offer, (i) the Company Board determines in good faith, based on the advice of its outside legal counsel, that the failure to withhold, amend, withdraw or modify such recommendation would reasonably be expected to be inconsistent with its fiduciary duties under applicable Law, (ii) the Company has, and has caused its financial advisors and outside legal counsel to, during the Notice Period (as defined below), negotiate with Oasis in good faith to make such adjustments to the terms and conditions of this Agreement so that such Acquisition Proposal ceases to constitute a Superior Offer and (iii) if after Oasis shall have delivered to the Company a written offer to alter the terms or conditions of this Agreement during the Notice Period, the Company Board shall have determined in good faith, based on the advice of its outside legal counsel, that the failure to withhold, amend, withdraw or modify the Company Board Recommendation would reasonably be expected to be inconsistent with its fiduciary duties under applicable Law (after taking into account such alterations of the terms and conditions of this Agreement); provided that (x) Oasis receives written notice from the Company confirming that the Company Board has determined to change its recommendation at least five (5) Business Days in advance of the Company Board Adverse Recommendation Change (the "**Notice Period**"), which notice shall include a description in reasonable detail of the reasons for such Company Board Adverse Recommendation Change, and written copies of any relevant proposed transaction agreements with any party making a potential Superior Offer, (y) during any Notice Period, Oasis shall be entitled to deliver to the Company one or more counterproposals to such Acquisition Proposal and the Company will, and cause its Representatives to, negotiate with Oasis in good faith (to the extent Oasis desires to negotiate) to make such adjustments in the terms and conditions of this Agreement so that the applicable Acquisition Proposal ceases to constitute a Superior Offer and (z) in the event of any material amendment to any Superior Offer (including any revision in the amount, form or mix of consideration or percentage of the combined company that the Company's

stockholders would receive as a result of such potential Superior Offer), the Company shall be required to provide Oasis with notice of such material amendment and the Notice Period shall be extended, if applicable, to ensure that at least four (4) Business Days remain in the Notice Period following such notification during which the parties shall comply again with the requirements of this Section 6.2(d) and the Company Board shall not make a Company Board Adverse Recommendation Change prior to the end of such Notice Period as so extended (it being understood that there may be multiple extensions).

(e) The Company's obligation to solicit the consent of its stockholders to sign the Company Stockholder Written Consent in accordance with Section 6.2(a) shall not be limited or otherwise affected by the commencement, disclosure, announcement or submission of any Superior Offer or other Acquisition Proposal, or by any Company Board Adverse Recommendation Change.

6.3 Oasis Stockholder Meeting.

(a) Oasis shall take all action necessary under applicable Law to call, give notice of and hold a meeting of the holders of Oasis Common Stock to consider and vote to approve this Agreement and the Contemplated Transactions, including the issuance of the shares of Oasis Common Stock to the stockholders of the Company pursuant to the terms of this Agreement and an amendment to Oasis's certificate of incorporation in accordance with the terms of this Agreement (collectively, the "**Oasis Stockholder Matters**" and such meeting, the "**Oasis Stockholder Meeting**"). The Oasis Stockholder Meeting shall be held as promptly as practicable after the Registration Statement is declared effective under the Securities Act, and in any event no later than forty-five (45) days after the effective date of the Registration Statement. Oasis shall take reasonable measures to ensure that all proxies solicited in connection with the Oasis Stockholder Meeting are solicited in compliance with all applicable Law. Notwithstanding anything to the contrary contained herein, if on the date of the Oasis Stockholder Meeting, or a date preceding the date on which the Oasis Stockholder Meeting is scheduled, Oasis reasonably believes that (i) it will not receive proxies sufficient to obtain the Required Oasis Stockholder Vote, whether or not a quorum would be present or (ii) it will not have sufficient shares of Oasis Common Stock represented (whether in person or by proxy) to constitute a quorum necessary to conduct the business of the Oasis Stockholder Meeting, Oasis may postpone or adjourn, or make one or more successive postponements or adjournments of, the Oasis Stockholder Meeting as long as the date of the Oasis Stockholder Meeting is not postponed or adjourned more than an aggregate of 30 calendar days in connection with any postponements or adjournments; *provided, however,* that more than one such postponement or adjournment shall not be permitted without the Company's prior written consent, which shall not be unreasonably withheld, conditioned or delayed.

(b) Oasis agrees that, subject to Section 6.3(c): (i) the Oasis Board shall recommend that the holders of Oasis Common Stock vote to approve the Oasis Stockholder Matters and shall use commercially reasonable efforts to solicit such approval within the timeframe set forth in Section 6.3(a) above, (ii) the Proxy Statement shall include a statement to the effect that the Oasis Board recommends that Oasis's stockholders vote to approve the Oasis Stockholder Matters (the recommendation of the Oasis Board being referred to as the "**Oasis Board Recommendation**") and (iii) the Oasis Board Recommendation shall not be withheld, amended, withdrawn or modified (and the Oasis Board shall not publicly propose to withhold, amend, withdraw or modify the Oasis Board Recommendation) in a manner adverse to the Company, and no resolution by the Oasis Board or any committee thereof to withdraw or modify the Oasis Board Recommendation in a manner adverse to the Company or to adopt, approve or recommend (or publicly propose to adopt, approve or recommend) any Acquisition Proposal shall be adopted or proposed (the actions set forth in the foregoing clause (iii), collectively, a "**Oasis Board Adverse Recommendation Change**").

(c) Notwithstanding anything to the contrary contained in Section 6.3(b), and subject to compliance with Section 5.4 and Section 6.3, at any time prior to the approval of Oasis Stockholder Matters by the Required Oasis Stockholder Vote, Oasis receives a bona fide written Superior Offer, the Oasis Board may make an Oasis Board Adverse Recommendation Change if, but only if following the receipt of and on account of

such Superior Offer, (i) the Oasis Board determines in good faith, based on the advice of its outside legal counsel, that the failure to withhold, amend, withdraw or modify such recommendation would reasonably be expected to be inconsistent with its fiduciary duties under applicable Law, (ii) Oasis has, and has caused its financial advisors and outside legal counsel to, during the Oasis Notice Period, negotiate with the Company in good faith to make such adjustments to the terms and conditions of this Agreement so that such Acquisition Proposal ceases to constitute a Superior Offer and (iii) if after the Company shall have delivered to Oasis a written offer to alter the terms or conditions of this Agreement during the Oasis Notice Period, the Oasis Board shall have determined in good faith, based on the advice of its outside legal counsel, that the failure to withhold, amend, withdraw or modify the Oasis Board Recommendation would reasonably be expected to be inconsistent with its fiduciary duties under applicable Law (after taking into account such alterations of the terms and conditions of this Agreement); provided that (x) the Company receives written notice from Oasis confirming that the Oasis Board has determined to change its recommendation at least five (5) Business Days in advance of the Oasis Board Adverse Recommendation Change (the "**Oasis Notice Period**"), which notice shall include a description in reasonable detail of the reasons for such Oasis Board Adverse Recommendation Change, and written copies of any relevant proposed transaction agreements with any party making a potential Superior Offer, (y) during any Oasis Notice Period, the Company shall be entitled to deliver to Oasis one or more counterproposals to such Acquisition Proposal and Oasis will, and cause its Representatives to, negotiate with the Company in good faith (to the extent the Company desires to negotiate) to make such adjustments in the terms and conditions of this Agreement so that the applicable Acquisition Proposal ceases to constitute a Superior Offer and (z) in the event of any material amendment to any Superior Offer (including any revision in the amount, form or mix of consideration or percentage of the combined company that Oasis' stockholders would receive as a result of such potential Superior Offer), Oasis shall be required to provide the Company with notice of such material amendment and the Oasis Notice Period shall be extended, if applicable, to ensure that at least four (4) Business Days remain in the Oasis Notice Period following such notification during which the parties shall comply again with the requirements of this Section 6.3(c) and the Oasis Board shall not make an Oasis Board Adverse Recommendation Change prior to the end of such Oasis Notice Period as so extended (it being understood that there may be multiple extensions).

(d) Oasis's obligation to call, give notice of and hold the Oasis Stockholder Meeting in accordance with Section 6.3(a) shall not be limited or otherwise affected by the commencement, disclosure, announcement or submission of any Superior Offer or Acquisition Proposal, or by any withdrawal or modification of the Oasis Board Recommendation or any other Oasis Board Adverse Recommendation Change.

(e) Nothing contained in this Agreement shall prohibit Oasis or the Oasis Board from complying with Rules 14d-9 and 14e-2(a) promulgated under the Exchange Act; provided however, that any disclosure made by Oasis or the Oasis Board pursuant to Rules 14d-9 and 14e-2(a) shall be limited to a statement that Oasis is unable to take a position with respect to the bidder's tender offer unless the Oasis Board determines in good faith, after consultation with its outside legal counsel, that such statement would reasonably be expected to be inconsistent with its fiduciary duties under applicable Law.

6.4 Efforts; Regulatory Approvals.

(a) The Parties shall use commercially reasonable efforts to consummate the Contemplated Transactions. Without limiting the generality of the foregoing, each Party: (i) shall make all filings and other submissions (if any) and give all notices (if any) required to be made and given by such Party in connection with the Contemplated Transactions, (ii) shall use commercially reasonable efforts to obtain each Consent (if any) reasonably required to be obtained (pursuant to any applicable Law or Contract, or otherwise) by such Party in connection with the Contemplated Transactions or for such Contract to remain in full force and effect, (iii) shall use commercially reasonable efforts to lift any injunction prohibiting, or any other legal bar to, the Contemplated Transactions and (iv) shall use commercially reasonable efforts to satisfy the conditions precedent to the consummation of this Agreement.

(b) Notwithstanding the generality of the foregoing, each Party shall use commercially reasonable efforts to file or otherwise submit, as soon as practicable after the date of this Agreement, all applications, notices, reports and other documents reasonably required to be filed by such Party with or otherwise submitted by such Party to any Governmental Authority with respect to the Contemplated Transactions, and to submit promptly any additional information requested by any such Governmental Authority.

6.5 Company Options and Company Warrants.

(a) Subject to Section 6.5(d), at the Effective Time, each Company Option that is outstanding and unexercised immediately prior to the Effective Time under the 2015 Company Plan and each Extended Company Option that is outstanding and unexercised immediately prior to the Effective Time under the 2014 Company Plan, whether or not vested, shall, without any action on the part of the holder thereof, be converted into and become an option to purchase Oasis Common Stock, and Oasis shall assume the Company Plans and each such Company Option (with respect to the 2015 Company Plan) and each such Extended Company Option (with respect to the 2014 Company Plan) in accordance with the terms (as in effect as of the date of this Agreement) of the Company Plans and the terms of the stock option agreement by which such Company Option is evidenced. All rights with respect to Company Common Stock under Company Options assumed by Oasis shall thereupon be converted into rights with respect to Oasis Common Stock. Accordingly, from and after the Effective Time: (i) each Company Option assumed by Oasis may be exercised solely for shares of Oasis Common Stock, (ii) the number of shares of Oasis Common Stock subject to each Company Option assumed by Oasis shall be determined by multiplying (A) the number of shares of Company Common Stock that were subject to such Company Option, as in effect immediately prior to the Effective Time, by (B) the Exchange Ratio, and rounding the resulting number down to the nearest whole number of shares of Oasis Common Stock, (iii) the per share exercise price for the Oasis Common Stock issuable upon exercise of each Company Option assumed by Oasis shall be determined by dividing (A) the per share exercise price of Company Common Stock subject to such Company Option, as in effect immediately prior to the Effective Time, by (B) the Exchange Ratio and rounding the resulting exercise price up to the nearest whole cent and (iv) any restriction on the exercise of any Company Option assumed by Oasis shall continue in full force and effect and the term, exercisability, vesting schedule and other provisions of such Company Option shall otherwise remain unchanged; provided, however, that: (A) to the extent provided under the terms of a Company Option, such Company Option assumed by Oasis in accordance with this Section 6.5(a) shall, in accordance with its terms, be subject to further adjustment as appropriate to reflect any stock split, division or subdivision of shares, stock dividend, reverse stock split, consolidation of shares, reclassification, recapitalization or other similar transaction with respect to Oasis Common Stock subsequent to the Effective Time and (B) the Oasis Board or a committee thereof shall succeed to the authority and responsibility of the Company Board or any committee thereof with respect to each Company Option assumed by Oasis after the Effective Time. Notwithstanding anything to the contrary in this Section 6.5(a), the conversion of each Company Option (regardless of whether such option qualifies as an “incentive stock option” within the meaning of Section 422 of the Code) into an option to purchase shares of Oasis Common Stock shall be made in a manner consistent with Section 409A and 424 of the Code

(b) At the Effective Time, each Non-Extended Company Option that is outstanding and unexercised immediately prior to the Effective Time under the 2014 Company Plan, whether or not vested, shall, without any action on the part of the holder thereof, be cancelled without the payment of any consideration.

(c) Oasis shall file with the SEC, as soon as reasonably practicable after the Effective Time, a registration statement on Form S-8, if available for use by Oasis, relating to the shares of Oasis Common Stock issuable with respect to Company Options assumed by Oasis in accordance with Section 6.5(a) to the extent such shares are eligible to be registered on Form S-8.

(d) At the Effective Time, all rights with respect to Company Common Stock under Company Warrants shall be converted into rights with respect to Oasis Common Stock and thereupon assumed by Oasis. Accordingly, from and after the Effective Time: (i) each Company Warrant assumed by Oasis may be exercised

solely for shares of Oasis Common Stock; (ii) the number of shares of Oasis Common Stock subject to each Company Warrant assumed by Oasis shall be determined by multiplying (x) the number of shares of Company Common Stock that were subject to such Company Warrant (on an as-converted basis with respect to shares of Company Preferred Stock), as in effect immediately prior to the Effective Time, by (y) the Exchange Ratio, and rounding the resulting number down to the nearest whole number of shares of Oasis Common Stock; (iii) the per share exercise price for the Oasis Common Stock issuable upon exercise of each Company Warrant assumed by Oasis shall be determined by dividing (x) the exercise price per share of Company Common Stock subject to such Company Warrant (or, in the case of Company Warrants exercisable for shares of Company Preferred Stock, the exercise price per share of such series of Company Preferred Stock divided by the number of shares of Company Common Stock into which such share of Company Preferred Stock is then convertible), as in effect immediately prior to the Effective Time, by (y) the Exchange Ratio, and rounding the resulting exercise price up to the nearest whole cent; and (iv) any restriction on the exercise of any Company Warrant assumed by Oasis shall continue in full force and effect and the term, exercisability, vesting schedule and other provisions of such Company Warrant shall otherwise remain unchanged; provided, however, that: (A) to the extent provided under the terms of a Company Warrant, such Company Warrant assumed by Oasis in accordance with this Section 6.5(d) shall, in accordance with its terms, be subject to further adjustment as appropriate to reflect any stock split, division or subdivision of shares, stock dividend, reverse stock split, consolidation of shares, reclassification, recapitalization or other similar transaction with respect to Oasis Common Stock subsequent to the Effective Time; and (B) the Oasis Board or a committee thereof shall succeed to the authority and responsibility, if any, of the Company Board or any committee thereof with respect to each Company Warrant assumed by Oasis.

6.6 Oasis Options. Prior to the Closing, the Oasis Board shall have adopted appropriate resolutions and taken all other actions necessary and appropriate, including using commercially reasonable efforts to obtain any necessary consent from the holder of an Oasis Option, to provide the following:

(a) The vesting of each unexpired, unexercised and unvested Oasis Option shall be accelerated in full effective as of immediately prior to the Effective Time;

(b) Each unexpired and unexercised Oasis Option with an exercise price that equals or exceeds the Oasis In-the-Money Price shall be canceled for no consideration; and

(c) Each unexpired and unexercised Oasis Option with an exercise price that is less than the Oasis In-the-Money Price shall continue to remain outstanding after the Effective Time in accordance with its terms.

6.7 Employee Benefits.

(a) Except as set forth in Section 6.7(a) of the Company Disclosure Schedule or as expressly provided herein or as consented to in writing by the Company (which consent shall not be unreasonably withheld, conditioned or delayed), from and after the Effective Time, Oasis shall assume and honor all Company Employee Plans. For all purposes under Oasis Employee Plans providing benefits to any employee who continues to be employed by either of Oasis or the Company immediately following Closing (each a "**Continuing Employee**"), and subject to applicable Law, each such Continuing Employee shall be credited with his or her years of service with the Company before the Effective Time, to the same extent as such Continuing Employee was entitled, before the Effective Time, to credit for such service under any similar Company Employee Plans, as applicable, except (i) to the extent such credit would result in a duplication of benefits, (ii) with respect to benefit accrual under a defined benefit pension plan or retiree welfare benefit plan or (iii) with respect to any Employee Plan for which prior service is not taken into account for current employees of Oasis. In addition, and without limiting the generality of the foregoing, and subject to any applicable Law: (i) each Continuing Employee shall be immediately eligible to participate, without any waiting time, in any and all Oasis Employee Plans, as applicable, which are welfare benefit plans to the extent coverage under such Oasis Employee Plan replaces coverage under a comparable Company Employee Plan in which such Continuing Employee participated immediately before the Effective Time; and (ii) for purposes of each Oasis Employee Plan

providing medical, dental, pharmaceutical and/or vision benefits to any Continuing Employee, Oasis shall use commercially reasonable efforts to cause all pre-existing condition exclusions and actively-at-work requirements of such Employee Plan to be waived for such Continuing Employee and his or her covered dependents, and Oasis shall use its commercially reasonable efforts to cause any eligible expenses incurred by such Continuing Employee and his or her covered dependents during the portion of the plan year of the Company Employee Plan ending on the date such Continuing Employee's participation in the corresponding Oasis Employee Plan begins to be taken into account for purposes of satisfying all deductible, coinsurance and maximum out-of-pocket requirements applicable to such Continuing Employee and his or her covered dependents for the applicable plan year as if such amounts had been paid in accordance with such Oasis Employee Plan.

(b) Nothing contained in this Section 6.7 shall (i) be construed to establish, amend, or modify any benefit or compensation plan, program, agreement, contract, policy or arrangement, (ii) limit the ability of the Company to amend, modify or terminate any benefit or compensation plan, program, agreement, contract, policy or arrangement at any time assumed, established, sponsored or maintained by any of them, (iii) create any third-party beneficiary rights or obligations in any person (including any employee) other than the parties to this Agreement or any right to employment or continued employment or to a particular term or condition of employment with Oasis or the Company, or (iv) limit the right of Oasis or the Company to terminate the employment or service of any employee or other service provider following the Closing Date at any time and for any or no reason. Oasis and the Company shall cause Oasis to comply with the terms of any employment, severance, retention, change of control, or similar agreement specified on Section 4.17(c) of the Oasis Disclosure Schedule, subject to the provisions of such agreements.

6.8 Oasis Restricted Stock Units. Prior to the Closing, the Oasis Board shall have adopted appropriate resolutions and taken all other actions necessary and appropriate to provide that (i) the vesting of each outstanding and unvested Oasis Restricted Stock Unit shall be accelerated in full effective as of immediately prior to the Effective Time, contingent on the occurrence of the Closing and (ii) for each outstanding and unsettled Oasis Restricted Stock Unit (including any Oasis Restricted Stock Units accelerated under Section 6.8(i) above) the holder thereof shall receive, immediately prior to the Effective Time a number of shares of Oasis Common Stock equal to the number of vested and unsettled shares underlying such Oasis Restricted Stock Units. Notwithstanding anything herein to the contrary, the tax withholding obligations for each holder receiving shares of Oasis Common Stock in accordance with the preceding sentence shall be satisfied by Oasis withholding from issuance that number of shares of Oasis Common Stock calculated by multiplying the maximum statutory withholding rate for such holder in connection with such issuance by the number of shares of Oasis Common Stock to be issued in accordance with the preceding sentence, and rounding up to the nearest whole share and remitting such withholding in cash to the appropriate taxing authorities.

6.9 Indemnification of Officers and Directors.

(a) From the Effective Time through the sixth anniversary of the date on which the Effective Time occurs, each of Oasis and the Surviving Corporation shall indemnify and hold harmless each person who is now, or has been at any time prior to the date hereof, or who becomes prior to the Effective Time, a director or officer of Oasis or the Company, respectively (the "**D&O Indemnified Parties**"), against all claims, losses, liabilities, damages, judgments, fines and reasonable fees, costs and expenses, including attorneys' fees and disbursements (collectively, "**Costs**"), incurred in connection with any claim, action, suit, proceeding or investigation, whether civil, criminal, administrative or investigative, arising out of or pertaining to the fact that the D&O Indemnified Party is or was a director or officer of Oasis or of the Company, whether asserted or claimed prior to, at or after the Effective Time, in each case, to the fullest extent permitted under the DGCL. Each D&O Indemnified Party will be entitled to advancement of expenses incurred in the defense of any such claim, action, suit, proceeding or investigation from each of Oasis and the Surviving Corporation, jointly and severally, upon receipt by Oasis or the Surviving Corporation from the D&O Indemnified Party of a request therefor; provided that any such person to whom expenses are advanced provides an undertaking to Oasis, to the extent then required by the DGCL, to repay such advances if it is ultimately determined that such person is not entitled to indemnification. Without

otherwise limiting the D&O Indemnified Parties' rights with regards to counsel, following the Effective Time, the D&O Indemnified Parties shall be entitled to continue to retain Goodwin Procter LLP or Morrison & Foerster LLP or such other counsel selected by the D&O Indemnified Parties.

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

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

(d) From and after the Effective Time, Oasis shall maintain directors' and officers' liability insurance policies, with an effective date as of the Closing Date, on commercially available terms and conditions and with coverage limits customary for U.S. public companies similarly situated to Oasis. In addition, Oasis shall purchase, prior to the Effective Time, a six-year prepaid "D&O tail policy" for the non-cancellable extension of the directors' and officers' liability coverage of Oasis's existing directors' and officers' insurance policies for a claims reporting or discovery period of at least six years from and after the Effective Time with respect to any claim related to any period of time at or prior to the Effective Time with terms, conditions, retentions and limits of liability that are no less favorable than the coverage provided under Oasis's existing policies as of the date of this Agreement with respect to any actual or alleged error, misstatement, misleading statement, act, omission, neglect, breach of duty or any matter claimed against a director or officer of Oasis by reason of him or her serving in such capacity that existed or occurred at or prior to the Effective Time (including in connection with this Agreement or the Contemplated Transactions or in connection with Oasis's initial public offering of shares of Oasis Common Stock).

(e) From and after the Effective Time, Oasis shall pay all expenses, including reasonable attorneys' fees, that are incurred by the persons referred to in this Section 6.9 in connection with their enforcement of the rights provided to such persons in this Section 6.9.

(f) The provisions of this Section 6.9 are intended to be in addition to the rights otherwise available to the current and former officers and directors of Oasis and the Company by Law, charter, statute, bylaw or agreement, and shall operate for the benefit of, and shall be enforceable by, each of the D&O Indemnified Parties, their heirs and their Representatives.

(g) In the event Oasis or the Surviving Corporation or any of their respective successors or assigns (i) consolidates with or merges into any other Person and shall not be the continuing or surviving corporation or entity of such consolidation or merger or (ii) transfers all or substantially all of its properties and assets to any Person, then, and in each such case, proper provision shall be made so that the successors and assigns of Oasis or

the Surviving Corporation, as the case may be, shall succeed to the obligations set forth in this Section 6.9. Oasis shall cause the Surviving Corporation to perform all of the obligations of the Surviving Corporation under this Section 6.9.

6.10 Disclosure. The Parties shall use their commercially reasonable efforts to agree to the text of any initial press release and Oasis' Form 8-K announcing the execution and delivery of this Agreement. Without limiting any Party's obligations under the Confidentiality Agreement, no Party shall, and no Party shall permit any of its Subsidiaries or any of its Representative to, issue any press release or make any disclosure (to any customers or employees of such Party, to the public or otherwise) regarding the Contemplated Transactions unless: (a) the other Party shall have approved such press release or disclosure in writing, such approval not to be unreasonably conditioned, withheld or delayed; or (b) such Party shall have determined in good faith, upon the advice of outside legal counsel, that such disclosure is required by applicable Law and, to the extent practicable, before such press release or disclosure is issued or made, such Party advises the other Party of, and consults with the other Party regarding, the text of such press release or disclosure; provided, however, that each of the Company and Oasis may make any public statement in response to specific questions by the press, analysts, investors or those attending industry conferences or financial analyst conference calls, so long as any such statements are consistent with previous press releases, public disclosures or public statements made by the Company or Oasis in compliance with this Section 6.10. Notwithstanding the foregoing, a Party need not consult with any other Parties in connection with such portion of any press release, public statement or filing to be issued or made pursuant to Section 6.3(d) or with respect to any Acquisition Proposal, Oasis Board Adverse Recommendation Change or Company Board Adverse Recommendation Change, as applicable, or with respect to Oasis only, pursuant to Section 6.3(e).

6.11 Listing. At or prior to the Effective Time, Oasis shall use its commercially reasonable efforts to (a) maintain its existing listing on Nasdaq until the Effective Time and to obtain approval of the listing of the combined corporation on Nasdaq, (b) to the extent required by the rules and regulations of Nasdaq, prepare and submit to Nasdaq a notification form for the listing of the shares of Oasis Common Stock to be issued in connection with the Contemplated Transactions, and to cause such shares to be approved for listing (subject to official notice of issuance); (c) prepare and timely submit to Nasdaq a notification form for the Oasis Reverse Stock Split and to submit a copy of the amendment to Oasis's certificate of incorporation effecting the Oasis Reverse Stock Split, certified by the Secretary of State of the State of Delaware, to Nasdaq on the Closing Date and (d) to the extent required by Nasdaq Marketplace Rule 5110, assist the Company in preparing and filing an initial listing application for the Oasis Common Stock on Nasdaq (the "**Nasdaq Listing Application**") and to cause such Nasdaq Listing Application to be conditionally approved prior to the Effective Time. Each Party will reasonably promptly inform the other Party of all verbal or written communications between Nasdaq and such Party or its representatives. The Parties will use commercially reasonable efforts to coordinate with respect to compliance with Nasdaq rules and regulations. The Company agrees to pay all Nasdaq fees associated with any action contemplated by this Section 6.11. The Party not filing the Nasdaq Listing Application will cooperate with the other Party as reasonably requested by such filing Party with respect to the Nasdaq Listing Application and promptly furnish to such filing Party all information concerning itself and its stockholders that may be required or reasonably requested in connection with any action contemplated by this Section 6.11.

6.12 Tax Matters.

(a) Each of Oasis and the Company shall use commercially reasonable efforts to (i) cause the Merger to qualify as a "reorganization" within the meaning of Section 368(a) of the Code, and (ii) not take any actions, or cause its Subsidiaries to take any actions, that would reasonably be expected to prevent or impede the Merger from qualifying as a "reorganization" within the meaning of Section 368(a) of the Code. The Company shall use commercially reasonable efforts to obtain the opinion of counsel referred to in Section 9.10. In connection therewith, (1) Oasis shall use commercially reasonable efforts to deliver to such counsel a duly executed certificate containing such representations, warranties and covenants as shall be reasonably necessary or appropriate to enable such counsel to render the opinion described in Section 9.10 (the "**Oasis Tax Certificate**"),

dated as of the Closing Date (and, if requested, dated as of the date on which the Registration Statement is declared effective by the SEC), (2) the Company shall use commercially reasonable efforts to deliver to such counsel a duly executed certificate containing such representations, warranties and covenants as shall be reasonably necessary or appropriate to enable such counsel to render the opinion described in Section 9.10, (the "**Company Tax Certificate**"), dated as of the Closing Date (and, if requested, dated as of the date on which the Registration Statement is declared effective by the SEC), and (3) each of Oasis and the Company shall cooperate with one another and provide such other information as reasonably requested by counsel for purposes of rendering the opinion described in Section 9.10. The Parties shall not, and shall not permit any of their respective Subsidiaries to, file any U.S. federal, state or local Tax Return or take any position before any taxing authority, in each case, in a manner that is inconsistent with the treatment of the Merger as a "reorganization" within the meaning of Section 368(a) of the Code for U.S. federal (and applicable state and local) income and other relevant Tax purposes, unless otherwise required by applicable Law.

(b) Each of Oasis and the Company shall use commercially reasonable efforts to file with the ITA an application for the Israeli Tax Ruling. Each of the Company and Oasis shall cause their respective counsels to coordinate all activities, and to cooperate with each other, with respect to the preparation and filing of such application and in the preparation of any written or oral submissions that may be necessary, proper or advisable to obtain the Israeli Tax Ruling. If the final Israeli Tax Ruling is not obtained prior to Closing, the parties shall use commercially reasonable efforts to obtain the Interim Tax Ruling prior to Closing.

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

6.14 Directors and Officers. Until successors are duly elected or appointed and qualified in accordance with applicable Law, the Parties shall use reasonable best efforts and take all necessary action so that (a) the Oasis Board and Surviving Company Board shall initially as of the Effective Time be comprised of seven (7) members, with one (1) such member designated by Oasis, five (5) such members designated by the Company and one (1) such member being the Chief Executive Officer as set forth on Schedule 6.14, (b) the Persons listed in Schedule 6.14 under the heading "Officers" are elected or appointed, as applicable, to the positions of officers of Oasis and the Surviving Corporation, as set forth therein, to serve in such positions effective as of the Effective Time. If any Person listed in Schedule 6.14 is unable or unwilling to serve as officer or director of Oasis or the Surviving Corporation, as set forth therein, the Party appointing such Person (as set forth on Schedule 6.14) shall designate a successor. The Person listed in Schedule 6.14 under the heading "Board Designee – Oasis" shall be Oasis' designee pursuant to clause (a) of this Section 6.14 (which list may be changed by Oasis at any time prior to 15 days prior to the Oasis Stockholder Meeting by written notice to the Company to include a different board designee who is reasonably acceptable to the Company). The Persons listed in Schedule 6.14 under the heading "Board Designees – Company" shall be the Company's designees pursuant to clause (a) of this Section 6.14 (which list may be changed by the Company at any time prior to 15 days prior to the Oasis Stockholder Meeting by written notice to Oasis to include different board designees who are reasonably acceptable to Oasis).

6.15 Termination of Certain Agreements and Rights. The Company shall cause any stockholders agreements, voting agreements, registration rights agreements, co-sale agreements and any other similar Contracts between the Company and any holders of Company Common Stock, respectively, including any such Contract granting any Person investor rights, rights of first refusal, registration rights or director registration rights (collectively, the **"Investor Agreements"**), to be terminated immediately prior to the Effective Time, without any liability being imposed on the part of the Surviving Corporation.

6.16 Section 16 Matters. Prior to the Effective Time, Oasis shall take all such steps as may be required to cause any acquisitions of Oasis Common Stock and any options to purchase Oasis Common Stock in

connection with the Contemplated Transactions, by each individual who is reasonably expected to become subject to the reporting requirements of Section 16(a) of the Exchange Act with respect to Oasis, to be exempt under Rule 16b-3 promulgated under the Exchange Act.

6.17 Allocation Certificate.

(a) The Company will prepare and deliver to Oasis at least two (2) Business Days prior to the Closing Date a certificate signed by the Chief Executive Officer of the Company in a form reasonably acceptable to Oasis setting forth (as of immediately prior to the Effective Time) (i) each holder of Company Capital Stock, Company Options or Company Warrants, (ii) such holder's name and address, (iii) the number and type of Company Capital Stock held and/or underlying the Company Options or Company Warrants as of the Closing Date for each such holder and (iv) the number of shares of Oasis Common Stock to be issued to such holder, or to underlie any Oasis Option or Oasis Warrant to be issued to such holder, pursuant to this Agreement in respect of the Company Capital Stock, Company Options or Company Warrant held by such holder as of immediately prior to the Effective Time (the **"Company Allocation Certificate"**).

(b) Oasis will prepare and deliver to the Company at least two (2) Business Days prior to the Closing Date a certificate signed by the Chief Executive Officer of Oasis in a form reasonably acceptable to the Company, setting forth, as of immediately prior to the Effective Time (and giving effect to Section 6.6 and Section 6.8 hereof and the Oasis Reverse Stock Split): (i) each record holder of Oasis Common Stock or Oasis Options, (ii) such record holder's name and address and (iii) the number of shares of Oasis Common Stock held and/or underlying the Oasis Options as of the Effective Time for such holder (the "**Oasis Allocation Certificate"**).

6.18 Oasis Reverse Stock Split. Oasis shall submit to Oasis's stockholders at the Oasis Stockholder Meeting a proposal to approve and adopt an amendment to Oasis's certificate of incorporation to authorize the Oasis Board to effect a reverse stock split of all outstanding shares of Oasis Common Stock at a reverse stock split ratio in the range mutually agreed to by the Company and Oasis (the "**Oasis Reverse Stock Split**"), and shall take such other actions as shall be reasonably necessary to effectuate the Oasis Reverse Stock Split.

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

6.20 Stockholder Litigation. Each Party shall keep the other Party reasonably informed regarding any stockholder litigation against Oasis or any of its directors relating to this Agreement or the Contemplated Transactions ("**Transaction Litigation**"). Prior to the Closing, Oasis shall reasonably consult with and permit the Company and its Representatives to participate in consideration to the Company's advice with respect to Transaction Litigation. Oasis shall promptly advise the Company orally and in writing of the initiation of and shall keep the Company reasonably apprised of any material developments in connection with any such Transaction Litigation.

6.21 Oasis SEC Documents. From the date of this Agreement to the Effective Time, Oasis shall timely file with the SEC all registration statements, proxy statements, Certifications, reports, schedules, exhibits, forms and other documents required to be filed by Oasis or its officers with the SEC required to be filed by it under the Exchange Act or the Securities Act ("**SEC Documents**"). As of its filing date, or if amended after the date of this Agreement, as of the date of the last such amendment, each SEC Document filed by Oasis with the SEC (a) shall comply in all material respects with the applicable requirements of the Exchange Act and the Securities Act, and (b) shall not contain any untrue statement of a material fact or omit to state any material fact required to be stated therein or necessary in order to make the statements made therein, in light of the circumstances under which they were made, not misleading.

6.22 FIRPTA Certificate. The Company shall furnish Oasis, at or prior to Closing, with a certificate in the form and substance required under Treasury Regulations Sections 1.1445-2(c) and 1.897-2(h) together with a form of notice to the IRS in accordance with the requirements of Treasury Regulations Section 1.897-2(h), in form and substance reasonably acceptable to Oasis.

Section 7. Conditions Precedent to Obligations of Each Party.

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

7.1 Effectiveness of Registration Statement. The Registration Statement shall have become effective in accordance with the provisions of the Securities Act, and shall not be subject to any stop order or proceeding (or threatened proceeding by the SEC) seeking a stop order with respect to the Registration Statement that has not been withdrawn. Any material state securities laws applicable to the issuance of the shares of Oasis Common Stock constituting Merger Consideration shall have been complied with and no stop order (or similar order) shall have been issued or threatened in writing in respect of any shares of Oasis Common Stock constituting Merger Consideration by any applicable state securities commissioner or court of competent jurisdiction.

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

7.3 Stockholder Approval. (a) Oasis shall have obtained the Required Oasis Stockholder Vote and (b) the Company shall have obtained the Required Company Stockholder Vote.

7.4 Listing. The approval of the listing of the additional shares of Oasis Common Stock on Nasdaq shall have been obtained and the shares of Oasis Common Stock to be issued in the Merger pursuant to this Agreement shall have been approved for listing (subject to official notice of issuance) on Nasdaq.

Section 8. Additional Conditions Precedent to Obligations of Oasis and Merger Sub.

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

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

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

8.3 Closing Certificate. Oasis shall have received a certificate executed by the Chief Executive Officer or Chief Financial Officer of the Company certifying (a) that the conditions set forth in Sections 8.1, 8.2, 8.5 and 8.7 have been duly satisfied and (b) that the information set forth in the Company Allocation Certificate delivered by the Company in accordance with Section 6.17(a) is true and accurate in all respects as of the Closing Date.

8.4 No Company Material Adverse Effect. Since the date of this Agreement, there shall not have occurred any Company Material Adverse Effect.

8.5 Company Lock-Up Agreements. The Company Lock-Up Agreements will continue to be in full force and effect as of immediately following the Effective Time.

8.6 Termination of Investor Agreements. The Investor Agreements shall have been terminated.

8.7 Funding Transaction. The Funding Transaction shall have been consummated on the terms and conditions set forth in the Funding Agreement.

Section 9. Additional Conditions Precedent to Obligation of the Company.

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

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

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

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

(a) a certificate executed by the Chief Executive Officer of Oasis confirming that (i) the conditions set forth in Sections 9.1, 9.2, and 9.4 have been duly satisfied and (ii) the information set forth in the Oasis Allocation Certificate delivered by Oasis in accordance with Section 6.17(b) is true and accurate in all respects as of the Closing Date; and

(b) written resignations in forms satisfactory to the Company, dated as of the Closing Date and effective as of the Closing executed by the officers and directors of Oasis who are not to continue as officers or directors of Oasis pursuant to Section 6.14 hereof.

9.4 No Oasis Material Adverse Effect. Since the date of this Agreement, there shall not have occurred any Oasis Material Adverse Effect.

9.5 Oasis Lock-Up Agreements. The Oasis Lock-Up Agreements will continue to be in full force and effect as of immediately following the Effective Time.

9.6 Listing. The existing shares of Oasis Common Stock shall have been continually listed on Nasdaq as of and from the date of this Agreement through the Closing Date.

9.7 Sarbanes-Oxley Certifications. Neither the principal executive officer nor the principal financial officer of Oasis shall have failed to provide, with respect to any SEC Document filed (or required to be filed) by Oasis with the SEC on or after the date of this Agreement, any necessary certification in the form required under Rule 13a-14 under the Exchange Act and 18 U.S.C. § 1350.

9.8 Charter Amendment. Oasis shall have filed the amendment to its certificate of incorporation contemplated by Section 2.4(b), and timely submitted a certified copy of the same to Nasdaq in accordance with Nasdaq's Marketplace Rules.

9.9 Exchange Agent Agreement. Oasis shall have entered into an exchange agent agreement with the Exchange Agent pertaining to the exchange of shares of Company Capital Stock for shares of Oasis Common Stock as contemplated hereby, including a form of letter of transmittal, in form and substance reasonably satisfactory to the Company.

9.10 Tax Opinion. The Company shall have received an opinion from Morrison & Foerster LLP (or if Morrison & Foerster LLP is unable to issue such an opinion, from another nationally recognized law firm proposed by Oasis that is reasonably acceptable to the Company ("**Company's Replacement Counsel**")), in form and substance reasonably satisfactory to the Company, dated as of the Closing Date, to the effect that, on the basis of the facts, representations and assumptions set forth or referred to in such opinion, the Merger will qualify as a "reorganization" within the meaning of Section 368(a) of the Code. In rendering the opinion described in this Section 9.10, Morrison & Foerster LLP (or Company's Replacement Counsel) shall have received and may rely upon the Oasis Tax Certificate and the Company Tax Certificate and such other information reasonably requested by and provided to it by Oasis or the Company for purposes of rendering such opinion.

Section 10. Termination.

10.1 Termination. This Agreement may be terminated prior to the Effective Time (whether before or after adoption of this Agreement by the Company's stockholders and whether before or after approval of the Oasis Stockholder Matters by Oasis's stockholders, unless otherwise specified below):

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

(b) by either Oasis or the Company if the Merger shall not have been consummated by January 28, 2021 (subject to possible extension as provided in this Section 10.1(b), the "**End Date**"); provided, however, that the right to terminate this Agreement under this Section 10.1(b) shall not be available to the Company or Oasis if such Party's (or, in the case of Oasis, Merger Sub's) action or failure to act has been a principal cause of the failure of the Merger to occur on or before the End Date and such action or failure to act constitutes a breach of this Agreement, provided, further, however, that, in the event that the SEC has not declared effective under the Securities Act the Registration Statement by the date which is 60 days prior to the End Date, then either the Company or Oasis shall be entitled to extend the End Date for an additional 60 days;

(c) by either Oasis or the Company if a court of competent jurisdiction or other Governmental Authority shall have issued a final and nonappealable Order, or shall have taken any other action, having the effect of permanently restraining, enjoining or otherwise prohibiting the Contemplated Transactions;

(d) by Oasis if the Required Company Stockholder Vote shall not have been obtained within five (5) Business Days of the Registration Statement becoming effective in accordance with the provisions of the Securities Act; provided, however, that once the Required Company Stockholder Vote has been obtained, Oasis may not terminate this Agreement pursuant to this Section 10.1(d);

(e) by either Oasis or the Company if (i) the Oasis Stockholder Meeting (including any adjournments and postponements thereof) shall have been held and completed and Oasis's stockholders shall have taken a final vote on the Oasis Stockholder Matters and (ii) the Oasis Stockholder Matters shall not have been approved at the Oasis Stockholder Meeting (or at any adjournment or postponement thereof) by the Required Oasis Stockholder Vote; provided, however, that the right to terminate this Agreement under this Section 10.1(e) shall not be available to Oasis where the failure to obtain the Required Oasis Stockholder Vote shall have been caused by the action or failure to act of Oasis and such action or failure to act constitutes a material breach by Oasis of this Agreement;

(f) by the Company (at any time prior to the approval of the Oasis Stockholder Matters by the Required Oasis Stockholder Vote) if an Oasis Triggering Event shall have occurred;

(g) by Oasis (at any time prior to the adoption of this Agreement and the approval of the Contemplated Transactions by the Required Company Stockholder Vote) if a Company Triggering Event shall have occurred;

(h) by the Company, upon a breach of any representation, warranty, covenant or agreement set forth in this Agreement by Oasis or Merger Sub or if any representation or warranty of Oasis or Merger Sub shall have become inaccurate, in either case, such that the conditions set forth in Section 9.1 or Section 9.2 would not be satisfied as of the time of such breach or as of the time such representation or warranty shall have become inaccurate; provided that the Company is not then in material breach of any representation, warranty, covenant or agreement under this Agreement; provided, further, that if such inaccuracy in Oasis's or Merger Sub's representations and warranties or breach by Oasis or Merger Sub is curable by Oasis or Merger Sub, then this Agreement shall not terminate pursuant to this Section 10.1(h) as a result of such particular breach or inaccuracy until the earlier of (i) the expiration of a 30-day period commencing upon delivery of written notice from the Company to Oasis or Merger Sub of such breach or inaccuracy and its intention to terminate pursuant to this Section 10.1(h) and (ii) Oasis or Merger Sub (as applicable) ceasing to exercise commercially reasonable efforts to cure such breach following delivery of written notice from the Company to Oasis or Merger Sub of such breach or inaccuracy and its intention to terminate pursuant to this Section 10.1(h) (it being understood that this Agreement shall not terminate pursuant to this Section 10.1(h) as a result of such particular breach or inaccuracy if such breach by Oasis or Merger Sub is cured prior to such termination becoming effective);

(i) by Oasis, upon a breach of any representation, warranty, covenant or agreement set forth in this Agreement by the Company or if any representation or warranty of the Company shall have become inaccurate, in either case, such that the conditions set forth in Section 8.1 or Section 8.2 would not be satisfied as of the time of such breach or as of the time such representation or warranty shall have become inaccurate; provided that Oasis is not then in material breach of any representation, warranty, covenant or agreement under this Agreement; provided, further, that if such inaccuracy in the Company's representations and warranties or breach by the Company is curable by the Company then this Agreement shall not terminate pursuant to this Section 10.1(i) as a result of such particular breach or inaccuracy until the earlier of (i) the expiration of a 30-day period commencing upon delivery of written notice from Oasis to the Company of such breach or inaccuracy and its intention to terminate pursuant to this Section 10.1(i) and (ii) the Company ceasing to exercise commercially reasonable efforts to cure such breach following delivery of written notice from Oasis to the Company of such

breach or inaccuracy and its intention to terminate pursuant to this Section 10.1(i) (it being understood that this Agreement shall not terminate pursuant to this Section 10.1(i) as a result of such particular breach or inaccuracy if such breach by the Company is cured prior to such termination becoming effective);

(j) by Oasis (at any time prior to the approval of the Oasis Stockholder Matters by the Required Oasis Stockholder Vote) and following compliance with all of the requirements set forth in the proviso to this Section 10.1(j), upon the Oasis Board authorizing Oasis to enter into a Permitted Alternative Agreement; provided, however, that Oasis shall not enter into any Permitted Alternative Agreement unless: (i) the Company shall have received written notice from Oasis of Oasis's intention to enter into such Permitted Alternative Agreement at least five (5) Business Days in advance, with such notice describing in reasonable detail the reasons for such intention as well as the material terms and conditions of such Permitted Alternative Agreement, including the identity of the counterparty together with copies of the then current draft of such Permitted Alternative Agreement and any other related principal transaction documents, (ii) Oasis shall have complied in all material respects with its obligations under Section 5.4 and Section 6.3, (iii) the Oasis Board shall have determined in good faith, after consultation with its outside legal counsel, that the failure to enter into such Permitted Alternative Agreement would reasonably be expected to be inconsistent with its fiduciary obligations under applicable Law and (iv) Oasis shall concurrently pay to the Company the Company Termination Fee in accordance with Section 10.3(c); or

(k) by the Company (at any time prior to the adoption of this Agreement and the approval of the Contemplated Transactions by the Required Company Stockholder Vote) and following compliance with all of the requirements set forth in the proviso to this Section 10.1(k), upon the Company Board authorizing the Company to enter into a Permitted Alternative Agreement; provided, however, that the Company shall not enter into any Permitted Alternative Agreement unless: (i) Oasis shall have received written notice from the Company of the Company's intention to enter into such Permitted Alternative Agreement at least five (5) Business Days in advance, with such notice describing in reasonable detail the reasons for such intention as well as the material terms and conditions of such Permitted Alternative Agreement, including the identity of the counterparty together with copies of the then current draft of such Permitted Alternative Agreement and any other related principal transaction documents, (ii) the Company shall have complied in all material respects with its obligations under Section 5.4 and Section 6.2, (iii) the Company Board shall have determined in good faith, after consultation with its outside legal counsel, that the failure to enter into such Permitted Alternative Agreement would reasonably be expected to be inconsistent with its fiduciary obligations under applicable Law and (iv) the Company shall concurrently pay to Oasis the Oasis Termination Fee in accordance with Section 10.3(e).

The Party desiring to terminate this Agreement pursuant to this Section 10.1 (other than pursuant to Section 10.1(a)) shall give a notice of such termination to the other Party specifying the provisions hereof pursuant to which such termination is made and the basis therefor described in reasonable detail.

10.2 Effect of Termination. In the event of the termination of this Agreement as provided in Section 10.1, this Agreement shall be of no further force or effect; provided, however, that (a) this Section 10.2, Section 10.3, and Section 11 (and the related definitions of the defined terms in such sections) shall survive the termination of this Agreement and shall remain in full force and effect and (b) the termination of this Agreement and the provisions of Section 10.3 shall not relieve any Party of any liability for fraud or for any willful and material breach of any representation, warranty, covenant, obligation or other provision contained in this Agreement.

10.3 Expenses; Termination Fees.

(a) Except as set forth in this Section 10.3 and Section 6.11 all fees and expenses incurred in connection with this Agreement and the Contemplated Transactions shall be paid by the Party incurring such expenses, whether or not the Merger is consummated provided, however, that Oasis and the Company shall also share equally all fees and expenses incurred in relation to the printing and filing with the SEC of the Registration

Statement (including any financial statements and exhibits) and any amendments or supplements thereto and paid to a financial printer or the SEC.

(b) If (i) this Agreement is terminated by Oasis or the Company pursuant to Section 10.1(b) or Section 10.1(e) or by the Company pursuant to Section 10.1(h), (ii) at any time after the date of this Agreement and prior to such termination an Acquisition Proposal with respect to Oasis shall have been publicly announced, disclosed or otherwise communicated to the Oasis Board and (iii) within twelve (12) months after the date of such termination, Oasis enters into a definitive agreement with respect to a Subsequent Transaction or consummates a Subsequent Transaction, then Oasis shall pay to the Company, within five (5) Business Days after termination (or, if applicable, upon such entry into a definitive agreement and/or consummation of a Subsequent Transaction), a nonrefundable fee in an amount equal to $6,100,000 (the "**Company Termination Fee**").

(c) If this Agreement is terminated (i) by the Company pursuant to Section 10.1(f) (or, at the time this Agreement is terminated, the Company had the right to terminate this Agreement pursuant to Section 10.1(f)), then Oasis shall pay to the Company, within five (5) Business Days of such termination, the Company Termination Fee or (ii) by Oasis pursuant to Section 10.1(j), then Oasis shall pay to the Company, concurrent with such termination, the Company Termination Fee.

(d) If (i) this Agreement is terminated by Oasis or the Company pursuant to Section 10.1(b) or by Oasis pursuant to Section 10.1(d) or Section 10.1(i), (ii) at any time after the date of this Agreement and before obtaining the Required Company Stockholder Vote an Acquisition Proposal with respect to the Company shall have been publicly announced, disclosed or otherwise communicated to the Company Board and (iii) within twelve (12) months after the date of such termination, the Company enters into a definitive agreement with respect to a Subsequent Transaction or consummates a Subsequent Transaction, then the Company shall pay to Oasis, within five (5) Business Days after termination (or, if applicable, upon such entry into a definitive agreement and/or consummation of a Subsequent Transaction), a nonrefundable fee in an amount equal to $6,100,000 (the "**Oasis Termination Fee**").

(e) If this Agreement is terminated (i) by Oasis pursuant to Section 10.1(g) (or, at the time this Agreement is terminated, Oasis had the right to terminate this Agreement pursuant to Section 10.1(g)), then the Company shall pay to Oasis, within five (5) Business Days of such termination, the Oasis Termination Fee or (ii) by the Company pursuant to Section 10.1(k), then the Company shall pay to Oasis, concurrent with such termination, the Oasis Termination Fee.

(f) If this Agreement is terminated by the Company pursuant to Section 10.1(f) or Section 10.1(h), by Oasis pursuant to Section 10.1(j) or by either party pursuant to Section 10.1(e) (other than in circumstances in which the Company Termination Fee is payable by Oasis pursuant to Section 10.3(b)), Oasis shall, in addition to any applicable required payment of the Company Termination Fee, reimburse the Company for all reasonable out-of-pocket fees and expenses incurred by the Company in connection with this Agreement and the Contemplated Transactions, up to a maximum of $1,000,000, by wire transfer of same-day funds within five (5) Business Days following the date on which the Company submits to Oasis true and correct copies of reasonable documentation supporting such expenses.

(g) If this Agreement is terminated by Oasis pursuant to Section 10.1(d) (other than in circumstances in which the Oasis Termination Fee is payable by the Company pursuant to Section 10.3(d)), Section 10.1(g), Section 10.1(i) or by the Company pursuant to Section 10.1(k), the Company shall, in addition to any applicable required payment of the Oasis Termination Fee, reimburse Oasis for all reasonable out-of-pocket fees and expenses incurred by Oasis in connection with this Agreement and the Contemplated Transactions, up to a maximum of $1,000,000, by wire transfer of same-day funds within ten (5) Business Days following the date on which Oasis submits to the Company true and correct copies of reasonable documentation supporting such expenses.

(h) If either Party fails to pay when due any amount payable by it under this Section 10.3, then (i) such Party shall reimburse the other Party for reasonable costs and expenses (including reasonable fees and disbursements of counsel) incurred in connection with the collection of such overdue amount and the enforcement by the other Party of its rights under this Section 10.3 and (ii) such Party shall pay to the other Party interest on such overdue amount (for the period commencing as of the date such overdue amount was originally required to be paid and ending on the date such overdue amount is actually paid to the other Party in full) at a rate per annum equal to the "prime rate" (as announced by Bank of America or any successor thereto) in effect on the date such overdue amount was originally required to be paid plus three percent.

(i) The Parties agree that, subject to Section 10.2, the payment of the fees and expenses set forth in this Section 10.3 shall be the sole and exclusive remedy of each Party following a termination of this Agreement under the circumstances described in this Section 10.3, it being understood that in no event shall either Oasis or the Company be required to pay the individual fees or damages payable pursuant to this Section 10.3 on more than one occasion. Subject to Section 10.2, following the payment of the fees and expenses set forth in this Section 10.3 by a Party, (i) such Party shall have no further liability to the other Party in connection with or arising out of this Agreement or the termination thereof, any breach of this Agreement by the other Party giving rise to such termination, or the failure of the Contemplated Transactions to be consummated, (ii) no other Party or their respective Affiliates shall be entitled to bring or maintain any other claim, action or proceeding against such Party or seek to obtain any recovery, judgment or damages of any kind against such Party (or any partner, member, stockholder, director, officer, employee, Subsidiary, Affiliate, agent or other Representative of such Party) in connection with or arising out of this Agreement or the termination thereof, any breach by such Party giving rise to such termination or the failure of the Contemplated Transactions to be consummated and (iii) all other Parties and their respective Affiliates shall be precluded from any other remedy against such Party and its Affiliates, at law or in equity or otherwise, in connection with or arising out of this Agreement or the termination thereof, any breach by such Party giving rise to such termination or the failure of the Contemplated Transactions to be consummated. Each of the Parties acknowledges that (x) the agreements contained in this Section 10.3 are an integral part of the Contemplated Transactions, (y) without these agreements, the Parties would not enter into this Agreement and (z) any amount payable pursuant to this Section 10.3 is not a penalty, but rather is liquidated damages in a reasonable amount that will compensate the Parties in the circumstances in which such amount is payable; *provided, however,* that nothing in this Section 10.3(h) shall limit the rights of the Parties under Section 11.10.

Section 11. Miscellaneous Provisions.

11.1 Non-Survival of Representations and Warranties. The representations and warranties of the Company, Oasis and Merger Sub contained in this Agreement or any certificate or instrument delivered pursuant to this Agreement shall terminate at the Effective Time, and only the covenants that by their terms survive the Effective Time and this Section 11 shall survive the Effective Time.

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

11.3 Waiver.

(a) Any provision hereof may be waived by the waiving Party solely on such Party's own behalf, without the consent of any other Party. No failure on the part of any Party to exercise any power, right, privilege or remedy under this Agreement, and no delay on the part of any Party in exercising any power, right, privilege

or remedy under this Agreement, shall operate as a waiver of such power, right, privilege or remedy; and no single or partial exercise of any such power, right, privilege or remedy shall preclude any other or further exercise thereof or of any other power, right, privilege or remedy.

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

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

11.5 Applicable Law; Jurisdiction. This Agreement shall be governed by, and construed in accordance with, the laws of the State of Delaware, regardless of the laws that might otherwise govern under applicable principles of conflicts of laws. In any action or proceeding between any of the Parties arising out of or relating to this Agreement or any of the Contemplated Transactions, each of the Parties: (a) irrevocably and unconditionally consents and submits to the exclusive jurisdiction and venue of the Court of Chancery of the State of Delaware or, to the extent such court does not have subject matter jurisdiction, the Superior Court of the State of Delaware or the United States District Court for the District of Delaware, (b) agrees that all claims in respect of such action or proceeding shall be heard and determined exclusively in accordance with clause (a) of this Section 11.5, (c) waives any objection to laying venue in any such action or proceeding in such courts, (d) waives any objection that such courts are an inconvenient forum or do not have jurisdiction over any Party, (e) agrees that service of process upon such Party in any such action or proceeding shall be effective if notice is given in accordance with Section 11.8 of this Agreement and (f) irrevocably and unconditionally waives the right to trial by jury.

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

11.7 Notices. All notices and other communications hereunder shall be in writing and shall be deemed to have been duly delivered and received hereunder (a) one Business Day after being sent for next Business Day delivery, fees prepaid, via a reputable international overnight courier service, (b) upon delivery in the case of delivery by hand or (c) on the date delivered in the place of delivery if sent by email or facsimile (with a written or electronic confirmation of delivery) prior to 6:00 p.m. New York City time, otherwise on the next succeeding Business Day, in each case to the intended recipient as set forth below:

if to Oasis or Merger Sub:

resTORbio, Inc.
500 Boylston Street, 13th Floor
Boston, Massachusetts 02116
Attention: Chief Executive Officer
Email: cschor@restorbio.com

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

Goodwin Procter LLP
100 Northern Avenue
Boston, Massachusetts 02210
Attention: Mitchell S. Bloom, Danielle M. Lauzon, Andrew H. Goodman
Email: mbloom@goodwinlaw.com, dlauzon@goodwinlaw.com, agoodman@goodwinlaw.com

if to the Company:

Adicet Bio, Inc.
200 Construction Drive
Menlo Park, California 94025
Attention: Chief Executive Officer
Email: asinghal@adicetbio.com

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

Morrison & Foerster LLP
12531 High Bluff Drive, Suite 100
San Diego, CA 92011
Attention: James M. Krenn and John A. de Groot
Email: jkrenn@mofo.com, jdegroot@mofo.com

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

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

11.10 Other Remedies; Specific Performance. Except as otherwise provided herein, any and all remedies herein expressly conferred upon a Party will be deemed cumulative with and not exclusive of any other remedy conferred hereby, or by law or equity upon such Party, and the exercise by a Party of any one remedy will not preclude the exercise of any other remedy. The Parties agree that irreparable damage for which monetary damages, even if available, would not be an adequate remedy, would occur in the event that any of the provisions of this Agreement were not performed in accordance with their specific terms (including failing to take such actions as are required of it hereunder to consummate this Agreement) or were otherwise breached. It is accordingly agreed that the Parties shall be entitled to an injunction or injunctions to prevent breaches of this Agreement and to enforce specifically the terms and provisions hereof in any court of the United States or any state having jurisdiction, this being in addition to any other remedy to which they are entitled at law or in equity, and each of the Parties waives any bond, surety or other security that might be required of any other Party with respect thereto. Each of the Parties further agrees that it will not oppose the granting of an injunction, specific performance or other equitable relief on the basis that any other Party has an adequate remedy at law or that any award of specific performance is not an appropriate remedy for any reason at law or in equity.

11.11 No Third Party Beneficiaries. Nothing in this Agreement, express or implied, is intended to or shall confer upon any Person (other than the Parties and the D&O Indemnified Parties to the extent of their respective rights pursuant to Section 6.9) any right, benefit or remedy of any nature whatsoever under or by reason of this Agreement.

[*Remainder of page intentionally left blank*]

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

RESTORBIO, INC.

By: /s/ Chen Schor

Name: Chen Schor

Title: Chief Executive Officer

PROJECT OASIS MERGER SUB, INC.

By: /s/ Chen Schor

Name: Chen Schor

Title: President

ADICET BIO, INC.

By: /s/ Anil Singhal

Name: Anil Singhal, Ph.D.

Title: Chief Executive Officer

EXHIBIT A

Form of Oasis Stockholder Support Agreement

RESTORBIO, INC.

SUPPORT AGREEMENT

THIS SUPPORT AGREEMENT (this "Agreement"), dated as of April , 2020, is made by and among resTORbio, Inc., a Delaware corporation ("Oasis"), Adicet Bio, Inc., a Delaware corporation (the "Company"), and the undersigned holders (each a "Stockholder") of shares of capital stock (the "Shares") of Oasis.

WHEREAS, Oasis, Project Oasis Merger Sub, Inc., a Delaware corporation and a wholly owned subsidiary of Oasis ("Merger Sub"), and the Company, have entered into an Agreement and Plan of Merger, dated of even date herewith (the "Merger Agreement"), providing for the merger of Merger Sub with and into the Company (the "Merger");

WHEREAS, each Stockholder beneficially owns and has sole or shared voting power with respect to the number of Shares, and holds Oasis Options and/or Oasis Restricted Stock Units to acquire the number of Shares indicated opposite such Stockholder's name on Schedule 1 attached hereto;

WHEREAS, as an inducement and a condition to the willingness of the Company to enter into the Merger Agreement, each Stockholder has agreed to enter into and perform this Agreement; and

WHEREAS, all capitalized terms used in this Agreement without definition herein shall have the meanings ascribed to them in the Merger Agreement.

NOW, THEREFORE, in consideration of, and as a condition to, the Company's entering into the Merger Agreement, each Stockholder, Oasis and the Company agree as follows:

1. Agreement to Vote Shares. Each Stockholder agrees that, prior to the Expiration Date (as defined in Section 2 below), at any meeting of the stockholders of Oasis or any adjournment or postponement thereof, or in connection with any written consent of the stockholders of Oasis, with respect to the Merger, the Merger Agreement or any Acquisition Proposal, such Stockholder shall:

(a) appear at such meeting or otherwise cause the Shares and any New Shares (as defined in Section 3 below) to be counted as present thereat for purposes of calculating a quorum;

(b) from and after the date hereof until the Expiration Date, vote (or cause to be voted), or deliver a written consent (or cause a written consent to be delivered) covering all of the Shares and any New Shares that Stockholder shall be entitled to so vote: (i) in favor of (A) adoption and approval of the issuance of the shares of Oasis Common Stock by virtue of the Merger and (B) the adoption of the Merger Agreement and approval of the Merger and any matter that could reasonably be expected to facilitate the Merger and the Contemplated Transactions; (ii) against any action or agreement that, to the knowledge of Stockholder, would reasonably be expected to result in a breach in any material respect of any covenant, representation or warranty or any other obligation or agreement of Oasis or any of its Subsidiaries or Affiliates under the Merger Agreement that would reasonably be expected to result in any of the conditions to Oasis's or any of its Subsidiaries' or Affiliates' obligations under the Merger Agreement not being fulfilled; (iii) against any Acquisition Proposal, or any agreement, transaction or other matter that is intended to, or would reasonably be expected to, impede, interfere with, delay, postpone, discourage or materially and adversely affect the consummation of the Merger and all of the other Contemplated Transactions; and (iv) to approve any proposal to adjourn or postpone the meeting to a later date, if there are not sufficient votes for the adoption of the Merger Agreement on the date on which such meeting is held. Stockholder shall not take or commit or agree to take any action inconsistent with the foregoing.

2. Expiration Date. As used in this Agreement, the term "Expiration Date" shall mean the earlier to occur of (a) the Effective Time, (b) such date and time as the Merger Agreement shall be terminated pursuant to Section 10 thereof or otherwise, or (c) the mutual written agreement of the parties to terminate this Agreement.

3. Additional Purchases. Each Stockholder agrees that any shares of capital stock or other equity securities of Oasis that such Stockholder purchases or with respect to which such Stockholder otherwise acquires sole or shared voting power (including any proxy) after the execution of this Agreement and prior to the Expiration

Date, whether by the exercise of any Oasis Options, settlement of Oasis Restricted Stock Units or otherwise, including, without limitation, by gift, succession, in the event of a stock split or as a dividend or distribution of any Shares ("New Shares"), shall be subject to the terms and conditions of this Agreement to the same extent as if they constituted the Shares.

4. Agreement to Retain Shares. From and after the date hereof until the Expiration Date, each Stockholder shall not, directly or indirectly, (a) sell, assign, transfer, tender, or otherwise dispose of (including, without limitation, by the creation of any Liens (as defined in Section 5(c) below)) any Shares or any New Shares acquired, (b) deposit any Shares or New Shares into a voting trust or enter into a voting agreement or similar arrangement with respect to such Shares or New Shares or grant any proxy or power of attorney with respect thereto (other than this Agreement), (c) enter into any Contract, option, commitment or other arrangement or understanding with respect to the direct or indirect sale, transfer, assignment or other disposition of (including, without limitation, by the creation of any Liens) any Shares or New Shares, or (d) take any action that would make any representation or warranty of such Stockholder contained herein untrue or incorrect or have the effect of preventing or disabling such Stockholder from performing such Stockholder's obligations under this Agreement. Notwithstanding the foregoing, each Stockholder may make (1) transfers by will or by operation of Law or other transfers for estate-planning purposes, in which case this Agreement shall bind the transferee, (2) with respect to such Stockholder's Oasis Options which expire on or prior to the Expiration Date, transfers, sale, or other disposition of Shares to Oasis as payment for the (i) exercise price of such Stockholder's Oasis Options and (ii) taxes applicable to the exercise of such Stockholder's Oasis Options, (3) with respect to Stockholder's Oasis Restricted Stock Units, (i) transfers for the net settlement of Stockholder's Oasis Restricted Stock Units settled in Shares (to pay any tax withholding obligations) or (ii) transfers for receipt upon settlement of such Stockholder's Oasis Restricted Stock Units, and the sale of a sufficient number of such Shares acquired upon settlement of such securities as would generate sales proceeds sufficient to pay the aggregate taxes payable by such Stockholder as a result of such settlement, (4) if Stockholder is a partnership or limited liability company, a transfer to one or more partners or members of Stockholder or to an Affiliated corporation, trust or other Entity under common control with Stockholder, or if Stockholder is a trust, a transfer to a beneficiary, provided that in each such case the applicable transferee has signed a voting agreement in substantially the form hereof, (5) transfers to another holder of the capital stock of the Company that has signed a voting agreement in substantially the form hereof, and (6) transfers, sales or other dispositions as the Company may otherwise agree in writing in its sole discretion. If any voluntary or involuntary transfer of any Shares covered hereby shall occur (including a transfer or disposition permitted by Section 4(1) through Section 4(6), sale by a Stockholder's trustee in bankruptcy, or a sale to a purchaser at any creditor's or court sale), the transferee (which term, as used herein, shall include any and all transferees and subsequent transferees of the initial transferee) shall take and hold such Shares subject to all of the restrictions, liabilities and rights under this Agreement, which shall continue in full force and effect, notwithstanding that such transferee is not a Stockholder and has not executed a counterpart hereof or joinder hereto.

5. Representations and Warranties of Stockholder. Each Stockholder hereby, severally but not jointly, represents and warrants to Oasis and the Company as follows:

(a) If such Stockholder is an Entity: (i) such Stockholder is duly organized, validly existing and in good standing under the laws of the jurisdiction in which it is incorporated, organized or constituted, (ii) such Stockholder has all necessary power and authority to execute and deliver this Agreement, to perform such Stockholder's obligations hereunder and to consummate the transactions contemplated hereby, and (iii) the execution and delivery of this Agreement, performance of such Stockholder's obligations hereunder and the consummation of the transactions contemplated hereby by such Stockholder have been duly authorized by all necessary action on the part of such Stockholder and no other proceedings on the part of such Stockholder are necessary to authorize this Agreement, or to consummate the transactions contemplated hereby. If such Stockholder is an individual, such Stockholder has the legal capacity to execute and deliver this Agreement, to perform such Stockholder's obligations hereunder and to consummate the transactions contemplated hereby;

(b) this Agreement has been duly executed and delivered by or on behalf of such Stockholder and, to such Stockholder's knowledge and assuming this Agreement constitutes a valid and binding agreement of the Company and Oasis, constitutes a valid and binding agreement with respect to such Stockholder, enforceable against such Stockholder in accordance with its terms, except as enforcement may be limited by general principles of equity whether applied in a court of Law or a court of equity and by bankruptcy, insolvency and similar Laws affecting creditors' rights and remedies generally;

(c) such Stockholder beneficially owns the number of Shares indicated opposite such Stockholder's name on Schedule 1, and will own any New Shares, free and clear of any liens, claims, charges or other encumbrances or restrictions of any kind whatsoever ("Liens"), and has sole or shared, and otherwise unrestricted, voting power with respect to such Shares or New Shares and none of the Shares or New Shares is subject to any voting trust or other agreement, arrangement or restriction with respect to the voting of the Shares or the New Shares, except as contemplated by this Agreement;

(d) to the knowledge of such Stockholder, the execution and delivery of this Agreement by such Stockholder does not, and the performance by such Stockholder of his, her or its obligations hereunder and the compliance by such Stockholder with any provisions hereof will not, violate or conflict with, result in a material breach of or constitute a default (or an event that with notice or lapse of time or both would become a material default) under, or give to others any rights of termination, amendment, acceleration or cancellation of, or result in the creation of any Liens on any Shares or New Shares pursuant to, any agreement, instrument, note, bond, mortgage, Contract, lease, license, permit or other obligation or any order, arbitration award, judgment or decree to which such Stockholder is a party or by which such Stockholder is bound, or any Law, statute, rule or regulation to which such Stockholder is subject or, in the event that such Stockholder is a corporation, partnership, trust or other Entity, any bylaw or other Organizational Document of such Stockholder; except for any of the foregoing as would not reasonably be expected to prevent or delay the performance by such Stockholder of his, her or its obligations under this Agreement in any material respect;

(e) the execution and delivery of this Agreement by such Stockholder does not, and the performance of this Agreement by such Stockholder does not and will not, require any consent, approval, authorization or permit of, or filing with or notification to, any Governmental Authority or regulatory authority by such Stockholder except for applicable requirements, if any, of the Exchange Act, and except where the failure to obtain such consents, approvals, authorizations or permits, or to make such filings or notifications, would not prevent or delay the performance by such Stockholder of his, her or its obligations under this Agreement in any material respect;

(f) no investment banker, broker, finder or other intermediary is entitled to a fee or commission from Oasis or the Company in respect of this Agreement based upon any Contract made by or on behalf of such Stockholder; and

(g) as of the date of this Agreement, there is no Legal Proceeding pending or, to the knowledge of such Stockholder, threatened against such Stockholder that would reasonably be expected to prevent or delay the performance by such Stockholder of his, her or its obligations under this Agreement in any material respect.

6. Irrevocable Proxy. Subject to the penultimate sentence of this Section 6, by execution of this Agreement, each Stockholder does hereby appoint the Company and any of its designees with full power of substitution and resubstitution, as such Stockholder's true and lawful attorney and irrevocable proxy, to the fullest extent of such Stockholder's rights with respect to the Shares, to vote and exercise all voting and related rights, including the right to sign such Stockholder's name (solely in its capacity as a stockholder) to any Stockholder consent, if Stockholder is unable to perform or otherwise does not perform his, her or its obligations under this Agreement, with respect to such Shares solely with respect to the matters set forth in Section 1 hereof. Each Stockholder intends this proxy to be irrevocable and coupled with an interest hereunder until the Expiration Date, hereby revokes any proxy previously granted by such Stockholder with respect to the Shares and represents that none of such previously-granted proxies are irrevocable. The irrevocably proxy and power of attorney granted herein

shall survive the death or incapacity of such Stockholder and the obligations of such Stockholder shall be binding on such Stockholder's heirs, personal representatives, successors, transferees and assigns. Each Stockholder hereby agrees not to grant any subsequent powers of attorney or proxies with respect to any Shares with respect to the matters set forth in Section 1 until after the Expiration Date. Notwithstanding anything contained herein to the contrary, this irrevocable proxy shall automatically terminate upon the Expiration Date.

7. No Solicitation. From and after the date hereof until the Expiration Date, each Stockholder shall not (a) initiate, solicit, seek or knowingly encourage or support any inquiries, proposals or offers that constitute or may reasonably be expected to lead to, an Acquisition Proposal regarding Oasis, (b) engage or participate in, or knowingly facilitate, any discussions or negotiations regarding any inquiries, proposals or offers that constitute, or may reasonably be expected to lead to, an Acquisition Proposal regarding Oasis, (c) furnish to any Person other than the Company any non-public information that could reasonably be expected to be used for the purposes of formulating any Acquisition Proposal regarding Oasis, (d) enter into any letter of intent, agreement in principle or other similar type of agreement relating to an Acquisition Proposal regarding Oasis, or enter into any agreement or agreement in principle requiring Oasis to abandon, terminate or fail to consummate the transactions contemplated hereby, (e) take any action that could reasonably be expected to lead to an Acquisition Proposal or Acquisition Inquiry, (f) initiate a stockholders' vote or action by consent of the Oasis's stockholders with respect to an Acquisition Proposal regarding Oasis, (g) except by reason of this Agreement, become a member of a "group" (as such term is defined in Section 13(d) of the Exchange Act) with respect to any voting securities of Oasis that takes any action in support of an Acquisition Proposal regarding Oasis or (h) propose or agree to do any of the foregoing. In the event that such Stockholder is a corporation, partnership, trust or other Entity, it shall not permit any of its Subsidiaries or Affiliates to, nor shall it authorize any officer, director or representative of such Stockholder, or any of its Subsidiaries or Affiliates to, undertake any of the actions contemplated by this Section 7.

8. Waiver of Appraisal Rights; No Legal Actions.

(a) Each Stockholder hereby waives, and agrees not to exercise or assert, any appraisal rights under applicable Law, including Section 262 of the DGCL, in connection with the Merger.

(b) Each Stockholder will not in its capacity as a stockholder of Oasis bring, commence, institute, maintain, prosecute or voluntarily aid any Legal Proceeding which (i) challenges the validity or seeks to enjoin the operation of any provision of this Agreement or (ii) alleges that the execution and delivery of this Agreement by such Stockholder, either alone or together with the other voting agreements and proxies to be delivered in connection with the execution of the Merger Agreement, or the approval of the Merger Agreement by the Oasis Board, constitutes a breach of any fiduciary duty of the Oasis Board or any member thereof.

9. Other Remedies; Specific Performance. Except as otherwise provided herein, any and all remedies herein expressly conferred upon a party will be deemed cumulative with, and not exclusive of, any other remedy conferred hereby, or by Law or equity upon such party, and the exercise by a party of any one remedy will not preclude the exercise of any other remedy. The parties hereto agree that irreparable damage would occur in the event that any of the provisions of this Agreement were not performed in accordance with their specific terms or were otherwise breached. It is accordingly agreed that the parties shall be entitled to an injunction or injunctions to prevent breaches of this Agreement and to enforce specifically the terms and provisions hereof without the need of posting bond in any court of the United States or any state having jurisdiction, this being in addition to any other remedy to which they are entitled at Law or in equity.

10. Directors and Officers. This Agreement shall apply to each Stockholder solely in such Stockholder's capacity as a stockholder of Oasis and/or holder of Oasis Options and/or Oasis Restricted Stock Units and not in such Stockholder's capacity as a director, officer or employee of Oasis or any of its Subsidiaries or in such Stockholder's capacity as a trustee or fiduciary of any employee benefit plan or trust. Notwithstanding any provision of this Agreement to the contrary, nothing in this Agreement shall (or require Stockholder to attempt

to) limit or restrict a director and/or officer of Oasis in the exercise of his or her fiduciary duties consistent with the terms of the Merger Agreement as a director and/or officer of Oasis or in his or her capacity as a trustee or fiduciary of any employee benefit plan or trust or prevent or be construed to create any obligation on the part of any director and/or officer of Oasis or any trustee or fiduciary of any employee benefit plan or trust from taking any action in his or her capacity as such director, officer, trustee and/or fiduciary.

11. No Ownership Interest. Nothing contained in this Agreement shall be deemed to vest in the Company any direct or indirect ownership or incidence of ownership of or with respect to any Shares. All rights, ownership and economic benefits of and relating to the Shares shall remain vested in and belong to such Stockholder, and the Company does not have authority to manage, direct, superintend, restrict, regulate, govern, or administer any of the policies or operations of Oasis or exercise any power or authority to direct such Stockholder in the voting of any of the Shares, except as otherwise provided herein.

12. Termination. This Agreement shall terminate and shall have no further force or effect as of the Expiration Date. Notwithstanding the foregoing, upon termination or expiration of this Agreement, no party shall have any further obligations or liabilities under this Agreement; *provided*, *however*, nothing set forth in this Section 12 or elsewhere in this Agreement shall relieve any party from liability for any fraud or for any willful and material breach of this Agreement prior to termination hereof.

13. Further Assurances. Each Stockholder shall, from time to time, execute and deliver, or cause to be executed and delivered, such additional or further consents, documents and other instruments as the Company or Oasis may reasonably request for the purpose of effectively carrying out the transactions contemplated by this Agreement and the Contemplated Transactions.

14. Disclosure. Each Stockholder hereby agrees that Oasis and the Company may publish and disclose in the Registration Statement, any prospectus filed with any regulatory authority in connection with the Merger and any related documents filed with such regulatory authority and as otherwise required by Law, such Stockholder's identity and ownership of Shares and the nature of such Stockholder's commitments, arrangements and understandings under this Agreement and may further file this Agreement as an exhibit to the Registration Statement or prospectus or in any other filing made by Oasis or the Company as required by Law or the terms of the Merger Agreement, including with the SEC or other regulatory authority, relating to the Merger, all subject to prior review and an opportunity to comment by Stockholder's counsel. Prior to the Closing, each Stockholder shall not, and shall use its reasonable best efforts to cause its representatives not to, directly or indirectly, make any press release, public announcement or other public communication that criticizes or disparages this Agreement or the Merger Agreement or any of the Contemplated Transactions, without the prior written consent of Oasis and the Company, *provided* that the foregoing shall not limit or affect any actions taken by such Stockholder (or any affiliated officer or director of such Stockholder) that would be permitted to be taken by such Stockholder, Oasis or the Company pursuant to the Merger Agreement; *provided*, *further*, that the foregoing shall not effect any actions of Stockholder the prohibition of which would be prohibited under applicable Law.

15. Notice. All notices and other communications hereunder shall be in writing and shall be deemed given if delivered personally or sent by overnight courier (providing proof of delivery), by facsimile transmission (providing confirmation of transmission) or by electronic transmission (providing confirmation of transmission) to the Company or Oasis, as the case may be, in accordance with Section 11.7 of the Merger Agreement and to each Stockholder at his, her or its address or email address (providing confirmation of transmission) set forth on Schedule 1 attached hereto (or at such other address for a party as shall be specified by like notice).

16. Severability. Any term or provision of this Agreement that is invalid or unenforceable in any situation in any jurisdiction shall not affect the validity or enforceability of the remaining terms and provisions of this Agreement or the validity or enforceability of the offending term or provision in any other situation or in any other jurisdiction. If a final judgment of a court of competent jurisdiction declares that any term or provision of this Agreement is invalid or unenforceable, the parties hereto agree that the court making such determination

shall have the power to limit such term or provision, to delete specific words or phrases or to replace such term or provision with a term or provision that is valid and enforceable and that comes closest to expressing the intention of the invalid or unenforceable term or provision, and this Agreement shall be valid and enforceable as so modified. In the event such court does not exercise the power granted to it in the prior sentence, the parties hereto agree to replace such invalid or unenforceable term or provision with a valid and enforceable term or provision that will achieve, to the extent possible, the economic, business and other purposes of such invalid or unenforceable term or provision.

17. Assignability. This Agreement shall be binding upon, and shall be enforceable by and inure solely to the benefit of, the parties hereto and their respective successors and assigns; *provided*, *however*, that neither this Agreement nor any of a party's rights or obligations hereunder may be assigned or delegated by such party without the prior written consent of the other parties hereto, and any attempted assignment or delegation of this Agreement or any of such rights or obligations by such party without the other party's prior written consent shall be void and of no effect. Nothing in this Agreement, express or implied, is intended to or shall confer upon any Person (other than the parties hereto) any right, benefit or remedy of any nature whatsoever under or by reason of this Agreement.

18. No Waivers. No waivers of any breach of this Agreement extended by the Company or Oasis to such Stockholder shall be construed as a waiver of any rights or remedies of the Company or Oasis, as applicable, with respect to any other stockholder of Oasis who has executed an agreement substantially in the form of this Agreement with respect to Shares held or subsequently held by such stockholder or with respect to any subsequent breach of Stockholder or any other such stockholder of Oasis. No waiver of any provisions hereof by any party shall be deemed a waiver of any other provisions hereof by any such party, nor shall any such waiver be deemed a continuing waiver of any provision hereof by such party.

19. Applicable Law; Jurisdiction. This Agreement shall be governed by, and construed in accordance with, the Laws of the state of Delaware, regardless of the Laws that might otherwise govern under applicable principles of conflicts of Laws. In any action or Legal Proceeding between any of the parties arising out of or relating to this Agreement, each of the parties: (i) irrevocably and unconditionally consents and submits to the exclusive jurisdiction and venue of the Court of Chancery of the state of Delaware or to the extent such court does not have subject matter jurisdiction, the Superior Court of the State of Delaware or the United States District Court for the District of Delaware, (ii) agrees that all claims in respect of such action or Legal Proceeding shall be heard and determined exclusively in accordance with clause (i) of this Section 19, (iii) waives any objection to laying venue in any such action or Legal Proceeding in such courts, (iv) waives any objection that such courts are an inconvenient forum or do not have jurisdiction over any party, and (v) agrees that service of process upon such party in any such action or Legal Proceeding shall be effective if notice is given in accordance with Section 15 of this Agreement.

20. Waiver of Jury Trial. The parties hereto hereby waive any right to trial by jury with respect to any action or Legal Proceeding related to or arising out of this Agreement, any document executed in connection herewith and the matters contemplated hereby and thereby.

21. No Agreement Until Executed. Irrespective of negotiations among the parties or the exchanging of drafts of this Agreement, this Agreement shall not constitute or be deemed to evidence a Contract, agreement, arrangement or understanding between the parties hereto unless and until (a) the Oasis Board has approved, for purposes of any applicable anti-takeover Laws and regulations and any applicable provision of the certificate of incorporation of Oasis, the Merger Agreement and the Contemplated Transactions, (b) the Merger Agreement is executed by all parties thereto, and (c) this Agreement is executed by all parties hereto.

22. Entire Agreement; Counterparts; Exchanges by Facsimile. This Agreement and the other agreements referred to in this Agreement constitute the entire agreement and supersede all prior agreements and understandings, both written and oral, among or between any of the parties with respect to the subject matter

hereof and thereof. This Agreement may be executed in several counterparts, each of which shall be deemed an original and all of which shall constitute one and the same instrument. The exchange of a fully executed Agreement (in counterparts or otherwise) by all parties by facsimile or electronic transmission via ".pdf" shall be sufficient to bind the parties to the terms and conditions of this Agreement.

23. Amendment. This Agreement may not be amended, supplemented or modified, and no provisions hereof may be modified or waived, except by an instrument in writing signed on behalf of each party hereto; *provided*, *however*, that the rights or obligations of any Stockholder may be waived, amended or otherwise modified in a writing signed by Oasis, the Company and such Stockholder.

24. Fees and Expenses. Except as otherwise specifically provided herein, the Merger Agreement or any other agreement contemplated by the Merger Agreement to which a party hereto is a party, each party hereto shall bear its own expenses in connection with this Agreement and the transactions contemplated hereby.

25. Voluntary Execution of Agreement. This Agreement is executed voluntarily and without any duress or undue influence on the part or behalf of the parties. Each of the parties hereby acknowledges, represents and warrants that (i) it has read and fully understood this Agreement and the implications and consequences thereof; (ii) it has been represented in the preparation, negotiation, and execution of this Agreement by legal counsel of its own choice, or it has made a voluntary and informed decision to decline to seek such counsel; and (iii) it is fully aware of the legal and binding effect of this Agreement.

26. Definition of Merger Agreement. For purposes of this Agreement, the term "Merger Agreement" may include such agreement as amended or modified as long as such amendments or modifications (a) do not (i) change the form of consideration, (ii) change the Exchange Ratio in a manner adverse to such Stockholder or (iii) extend the End Date past January 28, 2021 (other than any extension provided for in Section 10.1(b) of the Merger Agreement with respect to the Registration Statement), or (b) have been agreed to in writing by such Stockholder.

27. Construction.

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

(b) The parties hereto agree that any rule of construction to the effect that ambiguities are to be resolved against the drafting party shall not be applied in the construction or interpretation of this Agreement.

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

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

(e) The underlined headings contained in this Agreement are for convenience of reference only, shall not be deemed to be a part of this Agreement and shall not be referred to in connection with the construction or interpretation of this Agreement.

EXECUTED as of the date first above written.

[STOCKHOLDER]

Signature: _____

EXECUTED as of the date first above written.

RESTORBIO, INC.

By: _____
Name: Chen Schor
Title: Chief Executive Officer

ADICET BIO, INC.

By: _____
Name: Anil Singhal, Ph.D.
Title: Chief Executive Officer

Signature Page to Support Agreement

EXHIBIT B

Form of Company Stockholder Support Agreement

ADICET BIO, INC.

SUPPORT AGREEMENT

THIS SUPPORT AGREEMENT (this "Agreement"), dated as of April , 2020, is made by and among resTORbio, Inc., a Delaware corporation ("Oasis"), Adicet Bio, Inc., a Delaware corporation (the "Company"), and the undersigned holders (each a "Stockholder") of shares of capital stock (the "Shares") of the Company.

WHEREAS, Oasis, Project Oasis Merger Sub, Inc., a Delaware corporation and a wholly owned subsidiary of Oasis ("Merger Sub"), and the Company, have entered into an Agreement and Plan of Merger, dated of even date herewith (the "Merger Agreement"), providing for the merger of Merger Sub with and into the Company (the "Merger");

WHEREAS, each Stockholder beneficially owns and has sole or shared voting power with respect to the number of Shares, and holds Company Options and/or Company Warrants to acquire the number of Shares indicated opposite such Stockholder's name on Schedule 1 attached hereto;

WHEREAS, as an inducement and a condition to the willingness of Oasis to enter into the Merger Agreement, each Stockholder has agreed to enter into and perform this Agreement; and

WHEREAS, all capitalized terms used in this Agreement without definition herein shall have the meanings ascribed to them in the Merger Agreement.

NOW, THEREFORE, in consideration of, and as a condition to, Oasis entering into the Merger Agreement, each Stockholder, Oasis and the Company agree as follows:

1. Agreement to Vote Shares. Each Stockholder agrees that, prior to the Expiration Date (as defined in Section 2 below), at any meeting of the stockholders of the Company or any adjournment or postponement thereof, or in connection with any written consent of the stockholders (or any class or series of stockholders, as applicable) of the Company, with respect to the Merger, the Merger Agreement or any Acquisition Proposal, such Stockholder shall:

(a) appear at such meeting or otherwise cause the Shares and any New Shares (as defined in Section 3 below) to be counted as present thereat for purposes of calculating a quorum;

(b) from and after the date hereof until the Expiration Date, vote (or cause to be voted), or deliver a written consent (or cause a written consent to be delivered) covering all of the Shares and any New Shares that Stockholder shall be entitled to so vote: (i) in favor of the adoption of the Merger Agreement and approval of the Merger and any matter that could reasonably be expected to facilitate the Merger and the Contemplated Transactions; (ii) against any action or agreement that, to the knowledge of Stockholder, would reasonably be expected to result in a breach in any material respect of any covenant, representation or warranty or any other obligation or agreement of the Company or any of its Subsidiaries or Affiliates under the Merger Agreement that would reasonably be expected to result in any of the conditions to the Company's or any of its Subsidiaries' or Affiliates' obligations under the Merger Agreement not being fulfilled; (iii) against any Acquisition Proposal, or any agreement, transaction or other matter that is intended to, or would reasonably be expected to, impede, interfere with, delay, postpone, discourage or materially and adversely affect the consummation of the Merger and all of the other Contemplated Transactions; (iv) to approve any proposal to adjourn or postpone the meeting to a later date, if there are not sufficient votes for the adoption of the Merger Agreement on the date on which such meeting is held; and (v) where applicable, in favor of an election to convert all of the Company Preferred Stock held by Stockholder into Company Common Stock. Stockholder shall not take or commit or agree to take any action inconsistent with the foregoing.

2. Expiration Date. As used in this Agreement, the term "Expiration Date" shall mean the earlier to occur of (a) the Effective Time, (b) such date and time as the Merger Agreement shall be terminated pursuant to Section 10 thereof or otherwise, or (c) the mutual written agreement of the parties to terminate this Agreement.

3. Additional Purchases. Each Stockholder agrees that any shares of capital stock or other equity securities of the Company that such Stockholder purchases or with respect to which such Stockholder otherwise acquires sole or shared voting power (including any proxy) after the execution of this Agreement and prior to the Expiration Date, whether by the exercise of any Company Options, Company Warrants or otherwise, including, without limitation, by gift, succession, in the event of a stock split or as a dividend or distribution of any Shares ("New Shares"), shall be subject to the terms and conditions of this Agreement to the same extent as if they constituted the Shares.

4. Agreement to Retain Shares. From and after the date hereof until the Expiration Date, each Stockholder shall not, directly or indirectly, (a) sell, assign, transfer, tender, or otherwise dispose of (including, without limitation, by the creation of any Liens (as defined in Section 5(c) below)) any Shares or any New Shares acquired, (b) deposit any Shares or New Shares into a voting trust or enter into a voting agreement or similar arrangement with respect to such Shares or New Shares or grant any proxy or power of attorney with respect thereto (other than this Agreement), (c) enter into any Contract, option, commitment or other arrangement or understanding with respect to the direct or indirect sale, transfer, assignment or other disposition of (including, without limitation, by the creation of any Liens) any Shares or New Shares, or (d) take any action that would make any representation or warranty of such Stockholder contained herein untrue or incorrect or have the effect of preventing or disabling such Stockholder from performing such Stockholder's obligations under this Agreement. Notwithstanding the foregoing, each Stockholder may make (1) transfers by will or by operation of Law or other transfers for estate-planning purposes, in which case this Agreement shall bind the transferee, (2) with respect to such Stockholder's Company Options which expire on or prior to the Expiration Date, transfers, sale, or other disposition of Shares to the Company as payment for the (i) exercise price of such Stockholder's Company Options and (ii) taxes applicable to the exercise of such Stockholder's Company Options, (3) if such Stockholder is a partnership or limited liability company, a transfer to one or more partners or members of such Stockholder or to an Affiliated corporation, trust or other Entity under common control with such Stockholder, or if such Stockholder is a trust, a transfer to a beneficiary, provided that in each such case the applicable transferee has signed a voting agreement in substantially the form hereof, (4) transfers to another holder of the capital stock of the Company that has signed a voting agreement in substantially the form hereof and (5) transfers, sales or other dispositions as Oasis may otherwise agree in writing in its sole discretion. If any voluntary or involuntary transfer of any Shares covered hereby shall occur (including a transfer or disposition permitted by Section 4(1) through Section 4(5), sale by a Stockholder's trustee in bankruptcy, or a sale to a purchaser at any creditor's or court sale), the transferee (which term, as used herein, shall include any and all transferees and subsequent transferees of the initial transferee) shall take and hold such Shares subject to all of the restrictions, liabilities and rights under this Agreement, which shall continue in full force and effect, notwithstanding that such transferee is not a Stockholder and has not executed a counterpart hereof or joinder hereto.

5. Representations and Warranties of Stockholder. Each Stockholder hereby, severally but not jointly, represents and warrants to Oasis and the Company as follows:

(a) If such Stockholder is an Entity: (i) such Stockholder is duly organized, validly existing and in good standing under the laws of the jurisdiction in which it is incorporated, organized or constituted, (ii) such Stockholder has all necessary power and authority to execute and deliver this Agreement, to perform such Stockholder's obligations hereunder and to consummate the transactions contemplated hereby, and (iii) the execution and delivery of this Agreement, performance of such Stockholder's obligations hereunder and the consummation of the transactions contemplated hereby by such Stockholder have been duly authorized by all necessary action on the part of such Stockholder and no other proceedings on the part of such Stockholder are necessary to authorize this Agreement, or to consummate the transactions contemplated hereby. If such Stockholder is an individual, such Stockholder has the legal capacity to execute and deliver this Agreement, to perform such Stockholder's obligations hereunder and to consummate the transactions contemplated hereby;

(b) this Agreement has been duly executed and delivered by or on behalf of such Stockholder and, to such Stockholder's knowledge and assuming this Agreement constitutes a valid and binding agreement of the Company and Oasis, constitutes a valid and binding agreement with respect to such Stockholder, enforceable against such Stockholder in accordance with its terms, except as enforcement may be limited by general principles of equity whether applied in a court of Law or a court of equity and by bankruptcy, insolvency and similar Laws affecting creditors' rights and remedies generally;

(c) such Stockholder beneficially owns the number of Shares indicated opposite such Stockholder's name on Schedule 1, and will own any New Shares, free and clear of any liens, claims, charges or other encumbrances or restrictions of any kind whatsoever ("Liens"), and has sole or shared, and otherwise unrestricted, voting power with respect to such Shares or New Shares and none of the Shares or New Shares is subject to any voting trust or other agreement, arrangement or restriction with respect to the voting of the Shares or the New Shares, except as contemplated by this Agreement or under the Investor Agreements;

(d) to the knowledge of such Stockholder, the execution and delivery of this Agreement by such Stockholder does not, and the performance by such Stockholder of his, her or its obligations hereunder and the compliance by such Stockholder with any provisions hereof will not, violate or conflict with, result in a material breach of or constitute a default (or an event that with notice or lapse of time or both would become a material default) under, or give to others any rights of termination, amendment, acceleration or cancellation of, or result in the creation of any Liens on any Shares or New Shares pursuant to, any agreement, instrument, note, bond, mortgage, Contract, lease, license, permit or other obligation or any order, arbitration award, judgment or decree to which such Stockholder is a party or by which such Stockholder is bound, or any Law, statute, rule or regulation to which such Stockholder is subject or, in the event that such Stockholder is a corporation, partnership, trust or other Entity, any bylaw or other Organizational Document of such Stockholder; except for any of the foregoing as would not reasonably be expected to prevent or delay the performance by such Stockholder of his, her or its obligations under this Agreement in any material respect;

(e) the execution and delivery of this Agreement by such Stockholder does not, and the performance of this Agreement by such Stockholder does not and will not, require any consent, approval, authorization or permit of, or filing with or notification to, any Governmental Authority or regulatory authority by such Stockholder except for applicable requirements, if any, of the Exchange Act, and except where the failure to obtain such consents, approvals, authorizations or permits, or to make such filings or notifications, would not prevent or delay the performance by such Stockholder of his, her or its obligations under this Agreement in any material respect;

(f) no investment banker, broker, finder or other intermediary is entitled to a fee or commission from Oasis or the Company in respect of this Agreement based upon any Contract made by or on behalf of such Stockholder; and

(g) as of the date of this Agreement, there is no Legal Proceeding pending or, to the knowledge of such Stockholder, threatened against such Stockholder that would reasonably be expected to prevent or delay the performance by such Stockholder of his, her or its obligations under this Agreement in any material respect.

6. Irrevocable Proxy. Subject to the penultimate sentence of this Section 6, by execution of this Agreement, each Stockholder does hereby appoint Oasis and any of its designees with full power of substitution and resubstitution, as such Stockholder's true and lawful attorney and irrevocable proxy, to the fullest extent of such Stockholder's rights with respect to the Shares, to vote and exercise all voting and related rights, including the right to sign such Stockholder's name (solely in its capacity as a stockholder) to any Stockholder consent, if Stockholder is unable to perform or otherwise does not perform his, her or its obligations under this Agreement, with respect to such Shares solely with respect to the matters set forth in Section 1 hereof. Each Stockholder intends this proxy to be irrevocable and coupled with an interest hereunder until the Expiration Date, hereby revokes any proxy previously granted by such Stockholder with respect to the Shares and represents that none of such previously-granted proxies are irrevocable. The irrevocably proxy and power of attorney granted herein

shall survive the death or incapacity of such Stockholder and the obligations of such Stockholder shall be binding on such Stockholder's heirs, personal representatives, successors, transferees and assigns. Each Stockholder hereby agrees not to grant any subsequent powers of attorney or proxies with respect to any Shares with respect to the matters set forth in Section 1 until after the Expiration Date. Notwithstanding anything contained herein to the contrary, this irrevocable proxy shall automatically terminate upon the Expiration Date.

7. No Solicitation. From and after the date hereof until the Expiration Date, each Stockholder shall not (a) initiate, solicit, seek or knowingly encourage or support any inquiries, proposals or offers that constitute or may reasonably be expected to lead to, an Acquisition Proposal regarding the Company, (b) engage or participate in, or knowingly facilitate, any discussions or negotiations regarding any inquiries, proposals or offers that constitute, or may reasonably be expected to lead to, an Acquisition Proposal regarding the Company, (c) furnish to any Person other than the Company any non-public information that could reasonably be expected to be used for the purposes of formulating any Acquisition Proposal regarding the Company, (d) enter into any letter of intent, agreement in principle or other similar type of agreement relating to an Acquisition Proposal regarding the Company, or enter into any agreement or agreement in principle requiring the Company to abandon, terminate or fail to consummate the transactions contemplated hereby, (e) take any action that could reasonably be expected to lead to an Acquisition Proposal or Acquisition Inquiry, (f) initiate a stockholders' vote or action by consent of the Company's stockholders with respect to an Acquisition Proposal regarding the Company, (g) except by reason of this Agreement, become a member of a "group" (as such term is defined in Section 13(d) of the Exchange Act) with respect to any voting securities of the Company that takes any action in support of an Acquisition Proposal regarding the Company or (h) propose or agree to do any of the foregoing. In the event that such Stockholder is a corporation, partnership, trust or other Entity, it shall not permit any of its Subsidiaries or Affiliates to, nor shall it authorize any officer, director or representative of such Stockholder, or any of its Subsidiaries or Affiliates to, undertake any of the actions contemplated by this Section 7.

8. Waiver of Appraisal Rights; No Legal Actions.

(a) Each Stockholder hereby waives, and agrees not to exercise or assert, any appraisal rights under applicable Law, including Section 262 of the DGCL, in connection with the Merger.

(b) Each Stockholder will not in its capacity as a stockholder of the Company bring, commence, institute, maintain, prosecute or voluntarily aid any Legal Proceeding which (i) challenges the validity or seeks to enjoin the operation of any provision of this Agreement or (ii) alleges that the execution and delivery of this Agreement by such Stockholder, either alone or together with the other voting agreements and proxies to be delivered in connection with the execution of the Merger Agreement, or the approval of the Merger Agreement by the Company Board, constitutes a breach of any fiduciary duty of the Company Board or any member thereof.

9. Other Remedies; Specific Performance. Except as otherwise provided herein, any and all remedies herein expressly conferred upon a party will be deemed cumulative with, and not exclusive of, any other remedy conferred hereby, or by Law or equity upon such party, and the exercise by a party of any one remedy will not preclude the exercise of any other remedy. The parties hereto agree that irreparable damage would occur in the event that any of the provisions of this Agreement were not performed in accordance with their specific terms or were otherwise breached. It is accordingly agreed that the parties shall be entitled to an injunction or injunctions to prevent breaches of this Agreement and to enforce specifically the terms and provisions hereof without the need of posting bond in any court of the United States or any state having jurisdiction, this being in addition to any other remedy to which they are entitled at Law or in equity.

10. Directors and Officers. This Agreement shall apply to each Stockholder solely in such Stockholder's capacity as a stockholder of the Company, and/or holder of Company Options and/or Company Warrants and not in such Stockholder's capacity as a director, officer or employee of the Company or any of its Subsidiaries or in such Stockholder's capacity as a trustee or fiduciary of any employee benefit plan or trust. Notwithstanding any provision of this Agreement to the contrary, nothing in this Agreement shall (or require Stockholder to attempt

to) limit or restrict a director and/or officer of the Company in the exercise of his or her fiduciary duties consistent with the terms of the Merger Agreement as a director and/or officer of the Company or in his or her capacity as a trustee or fiduciary of any employee benefit plan or trust or prevent or be construed to create any obligation on the part of any director and/or officer of the Company or any trustee or fiduciary of any employee benefit plan or trust from taking any action in his or her capacity as such director, officer, trustee and/or fiduciary.

11. No Ownership Interest. Nothing contained in this Agreement shall be deemed to vest in Oasis any direct or indirect ownership or incidence of ownership of or with respect to any Shares. All rights, ownership and economic benefits of and relating to the Shares shall remain vested in and belong to such Stockholder, and Oasis does not have authority to manage, direct, superintend, restrict, regulate, govern, or administer any of the policies or operations of the Company or exercise any power or authority to direct such Stockholder in the voting of any of the Shares, except as otherwise provided herein.

12. Termination. This Agreement shall terminate and shall have no further force or effect as of the Expiration Date. Notwithstanding the foregoing, upon termination or expiration of this Agreement, no party shall have any further obligations or liabilities under this Agreement; *provided*, *however*, nothing set forth in this Section 12 or elsewhere in this Agreement shall relieve any party from liability for any fraud or for any willful and material breach of this Agreement prior to termination hereof.

13. Further Assurances. Each Stockholder shall, from time to time, execute and deliver, or cause to be executed and delivered, such additional or further consents, documents and other instruments as the Company or Oasis may reasonably request for the purpose of effectively carrying out the transactions contemplated by this Agreement and the Contemplated Transactions.

14. Disclosure. Each Stockholder hereby agrees that Oasis and the Company may publish and disclose in the Registration Statement, any prospectus filed with any regulatory authority in connection with the Merger and any related documents filed with such regulatory authority and as otherwise required by Law, such Stockholder's identity and ownership of Shares and the nature of such Stockholder's commitments, arrangements and understandings under this Agreement and may further file this Agreement as an exhibit to the Registration Statement or prospectus or in any other filing made by Oasis or the Company as required by Law or the terms of the Merger Agreement, including with the SEC or other regulatory authority, relating to the Merger, all subject to prior review and an opportunity to comment by Stockholder's counsel. Prior to the Closing, each Stockholder shall not, and shall use its reasonable best efforts to cause its representatives not to, directly or indirectly, make any press release, public announcement or other public communication that criticizes or disparages this Agreement or the Merger Agreement or any of the Contemplated Transactions, without the prior written consent of Oasis and the Company, *provided* that the foregoing shall not limit or affect any actions taken by such Stockholder (or any affiliated officer or director of such Stockholder) that would be permitted to be taken by such Stockholder, Oasis or the Company pursuant to the Merger Agreement; *provided*, *further*, that the foregoing shall not effect any actions of any Stockholder the prohibition of which would be prohibited under applicable Law.

15. Notice. All notices and other communications hereunder shall be in writing and shall be deemed given if delivered personally or sent by overnight courier (providing proof of delivery), by facsimile transmission (providing confirmation of transmission) or by electronic transmission (providing confirmation of transmission) to the Company or Oasis, as the case may be, in accordance with Section 11.7 of the Merger Agreement and to each Stockholder at his, her or its address or email address (providing confirmation of transmission) set forth on Schedule 1 attached hereto (or at such other address for a party as shall be specified by like notice).

16. Severability. Any term or provision of this Agreement that is invalid or unenforceable in any situation in any jurisdiction shall not affect the validity or enforceability of the remaining terms and provisions of this Agreement or the validity or enforceability of the offending term or provision in any other situation or in any other jurisdiction. If a final judgment of a court of competent jurisdiction declares that any term or provision of

this Agreement is invalid or unenforceable, the parties hereto agree that the court making such determination shall have the power to limit such term or provision, to delete specific words or phrases or to replace such term or provision with a term or provision that is valid and enforceable and that comes closest to expressing the intention of the invalid or unenforceable term or provision, and this Agreement shall be valid and enforceable as so modified. In the event such court does not exercise the power granted to it in the prior sentence, the parties hereto agree to replace such invalid or unenforceable term or provision with a valid and enforceable term or provision that will achieve, to the extent possible, the economic, business and other purposes of such invalid or unenforceable term or provision.

17. Assignability. This Agreement shall be binding upon, and shall be enforceable by and inure solely to the benefit of, the parties hereto and their respective successors and assigns; *provided*, *however*, that neither this Agreement nor any of a party's rights or obligations hereunder may be assigned or delegated by such party without the prior written consent of the other parties hereto, and any attempted assignment or delegation of this Agreement or any of such rights or obligations by such party without the other party's prior written consent shall be void and of no effect. Nothing in this Agreement, express or implied, is intended to or shall confer upon any Person (other than the parties hereto) any right, benefit or remedy of any nature whatsoever under or by reason of this Agreement.

18. No Waivers. No waivers of any breach of this Agreement extended by the Company or Oasis to such Stockholder shall be construed as a waiver of any rights or remedies of the Company or Oasis, as applicable, with respect to any other stockholder of the Company who has executed an agreement substantially in the form of this Agreement with respect to Shares held or subsequently held by such stockholder or with respect to any subsequent breach of Stockholder or any other such stockholder of the Company. No waiver of any provisions hereof by any party shall be deemed a waiver of any other provisions hereof by any such party, nor shall any such waiver be deemed a continuing waiver of any provision hereof by such party.

19. Applicable Law; Jurisdiction. This Agreement shall be governed by, and construed in accordance with, the Laws of the state of Delaware, regardless of the Laws that might otherwise govern under applicable principles of conflicts of Laws. In any action or Legal Proceeding between any of the parties arising out of or relating to this Agreement, each of the parties: (i) irrevocably and unconditionally consents and submits to the exclusive jurisdiction and venue of the Court of Chancery of the state of Delaware or to the extent such court does not have subject matter jurisdiction, the Superior Court of the State of Delaware or the United States District Court for the District of Delaware, (ii) agrees that all claims in respect of such action or Legal Proceeding shall be heard and determined exclusively in accordance with clause (i) of this Section 19, (iii) waives any objection to laying venue in any such action or Legal Proceeding in such courts, (iv) waives any objection that such courts are an inconvenient forum or do not have jurisdiction over any party, and (v) agrees that service of process upon such party in any such action or Legal Proceeding shall be effective if notice is given in accordance with Section 15 of this Agreement.

20. Waiver of Jury Trial. The parties hereto hereby waive any right to trial by jury with respect to any action or Legal Proceeding related to or arising out of this Agreement, any document executed in connection herewith and the matters contemplated hereby and thereby.

21. No Agreement Until Executed. Irrespective of negotiations among the parties or the exchanging of drafts of this Agreement, this Agreement shall not constitute or be deemed to evidence a Contract, agreement, arrangement or understanding between the parties hereto unless and until (a) the Company Board has approved, for purposes of any applicable anti-takeover Laws and regulations and any applicable provision of the certificate of incorporation of the Company, the Merger Agreement and the Contemplated Transactions, (b) the Merger Agreement is executed by all parties thereto, and (c) this Agreement is executed by all parties hereto.

22. Entire Agreement; Counterparts; Exchanges by Facsimile. This Agreement and the other agreements referred to in this Agreement constitute the entire agreement and supersede all prior agreements and

understandings, both written and oral, among or between any of the parties with respect to the subject matter hereof and thereof. This Agreement may be executed in several counterparts, each of which shall be deemed an original and all of which shall constitute one and the same instrument. The exchange of a fully executed Agreement (in counterparts or otherwise) by all parties by facsimile or electronic transmission via ".pdf" shall be sufficient to bind the parties to the terms and conditions of this Agreement.

23. Amendment. This Agreement may not be amended, supplemented or modified, and no provisions hereof may be modified or waived, except by an instrument in writing signed on behalf of each party hereto; *provided*, *however*, that the rights or obligations of any Stockholder may be waived, amended or otherwise modified in a writing signed by Oasis, the Company and such Stockholder.

24. Fees and Expenses. Except as otherwise specifically provided herein, the Merger Agreement or any other agreement contemplated by the Merger Agreement to which a party hereto is a party, each party hereto shall bear its own expenses in connection with this Agreement and the transactions contemplated hereby.

25. Voluntary Execution of Agreement. This Agreement is executed voluntarily and without any duress or undue influence on the part or behalf of the parties. Each of the parties hereby acknowledges, represents and warrants that (i) it has read and fully understood this Agreement and the implications and consequences thereof; (ii) it has been represented in the preparation, negotiation, and execution of this Agreement by legal counsel of its own choice, or it has made a voluntary and informed decision to decline to seek such counsel; and (iii) it is fully aware of the legal and binding effect of this Agreement.

26. Definition of Merger Agreement. For purposes of this Agreement, the term "Merger Agreement" may include such agreement as amended or modified as long as such amendments or modifications (a) do not (i) change the form of consideration, (ii) change the Exchange Ratio in a manner adverse to such Stockholder or (iii) extend the End Date past January 28, 2021 (other than any extension provided for in Section 10.1(b) of the Merger Agreement with respect to the Registration Statement), or (b) have been agreed to in writing by such Stockholder.

27. Construction.

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

(b) The parties hereto agree that any rule of construction to the effect that ambiguities are to be resolved against the drafting party shall not be applied in the construction or interpretation of this Agreement.

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

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

(e) The underlined headings contained in this Agreement are for convenience of reference only, shall not be deemed to be a part of this Agreement and shall not be referred to in connection with the construction or interpretation of this Agreement.

[*Remainder of Page has Intentionally Been Left Blank*]

EXECUTED as of the date first above written.

[STOCKHOLDER]

By: _____
Name: _____
Title: _____

EXECUTED as of the date first above written.

ADICET BIO, INC.

By: _____
Name: _____
Title: _____

RESTORBIO, INC.

By: _____
Name: _____
Title: _____

EXHIBIT C

Form of Lock-Up Agreement

LOCK-UP AGREEMENT

April , 2020

resTORbio, Inc.
500 Boylston Street, 13th Floor
Boston, Massachusetts 02116

Ladies and Gentlemen:

The undersigned signatory of this lock-up agreement (this "***Lock-Up Agreement***") understands that resTORbio, Inc., a Delaware corporation ("***Oasis***"), has entered into an Agreement and Plan of Merger, dated as of April , 2020 (as the same may be amended from time to time, the "***Merger Agreement***") with Project Oasis Merger Sub, Inc., a Delaware corporation and a wholly owned subsidiary of Oasis, and Adicet Bio, Inc., a Delaware corporation (the "***Company***"). Capitalized terms used but not otherwise defined herein shall have the respective meanings ascribed to such terms in the Merger Agreement.

As a condition and inducement to each of the parties to enter into the Merger Agreement, and for other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the undersigned hereby irrevocably agrees that, subject to the exceptions set forth herein, without the prior written consent of Oasis and, solely prior to the Closing, the Company, the undersigned will not, during the period commencing upon the Closing and ending on the date that is 180 days after the Closing Date (the "***Restricted Period***"):

(i) 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 Oasis Common Stock or any securities convertible into or exercisable or exchangeable for Oasis Common Stock (including without limitation, Oasis Common Stock or such other securities which may be deemed to be beneficially owned by the undersigned in accordance with the rules and regulations of the SEC and securities of Oasis which may be issued upon exercise of an option to purchase Oasis Common Stock or warrant or settlement of an Oasis Restricted Stock Unit) that are currently or hereafter owned by the undersigned (collectively, the "***Undersigned's Shares***"), or publicly disclose the intention to make any such offer, sale, pledge, grant, transfer or disposition;

(ii) enter into any swap, short sale, hedge or other agreement that transfers, in whole or in part, any of the economic consequences of ownership of the Undersigned's Shares regardless of whether any such transaction described in clause (i) above or this clause (ii) is to be settled by delivery of Oasis Common Stock or other securities, in cash or otherwise; or

(iii) make any demand for, or exercise any right with respect to, the registration of any shares of Oasis Common Stock or any security convertible into or exercisable or exchangeable for Oasis Common Stock (other than such rights set forth in the Merger Agreement).

The restrictions and obligations contemplated by this Lock-Up Agreement shall not apply to:

(a) transfers of the Undersigned's Shares:

(i) if the undersigned is a natural person, (A) to any person related to the undersigned by blood or adoption who is an immediate family member of the undersigned, or by marriage or domestic partnership (a "***Family Member***"), or to a trust formed for the benefit of the undersigned or any of the undersigned's Family Members, (B) to the undersigned's estate, following the death of the undersigned, by will, intestacy or other operation of Law, (C) as a bona fide gift or a charitable contribution, (D) by operation of Law pursuant to a qualified domestic order or in connection with a divorce settlement or (E) to any partnership, corporation or limited liability company which is controlled by the undersigned and/or by any such Family Member(s);

(ii) if the undersigned is a corporation, partnership or other Entity, (A) to another corporation, partnership, or other Entity that is an affiliate (as defined under Rule 12b-2 of the Exchange Act) of the undersigned, including investment funds or other entities under common control or management with the undersigned, (B) as a distribution or dividend to equity holders, current or

former general or limited partners, members or managers (or to the estates of any of the foregoing), as applicable, of the undersigned (including upon the liquidation and dissolution of the undersigned pursuant to a plan of liquidation approved by the undersigned's equity holders), (C) as a bona fide gift or a charitable contribution or (D) transfers or dispositions not involving a change in beneficial ownership; or

(iii) if the undersigned is a trust, to any grantors or beneficiaries of the trust;

provided that, in the case of any transfer or distribution pursuant to this clause (a), such transfer is not for value and each donee, heir, beneficiary or other transferee or distributee shall sign and deliver to Oasis a lock-up agreement in the form of this Lock-Up Agreement with respect to the shares of Oasis Common Stock or such other securities that have been so transferred or distributed;

(b) the exercise of an option to purchase Oasis Common Stock (including a net or cashless exercise of an option to purchase Oasis Common Stock), and any related transfer of shares of Oasis Common Stock to Oasis for the purpose of paying the exercise price of such options or for paying taxes (including estimated taxes) due as a result of the exercise of such options; *provided that*, for the avoidance of doubt, the underlying shares of Oasis Common Stock shall continue to be subject to the restrictions on transfer set forth in this Lock-Up Agreement;

(c) the disposition (including a forfeiture or repurchase) to Oasis of any shares of restricted stock granted pursuant to the terms of any employee benefit plan or restricted stock purchase agreement;

(d) transfers to Oasis in connection with the net settlement of any restricted stock unit or other equity award that represents the right to receive in the future shares of Oasis Common Stock settled in Oasis Common Stock to pay any tax withholding obligations; *provided that*, for the avoidance of doubt, the underlying shares of Oasis Common Stock shall continue to be subject to the restrictions on transfer set forth in this Lock-Up Agreement;

(e) the establishment of a trading plan pursuant to Rule 10b5-1 under the Exchange Act for the transfer of Oasis Common Stock; *provided that* such plan does not provide for any transfers of Oasis Common Stock during the Restricted Period;

(f) transfers by the undersigned of shares of Oasis Common Stock purchased by the undersigned on the open market, in a public offering by Oasis, or in the Funding Transaction, in each case following the Closing Date;

(g) pursuant to a bona-fide third party tender offer, merger, consolidation or other similar transaction made to all holders of Oasis' capital stock involving a change of control of Oasis, provided that in the event that such tender offer, merger, consolidation or other such transaction is not completed, the Undersigned's Shares shall remain subject to the restrictions contained in this Lock-Up Agreement; or

(h) pursuant to an order of a court or regulatory agency;

and *provided, further*, that, with respect to each of (a), (b), (c), (d) and (e) above, no filing by any party (including any donor, donee, transferor, transferee, distributor or distributee) under Section 16 of the Exchange Act or other public announcement shall be required or shall be made voluntarily in connection with such transfer or disposition during the Restricted Period (other than (i) any exit filings that may be required under applicable federal and state securities Laws or (ii) in respect of a required filing under the Exchange Act in connection with the exercise of an option to purchase Oasis Common Stock or in connection with the net settlement of any restricted stock unit or other equity award that represents the right to receive in the future shares of Oasis Common Stock settled in Oasis Common Stock that would otherwise expire during the Restricted Period, provided that reasonable notice shall be provided to Oasis prior to any such filing).

Any attempted transfer in violation of this Lock-Up Agreement will be of no effect and null and void, regardless of whether the purported transferee has any actual or constructive knowledge of the transfer restrictions set forth in this Lock-Up Agreement, and will not be recorded on the share register of Oasis. In

furtherance of the foregoing, the undersigned agrees that Oasis and any duly appointed transfer agent for the registration or transfer of the securities described herein are hereby authorized to decline to make any transfer of securities if such transfer would constitute a violation or breach of this Lock-Up Agreement. Oasis may cause the legend set forth below, or a legend substantially equivalent thereto, to be placed upon any certificate(s) or other documents, ledgers or instruments evidencing the undersigned's ownership of Oasis Common Stock:

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

The undersigned hereby represents and warrants that the undersigned has full power and authority to enter into this Lock-Up Agreement. All authority herein conferred or agreed to be conferred and any obligations of the undersigned shall be binding upon the successors, assigns, heirs or personal representatives of the undersigned.

The undersigned understands that if the Merger Agreement is terminated for any reason, the undersigned shall be released from all obligations under this Lock-Up Agreement. The undersigned understands that Oasis and the Company are proceeding with the Contemplated Transactions in reliance upon this Lock-Up Agreement.

Any and all remedies herein expressly conferred upon Oasis or the Company will be deemed cumulative with and not exclusive of any other remedy conferred hereby, or by Law or equity, and the exercise by Oasis or the Company of any one remedy will not preclude the exercise of any other remedy. The undersigned agrees that irreparable damage would occur to Oasis and/or the Company in the event that any provision of this Lock-Up Agreement were not performed in accordance with its specific terms or were otherwise breached. It is accordingly agreed that Oasis and the Company shall be entitled to an injunction or injunctions to prevent breaches of this Lock-Up Agreement and to enforce specifically the terms and provisions hereof in any court of the United States or any state having jurisdiction, this being in addition to any other remedy to which Oasis or the Company is entitled at Law or in equity, and the undersigned waives any bond, surety or other security that might be required of Oasis or the Company with respect thereto.

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

Upon the release of any of the Undersigned's Shares from this Lock-Up Agreement, Oasis will cooperate with the undersigned to facilitate the timely preparation and delivery of certificates representing the Undersigned Shares without the restrictive legend above or the withdrawal of any stop transfer instructions.

This Lock-Up Agreement and any claim, controversy or dispute arising under or related to this Lock-Up Agreement shall be governed by and construed in accordance with the Laws of the state of Delaware, without regard to the conflict of Laws principles thereof.

This Lock-Up Agreement may be executed in several counterparts, each of which shall be deemed an original and all of which shall constitute one and the same instrument. The exchange of a fully executed Lock-Up Agreement (in counterparts or otherwise) by Oasis, the Company and the undersigned by facsimile or electronic transmission in .pdf format shall be sufficient to bind such parties to the terms and conditions of this Lock-Up Agreement.

(Signature Page Follows)

Very truly yours,

Print Name of Stockholder:

[_____]

Signature (for individuals):

_____

Signature (for entities):

By: _____
Name: _____
Title: _____

Accepted and Agreed
by RESTORBIO, INC.:

By: _____
Name: Chen Schor
Title: Chief Executive Officer

Accepted and Agreed by
ADICET BIO, INC.:

By: _____
Name: Anil Singhal, Ph.D.
Title: Chief Executive Officer

EXHIBIT D

Form of Funding Agreement

FUNDING AGREEMENT

THIS FUNDING AGREEMENT (this "**Agreement**") is made as of April 28, 2020 by and among Adicet Bio, Inc., a Delaware corporation (the "**Company**"), resTORbio, Inc., a Delaware corporation ("**Oasis**"), and the investors listed on Schedule A hereto under the heading "Investors", each of which is herein referred to as an "**Investor**."

WHEREAS, (i) immediately following the execution of this Agreement, the Company and Oasis will be executing an Agreement and Plan of Merger (as amended, modified or restated from time to time, the "**Merger Agreement**") with a newly created, wholly owned subsidiary of Oasis ("**Merger Sub**"), pursuant to which, and subject to the terms and conditions thereof, Merger Sub will merge with and into the Company, with the Company surviving as a wholly owned subsidiary of Oasis (the "**Merger**") and (ii) as a condition to the Merger and material inducement for the parties to enter into the Merger Agreement, the parties desire to enter into this Agreement pursuant to which the Investors are agreeing, subject to and contingent upon the closing of the Merger (the "**Merger Closing**"), to deposit certain funds into escrow immediately prior to the Merger Closing to be invested into securities of Oasis or released in accordance with the terms hereof and the Escrow Agreement (as defined below).

NOW, THEREFORE, in consideration of the mutual promises and covenants contained in this Agreement, the Company and the Investors hereby agree as follows:

1. Agreement to Fund.

1.1 Funding. Subject to the terms and conditions of this Agreement, each Investor agrees, severally and not jointly, to fund, or to cause an Affiliated Entity (as defined below) to fund, by wire transfer of immediately available funds into the Escrow Account (as defined below) at the Closing (as defined below) the amount set forth opposite such Investor's name on Schedule A hereto (the "**Funding Amount**" for such Investor and the aggregate Funding Amount set forth on Schedule A, the "**Total Funding Amount**") (the "**Funding**"). Any such Affiliated Entity that funds a Funding Amount shall, as a condition to such funding, execute a counterpart signature page hereto and to the Escrow Agreement and shall thereafter be deemed an Investor hereunder. An "**Affiliated Entity**" of any individual, corporation, partnership, trust, limited liability company, association or other entity ("**Person**") shall include any Person who or that, directly or indirectly, controls, is controlled by, or is under common management or control with such Person, including without limitation any general partner, officer, director, trustee, managing member or manager of such Person and any venture capital fund or registered investment company now or hereafter existing that is controlled by or under common control with one or more general partners, managing members or investment advisers of, or that shares the same management company or investment advisor with, such Person.

1.2 Closing. The Funding shall take place immediately prior to Merger Closing or at such other time and place as the Company, Oasis and Investors obligated to fund in the aggregate two-thirds or more of the Total Funding Amount (the "**Requisite Pre-Closing Investors**") mutually agree upon (which time and place are designated as the "**Closing**").

1.3 Escrow. Following the date of this Agreement and prior to the Closing, each party shall use its best efforts to: (a) select an escrow agent (the "**Escrow Agent**") that is mutually acceptable to the Company, Oasis and the Requisite Pre-Closing Investors (with such approval not to be unreasonably withheld, delayed or conditioned) and (b) other than the Company, enter into an escrow agreement on customary terms reflecting the terms of this Agreement (as amended, modified or restated form time to time, the "**Escrow Agreement**") that is mutually acceptable to the Company, Oasis and the Requisite Pre-Closing Investors (with such approval not to be unreasonably withheld, delayed or conditioned) to establish an escrow account (the "**Escrow Account**") into which the Funding Amounts will be deposited at the Closing.

1.4 Qualified Financing.

(a) In the event that, after the Merger Closing, Oasis sells shares of its common stock (the "**Oasis Common Stock**") to one or more new or existing investors for aggregate gross proceeds to Oasis (when taken

together with the funds released from the Escrow Account) of at least $30,000,000 (such amount, the "**Qualified Financing Threshold**", and such financing, a "**Qualified Financing**") within twelve (12) months of the Merger Closing, then all amounts then in the Escrow Account shall be released to Oasis (other than as provided below) to subscribe for shares of Oasis Common Stock in a private placement transaction (the "**Concurrent Private Placement**") that shall occur simultaneously (the "**Concurrent Private Placement Closing**") with the initial closing of the Qualified Financing and on the same economic conditions (including the price per share paid by other investors in the Qualified Financing (the "**Per Share Price**")) and similar other terms and conditions as set forth in the Qualified Financing and consistent with the terms and conditions set forth herein, with the number of shares of Oasis Common Stock (the "**Shares**") issued to each Investor as a result of the foregoing being such Investor's applicable portion of the Escrow Account divided by the Per Share Price rounded down to the nearest whole share and any excess amount for any Investor resulting from fractional shares being released to such Investor; provided, however, that the Qualified Financing Threshold may be waived by Investors that funded in the aggregate two-thirds or more of the Total Funding Amount (the "**Requisite Post-Closing Investors**"); provided, further, that the Concurrent Private Placement Closing shall be delayed for any HSR Investor (as defined below), and the applicable portion of the Escrow Account for such HSR Investor shall not be released to Oasis, until such time as any applicable waiting periods, approvals, or clearances related to the consummation of the Concurrent Private Financing and/or Qualified Financing for such HSR Investor under the Hart-Scott-Rodino Antitrust Improvements Act of 1976 ("**HSR Act**") or any other applicable antitrust or competition law shall have expired, been terminated or been obtained. An "**HSR Investor**" means any Investor who is required to make a filing under the HSR Act or any other applicable antitrust or competition law in connection with the Concurrent Private Placement and/or the Qualified Financing.

(b) In connection with the release of funds and subscription pursuant to Section 1.4(a), (i) each Investor and Oasis agree to instruct the Escrow Agent to release funds to the applicable party in accordance with the terms of Section 1.4(a) and the Escrow Agreement and (ii) each Investor agrees (A) to execute and deliver to Oasis all applicable transaction documents that are to be executed in the Concurrent Private Placement (which shall have terms and conditions substantially similar to those provided to other investors in the Qualified Financing, other than adjustments if the Qualified Financing is a public offering for the fact that the Concurrent Private Placement is a private placement, and which shall include the registration rights provided for in Section 1.4(c) below), thereby agreeing to be bound by all obligations and receive all rights thereunder.

(c) If the Qualified Financing is a public offering, Oasis shall grant customary registration rights to the Investors with respect to the shares issued in the Concurrent Private Placement, including, without limitation, customary liquidated damages payable by Oasis in the event of a failure to timely register the Shares or to obtain effectiveness of the registration statement. If the Qualified Financing is a private placement, Oasis shall grant the Investors the same registration rights with respect to the shares issued as to other investors in such private placement.

1.5 Release of Funds. To the extent occurring prior to the consummation of a Qualified Financing, all funds in the Escrow Account shall be released to the Investors, in proportion to their respective Funding Amounts contributed to the Escrow Account, upon the earliest to occur of (each a "**Release Event**"): (a) the twelve (12) month anniversary of the Merger Closing, (b) an Oasis Change of Control (as defined below), (c) a suspension of trading in, or delisting of, Oasis's Common Stock on The Nasdaq Stock Market or (d) Oasis filing any petition or action for relief under any bankruptcy, reorganization, insolvency or moratorium law or any other law for the relief of, or relating to, debtors, now or hereafter in effect, or makes any assignment for the benefit of creditors. An "**Oasis Change of Control**" means any transaction or series of related transactions involving: (i) any merger, consolidation, amalgamation, share exchange, business combination, issuance of securities, acquisition of securities, reorganization, recapitalization, tender offer, exchange offer or other similar transaction: (A) in which Oasis is a constituent entity, (B) in which a Person or "group" (as defined in the Exchange Act (as defined below) and the rules promulgated thereunder) of Persons directly or indirectly acquires beneficial or record ownership of securities representing more than 50% of the outstanding securities of any class of voting securities of Oasis or (C) in which Oasis issues securities representing more than 50% of the outstanding

securities of any class of voting securities of Oasis; or (ii) any sale, lease, exchange, transfer, license, acquisition or disposition of any business or businesses or assets that constitute or account for 50% or more of the consolidated book value or the fair market value of the assets of Oasis and its subsidiaries, taken as a whole.

2. Representations and Warranties of the Parties. Each party hereby represents and warrants to the other parties that, as of the date of this Agreement:

2.1 Organization, Good Standing. Such party is duly organized, validly existing and in good standing under the laws of the jurisdiction of its incorporation or organization and has all requisite power and authority to enter into and perform this Agreement and to carry out the transactions required to be performed by it pursuant to this Agreement.

2.2 Authorization. All action on the part of such party, its officers, directors, managers, partners and equityholders necessary for the authorization, execution and delivery of this Agreement and the performance of all obligations of such party hereunder occurring at or prior to the Closing has been taken or will be taken prior to the Closing. This Agreement constitutes a valid and legally binding obligation of such party, enforceable against such party in accordance with their respective terms, except (a) as limited by applicable bankruptcy, insolvency, reorganization, moratorium and other laws of general application affecting enforcement of creditors' rights generally or (b) as limited by laws relating to the availability of specific performance, injunctive relief or other equitable remedies.

2.3 Consents. Neither the execution and delivery of this Agreement, nor the performance of all obligations of such party hereunder occurring at or prior to the Closing, violates any statute, regulation, rule, injunction, judgment, order, decree, ruling, charge or other restriction of any government, governmental agency, or court to which such party is subject, or conflicts with, violates or constitutes a default (or gives rise to any right of termination, cancellation or acceleration) under any agreement or other instrument or understanding to which such party is a party or is otherwise bound (other than has been waived thereunder). No authorization, consent, approval or other order of, or declaration or notice to or filing with, any governmental agency or body or other entity, organization or individual is required for the valid authorization, execution, delivery and performance of all obligations of such party hereunder occurring at or prior to the Closing, except for such filing(s) pursuant to applicable securities laws as may be necessary, which filings will be timely effected.

3. Additional Representations and Warranties of Oasis. Oasis hereby further represents and warrants to the Company and each Investor that, as of the date of this Agreement:

3.1 SEC Filings. Oasis has filed or furnished, as applicable, on a timely basis all forms, statements, certifications, reports and documents required to be filed or furnished by it with the United States Securities and Exchange Commission (the "**SEC**") under the Securities Exchange Act of 1934, as amended (the "**Exchange Act**"), or the Securities Act of 1933, as amended (the "**Securities Act**"), since January 1, 2018 (the "**Oasis SEC Documents**"). As of the time it was filed with the SEC (or, if amended or superseded by a filing prior to the date of this Agreement, then on the date of such filing), each of the Oasis SEC Documents complied in all material respects with the applicable requirements of the Securities Act or the Exchange Act (as the case may be) and as of the time they were filed, none of the Oasis SEC Documents contained any untrue statement of a material fact or omitted to state a material fact required to be stated therein or necessary in order to make the statements therein, in light of the circumstances under which they were made, not misleading. The certifications and statements required by (i) Rule 13a-14 under the Exchange Act and (ii) 18 U.S.C. §1350 (Section 906 of the Sarbanes-Oxley Act) relating to the Oasis SEC Documents are accurate and complete and comply as to form and content with all applicable Laws. As used in this Section 3.1, the term "file" and variations thereof shall be broadly construed to include any manner in which a document or information is furnished, supplied or otherwise made available to the SEC.

3.2 Financial Statements. The financial statements (including any related notes) contained or incorporated by reference in the Oasis SEC Documents: (i) complied as to form in all material respects with the

Securities Act and the Exchange Act, as applicable, and the published rules and regulations of the SEC applicable thereto, (ii) were prepared in accordance with United States generally accepted accounting principles ("**GAAP**") (except as may be indicated in the notes to such financial statements or, in the case of unaudited financial statements, as permitted by Form 10-Q of the SEC, and except that the unaudited financial statements may not contain footnotes and are subject to normal and recurring year-end adjustments that are not reasonably expected to be material in amount) applied on a consistent basis unless otherwise noted therein throughout the periods indicated and (iii) fairly present, in all material respects, the financial position of Oasis as of the respective dates thereof and the results of operations and cash flows of Oasis for the periods covered thereby. Other than as expressly disclosed in the Oasis SEC Documents filed prior to the date hereof, there has been no material change in Oasis's accounting methods or principles that would be required to be disclosed in Oasis's financial statements in accordance with GAAP. The books of account and other financial records of Oasis and each of its Subsidiaries are true and complete in all material respects.

4. Additional Investment Representations and Warranties of the Investors. Each Investor, severally but not jointly, hereby further represents and warrants to the Company and Oasis that, as of the date of this Agreement:

4.1 Purchase Entirely for Own Account. The Funding Amount is being invested, and any Shares are being acquired, for investment for such Investor's own account not as a nominee or agent, and not with a view to the resale or distribution of any part thereof, and such Investor has no present intention of selling, granting any participation in, or otherwise distributing the same and such Investor does not have any contract, undertaking, agreement or arrangement with any person to sell, transfer or grant participations to such person or to any third person, with respect to the foregoing.

4.2 Disclosure of Information. Such Investor has received a copy of the Merger Agreement and has had an opportunity to ask questions and receive answers from the Company and Oasis regarding the terms and conditions of this Agreement and the transactions contemplated hereby, the terms and conditions of the Merger and Merger Agreement and the transactions contemplated thereby, and the business, properties, prospects and financial condition of the Company and Oasis. With respect to any projections of its future operations provided to the Investors by the Company or Oasis (including, without limitation, any projections regarding the operations of the combined companies following the Merger), such Investor acknowledges that neither the Company nor Oasis makes any representations or warranties.

4.3 Investment Experience. Such Investor is an investor in securities of companies in the development stage and acknowledges that it is able to fend for itself, can bear the economic risk of the transactions contemplated by this Agreement and any investment in the Shares, and has such knowledge and experience in financial or business matters that it is capable of evaluating the merits and risks of the transactions contemplated by this Agreement, including any investment in the Shares. Such Investor acknowledges that this Agreement and any acquisition of Shares involves a high degree of risk, and represents that it is able, without materially impairing its financial condition, to undertake the transactions contemplated by this Agreement and hold any Shares for an indefinite period of time and to suffer a complete loss of its investment.

4.4 Accredited Investor. Such Investor (other than any Investor indicated on Schedule A as a "Regulation S Investor") is an "accredited investor" within the meaning of SEC Rule 501 of Regulation D, as presently in effect; solely with respect to any Investor indicated on Schedule A as a "Regulation S Investor", such Investor certifies that such Investor (a) is not a "U.S. person" within the meaning of SEC Rule 902 of Regulation S, as presently in effect, and that such Investor is not acquiring the Shares for the account or benefit of any such U.S. person, (b) agrees to resell the Shares only in accordance with the provisions of Regulation S, pursuant to registration under the Securities Act, or pursuant to an available exemption from registration and agrees not to engage in hedging transactions with regard to such Shares unless in compliance with the Securities Act, (c) agrees that Oasis is hereby required to refuse to register any transfer of any Shares issued to such Investor not made in accordance with the provisions of Regulation S, pursuant to registration under the Securities

Act, or pursuant to an available exemption from registration and (d) agrees that any certificates or book entries for any Shares issued to such Investor shall contain the following legend:

> THE TRANSFER OF THESE SECURITIES IS PROHIBITED EXCEPT IN ACCORDANCE WITH THE PROVISIONS OF REGULATION S AS PROMULGATED BY THE UNITED STATES SECURITIES AND EXCHANGE COMMISSION UNDER THE SECURITIES ACT OF 1933, AS AMENDED (THE "ACT"), PURSUANT TO REGISTRATION UNDER THE ACT, OR PURSUANT TO AN AVAILABLE EXEMPTION FROM REGISTRATION, AND HEDGING TRANSACTIONS INVOLVING THESE SECURITIES (INCLUDING ANY SWAP OR ANY OTHER AGREEMENT OR ANY TRANSACTION THAT TRANSFERS, IN WHOLE OR IN PART, DIRECTLY OR INDIRECTLY, THE ECONOMIC CONSEQUENCE OF OWNERSHIP OF THESE SECURITIES, WHETHER ANY SUCH SWAP, AGREEMENT OR TRANSACTION IS TO BE SETTLED BY DELIVERY OF ALL OR ANY PORTION OF THESE SECURITIES OR ANY OTHER SECURITIES, IN CASH OR OTHERWISE), MAY NOT BE CONDUCTED UNLESS IN COMPLIANCE WITH THE ACT.

4.5 Restricted Securities. Such Investor understands that the Shares that may be issued to such Investor in the Concurrent Private Placement will be characterized as "restricted securities" under the federal securities laws inasmuch as they will be acquired from Oasis in a transaction not involving a public offering and that under such laws and applicable regulations such securities may be resold without registration under the Securities Act only in certain limited circumstances. In this connection, such Investor represents that it is familiar with SEC Rule 144, as presently in effect, and understands the resale limitations imposed thereby and by the Securities Act. Such Investor understands that the Shares, when issued, will not be registered under the Securities Act and have not been and will not be registered or qualified in any state in which they are offered, and thus the Investor will not be able to resell or otherwise transfer his, her or its Shares unless they are registered under the Securities Act and registered or qualified under applicable state securities laws, or an exemption from such registration or qualification is available. Such Investor has no immediate need for liquidity in connection with this investment, does not anticipate that the Investor will be required to sell his, her or its Shares, once acquired, in the foreseeable future.

4.6 Reliance by Company and Oasis. Such Investor understands that the representations, warranties, covenants and acknowledgements set forth in this Section 4 constitute a material inducement to the Company and Oasis entering into this Agreement.

4.7 Foreign Investors. If such Investor is not a United States person (as defined by Section 7701(a)(30) of the Internal Revenue Code of 1986, as amended), such Investor hereby represents that it has satisfied itself as to the full observance of the laws of its jurisdiction applicable to such Investor in connection with any invitation to fund its Funding Amount, acquire the Shares or any use of this Agreement, including (i) the legal requirements within its jurisdiction for the Funding and purchase of the Shares, (ii) any foreign exchange restrictions applicable to such Funding or purchase, (iii) any governmental or other consents that may need to be obtained, and (iv) the income tax and other tax consequences, if any, that may be relevant to the Funding, the Escrow Account or the purchase, holding, redemption, sale, or transfer of the Shares. Such Investor's funding of its Funding Amount or subscription and payment for and continued beneficial ownership of the Shares will not violate any applicable securities or other laws of such Investor's jurisdiction applicable to such Investor.

4.8 Residence. If such Investor is an individual, then such Investor resides in the state or province identified in the address of such Investor set forth on the signature pages hereto; if such Investor is a partnership, corporation, limited liability company or other entity, then the office or offices of such Investor in which its principal place of business is identified in the address or addresses of such Investor set forth on the signature pages hereto.

4.9 No Reliance on Others. Such Investor acknowledges that (a) such Investor has negotiated this Agreement on an arm's-length basis and has had an opportunity to consult with its legal, tax and financial

advisors concerning this Agreement and its subject matter, (b) the purchase price payable for the Shares will represent a negotiated price that Investor will have no control over, may be a higher price than the then current fair market value of a share of Oasis Common Stock and may not reflect the fair market value of the Shares at the time of issuance and such Investor may have no control over the terms of any Qualified Financing or Concurrent Private Placement, (c) such Investor has independently and without reliance upon any other Investor, the Company, Oasis or any of their respective owners, employees, officers, directors, affiliates, agents or other representatives, and based on such information and the advice of such advisors as such Investor has deemed appropriate, made its own analysis and decision to enter into this Agreement, (d) none of any other Investor, the Company, Oasis or any of their respective owners, employees, officers, directors, affiliates, agents or other representatives: (i) is acting as a fiduciary or financial or investment adviser to such party, and none of such parties has given such party any investment advice, opinion or other information on whether the transactions contemplated by this Agreement are prudent, (ii) has made (and such party is not relying on) any representation or warranty, express or implied, in connection with this Agreement or the transactions contemplated hereby other than those set forth in this Agreement and (iii) has at any time had any duty to such party to disclose any information relating to the Company, Oasis, their respective businesses, or financial condition or relating to any other matters in connection with the transactions contemplated by this Agreement and (e) such Investor has consulted with such party's own advisors with respect to the federal, state, local and foreign tax consequences arising from the transactions contemplated by this Agreement or any future subscription, ownership, transfer or sale of the Shares to the extent such Investor has determined it necessary to protect such Investor's own interest in connection with the transactions contemplated by this Agreement in view of such Investor's prior financial experience and present financial condition and expressly acknowledges and agrees that none of the Company, Oasis or any of their respective owners, employees, officers, directors, affiliates, agents or other representatives, makes any representation to such party with respect to the tax treatment of the transactions contemplated by this Agreement or any future subscription, ownership, transfer or sale of the Shares. Such Investor shall be solely responsible for the payment of any and all income, transfer and other taxes, filing and recording fees and similar charges incurred by such party relating to the transactions contemplated herein.

5. Conditions to the Parties' Obligations at the Closing. The obligations of each party under Section 1.1 of this Agreement with respect to the Closing are subject to the fulfillment or waiver on or before the Closing of each of the following conditions:

5.1 Permits, Qualifications and Consents. All permits, authorizations, approvals, consents or permits, if any, of any governmental authority or regulatory body of the United States or of any state that are required in connection with the Funding pursuant to this Agreement shall be duly obtained and effective as of the Closing.

5.2 No Restraints. No temporary restraining order, preliminary or permanent injunction or other order preventing the consummation of the transactions contemplated by this Agreement shall have been issued by any court of competent jurisdiction or other governmental authority of competent jurisdiction and remain in effect and there shall not be any law, rule or regulation which has the effect of making the consummation of the transactions contemplated by this Agreement illegal.

5.3 Merger Closing. Each of the conditions to the consummation of the Merger set forth in the Merger Agreement (other than the condition regarding the financing contemplated by this Agreement and any other condition to be satisfied at the closing of the Merger) shall have been satisfied or waived, and the parties to the Merger Agreement have each confirmed they are ready and willing to consummate the Merger immediately after the closing of the Funding contemplated by this Agreement on the terms and conditions set forth in the Merger Agreement.

5.4 Escrow Agreement. The Escrow Agreement shall have been duly executed and delivery by Oasis and each Investor that funds its Funding Amount (provided, that the failure of a party to sign the Escrow Agreement shall not result in a failure of this condition with respect to that party) and shall remain in full force and effect.

5.5 Payment of Funding Amount. Solely with respect to the Company and Oasis, the Investors shall have delivered the Total Funding Amount.

6. Termination.

6.1 Termination Events. This Agreement and the transactions contemplated hereby (1) shall automatically terminate without any further action by any party upon (i) the termination of the Merger Agreement for any reason prior to the Closing or (ii) the occurrence of a Release Event, and (2) may be terminated:

(a) at any time (i) prior to the Closing, by mutual written agreement of the Company, Oasis and the Requisite Pre-Closing Investors or (ii) after the Closing, by mutual written agreement of Oasis and the Requisite Post-Closing Investors; or

(b) (i) at any time prior to the Closing, by any of the Company, Oasis or the Requisite Pre-Closing Investors by written notice to: (A) in the case of termination by the Company, the Investors and Oasis, (B) in the case of termination by Oasis, the Investors and the Company, and (C) in the case of termination by the Requisite Pre-Closing Investors, the Company, Oasis and the other Investors not providing such notice and (ii) at any time after the Closing, by any of Oasis or the Requisite Post-Closing Investors by written notice to: (A) in the case of termination by Oasis, the Investors and (B) in the case of termination by the Requisite Post-Closing Investors, Oasis and the other Investors not providing such notice, but in each case only if any governmental authority having jurisdiction over the Company, Oasis or the Investors shall have issued or entered any final, non-appealable decree, judgment, injunction, order or ruling permanently enjoining or otherwise prohibiting the consummation of the transactions contemplated by this Agreement; provided, however, that the right to terminate this Agreement under this Section 6.1(b) shall not be available to any party whose breach of any provision of this Agreement or the Merger Agreement (as applicable) has been the primary cause of, or primarily resulted in, such injunction, judgment, order, decree or ruling.

6.2 Effects of Termination. In the event of termination of this Agreement as provided in Section 6.1: (a) this Agreement shall terminate in its entirety and be of no further force and effect; provided, however, that the provisions of this Section 6.2 and Section 7 shall remain in full force and effect and survive any termination of this Agreement and (b) there shall be no liability or obligation of any nature whatsoever on the part of any party hereunder; provided, however, that each party shall remain liable for fraud or for any willful and material breach of any representation, warranty, covenant, obligation or other provision contained in this Agreement.

7. Miscellaneous.

7.1 Non-Survival. The representations and warranties of the Company, Oasis and the Investors contained in or made pursuant to this Agreement shall survive the execution and delivery of this Agreement and shall terminate at the Closing, and shall in no way be affected by any investigation or knowledge of the subject matter thereof made by or on behalf of the Investors or the Company.

7.2 Successors and Assigns. Except as otherwise provided herein, the terms and conditions of this Agreement shall inure to the benefit of and be binding upon the respective successors and assigns of the parties. Nothing in this Agreement, express or implied, is intended to confer upon any party other than the parties hereto or their respective successors and assigns any rights, remedies, obligations, or liabilities under or by reason of this Agreement, except as expressly provided in this Agreement. No party may assign this Agreement or assign, transfer or delegate any of its respective rights or obligations under this Agreement without the prior written consent of: (a) in the case of an assignment, transfer or delegation by the Company, Oasis and (i) if prior to the Closing, the Requisite Pre-Closing Investors and (ii) if after the Closing, the Requisite Post-Closing Investors, (b) in the case of an assignment, transfer or delegation by Oasis, the Company and (i) if prior to the Closing, the Requisite Pre-Closing Investors and (ii) if after the Closing, the Requisite Post-Closing Investors, and (c) in the

case of an assignment, transfer or delegation by any Investor, Oasis and, if prior to the Closing, the Company; provided, however, that for purposes of clarity, each Investor shall be entitled to have an Affiliated Entity fund its Funding Amount as provided for in Section 1.

7.3 Governing Law. This Agreement is to be construed in accordance with and governed by the internal laws of the State of Delaware without giving effect to any choice of law rule that would cause the application of the laws of any jurisdiction other than the internal laws of the State of Delaware to the rights and duties of the parties.

7.4 Specific Performance. Each party hereto agrees that its obligations hereunder are necessary and reasonable in order to protect the other parties to this Agreement, and each party expressly agrees and understands that monetary damages would inadequately compensate an injured party for the breach of this Agreement by any party, that this Agreement shall be specifically enforceable, and that, in addition to any other remedies that may be available at law, in equity or otherwise, any breach or threatened breach of this Agreement shall be the proper subject of a temporary or permanent injunction or restraining order, without the necessity of proving actual damages. Further, each party hereto waives any claim or defense that there is an adequate remedy at law for such breach or threatened breach.

7.5 Dispute Resolution. The parties hereby irrevocably and unconditionally (a) submit to the jurisdiction of the federal and state courts located within the geographical boundaries of the United States District Court for the District of Delaware for the purpose of any suit, action or other proceeding arising out of or based upon this Agreement, (b) agree not to commence any suit, action or other proceeding arising out of or based upon this Agreement except in the federal and state courts located within the geographical boundaries of the United States District Court for the District of Delaware, and (c) hereby waive, and agree not to assert, by way of motion, as a defense, or otherwise, in any such suit, action or proceeding, any claim that it is not subject personally to the jurisdiction of the above-named courts, that its property is exempt or immune from attachment or execution, that the suit, action or proceeding is brought in an inconvenient forum, that the venue of the suit, action or proceeding is improper or that this Agreement or the subject matter hereof may not be enforced in or by such court.

7.6 Remedies. No delay or omission to exercise any right, power or remedy accruing to any party under this Agreement, upon any breach or default of any other party under this Agreement, shall impair any such right, power or remedy of such non-breaching or non-defaulting party nor shall it be construed to be a waiver of any such breach or default, or an acquiescence therein, or of or in any similar breach or default thereafter occurring; nor shall any waiver of any single breach or default be deemed a waiver of any other breach or default theretofore or thereafter occurring. Any waiver, permit, consent or approval of any kind or character on the part of any party of any breach or default under this Agreement, or any waiver on the part of any party of any provisions or conditions of this Agreement, must be in writing and shall be effective only to the extent specifically set forth in such writing. All remedies, either under this Agreement or by law or otherwise afforded to any party, shall be cumulative and not alternative.

7.7 Waiver of Right to Jury Trial. EACH OF INVESTORS AND THE COMPANY, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, HEREBY IRREVOCABLY WAIVES ALL RIGHT TO TRIAL BY JURY AS TO ANY ISSUE RELATING HERETO IN ANY ACTION, PROCEEDING OR COUNTERCLAIM ARISING OUT OF OR RELATING TO THIS AGREEMENT.

7.8 Acknowledgment; Waiver of Conflicts. Each Investor acknowledges that: (a) it has read this Agreement; (b) it has been represented in the preparation, negotiation and execution of this Agreement by legal counsel of its own choice or has voluntarily declined to seek such counsel; and (c) it understands the terms and consequences of this Agreement and is fully aware of the legal and binding effect of this Agreement. Each Investor understands that (i) the Company has been represented in the preparation, negotiation and execution of this Agreement by Morrison & Foerster LLP, counsel to the Company and (ii) Oasis has been represented in the

preparation, negotiation and execution of this Agreement by Goodwin Procter LLP, counsel to the Oasis, and that (1) Morrison & Foerster LLP has not represented Oasis, any Investor or any stockholder, director or employee of the Company, Oasis or any Investor in the preparation, negotiation and execution of this Agreement and (2) Goodwin Procter LLP has not represented the Company, any Investor or any stockholder, director or employee of the Company, Oasis or any Investor in the preparation, negotiation and execution of this Agreement. Each Investor acknowledges that each of Morrison & Foerster LLP and Goodwin Procter LLP has or may have in the past represented and is now or may in the future represent one or more Investors or their affiliates in matters unrelated to the transactions contemplated by this Agreement, including the representation of such Investors or their affiliates in matters of a nature similar to those contemplated by this Agreement. The Company, Oasis and each Investor hereby acknowledges that it has had an opportunity to ask for and has obtained information relevant to such representation, including disclosure of the reasonably foreseeable adverse consequences of such representation, and hereby waives any conflict arising out of such representation with respect to the matters contemplated by this Agreement.

7.9 Counterparts. This Agreement may be executed in two or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument. Any signature page delivered by facsimile or e-mail transmission of images in Adobe PDF or similar format shall be binding to the same extent as an original signature page, with regard to any agreement subject to the terms hereof or any amendment thereto. Any party who delivers such a signature page agrees to later deliver an original counterpart to the other party if so requested.

7.10 Titles and Subtitles. The titles and subtitles used in this Agreement are used for convenience only and are not to be considered in construing or interpreting this Agreement.

7.11 Notices. Except as may be otherwise provided herein, all notices, requests, waivers and other communications made pursuant to this Agreement shall be in writing and shall be conclusively deemed to have been duly given (a) when hand delivered to the other party; (b) when sent by facsimile to the number set forth below if sent between 8:00 a.m. and 5:00 p.m. recipient's local time on a business day, or on the next business day if sent by facsimile to the number set forth below if sent other than between 8:00 a.m. and 5:00 p.m. recipient's local time on a business day, or when sent by electronic mail to the address set forth below if sent between 8:00 am and 5:00 pm recipient's local time on a business day, or on the next business day if sent by electronic mail other than between 8:00 am and 5:00 pm recipient's local time; (c) three business days after deposit in the U.S. mail with first class or certified mail receipt requested postage prepaid and addressed to the other party at the address set forth below; or (d) the next business day after deposit with a national overnight delivery service, postage prepaid, addressed to the parties as set forth below with next business day delivery guaranteed, provided that the sending party receives a confirmation of delivery from the delivery service provider. Each person making a communication hereunder by facsimile or electronic mail shall promptly attempt to confirm by telephone to the person to whom such communication was addressed each communication made by it by facsimile or electronic mail pursuant hereto but the absence of such confirmation shall not affect the validity of any such communication. A party may change or supplement the addresses given above, or designate additional addresses, for purposes of this Section 7.11 by giving the other party written notice of the new address in the manner set forth above.

7.12 Expenses. Irrespective of whether the Closing is effected, each party shall pay all costs and expenses that it incurs with respect to the negotiation, execution, delivery and performance of this Agreement. If any action at law or in equity is necessary to enforce or interpret the terms of this Agreement, the prevailing party shall be entitled to reasonable attorney's fees, costs and necessary disbursements in addition to any other relief to which such party may be entitled.

7.13 Amendments and Waivers. Any term of this Agreement may be amended and the observance of any term of this Agreement may be waived (either generally or in a particular instance and either retroactively or prospectively), only with the written consent of the Company, Oasis and (a) for an amendment, termination or

waiver effected prior to the Closing, the Requisite Pre-Closing Investors or (b) for an amendment, termination or waiver effected following the Closing, the Requisite Post-Closing Investors. Any amendment or waiver effected in accordance with this paragraph shall be binding upon each party hereto.

7.14 Severability. If one or more provisions of this Agreement are held to be unenforceable under applicable law, such provision shall be excluded from this Agreement and the balance of the Agreement shall be interpreted as if such provision were so excluded and shall be enforceable in accordance with its terms.

7.15 Further Assurances. Each Investor, Oasis and the Company shall from time to time and at all times hereafter make, do, execute, or cause or procure to be made, done and executed such further acts, deeds, conveyances, consents and assurances without further consideration, which may reasonably be required to effect the transactions contemplated by this Agreement.

7.16 Entire Agreement. This Agreement and the documents referred to herein constitute the entire agreement among the parties with respect to the subject matter hereof and no party shall be liable or bound to any other party in any manner by any warranties, representations or covenants except as specifically set forth herein or therein.

7.17 Funding Backstop. To the extent any Investor (directly or through an Affiliated Entity) fails to fund its Funding Amount at the Closing (such amount, a "**Funding Deficiency**"), or provides notice of its intent to do so (each such investor, a "**Defaulting Investor**"), Oasis shall promptly (and in any event within two (2) days) deliver a written notice (the "**Funding Notice**") to each other Investor which has not so failed to fund or provided notice of its intent to do so (each a "**Funding Investor**") of the foregoing, specifying the identity of the Defaulting Investor(s) and the aggregate Funding Deficiency. Each Funding Investor shall, subject to the provisions of this Section 7.17, have an additional option to fund (directly or through an Affiliated Entity) all or any part of any Funding Deficiency. To exercise such option, a Funding Investor must deliver written notice notifying the Company and Oasis that such Investor (directly or through an Affiliated Entity) intends to exercise its option to fund all or any portion of the Funding Deficiency within five (5) business days after the date of the Funding Notice. In the event there are two (2) or more such Funding Investors that choose to exercise such option for a total amount greater than the Deficiency Amount, such amounts shall be allocated to each such Funding Investor pro rata based on the additional amounts such Funding Investors have elected to fund (directly or through an Affiliated Entity) pursuant to this Section 7.17. For purposes of clarity, the funding of any Funding Deficiency by other Investors (directly or through an Affiliated Entity) pursuant to this Section 7.17 shall not relieve any Defaulting Investor of any liability to the other parties hereunder for its breach of this Agreement or otherwise.

7.18 Additional Investors; Unallocated Portion; Reallocation. As of the date of this Agreement, a portion of the Total Funding Amount is unallocated among the Investors as indicated on Schedule A (the "**Unallocated Portion**"). Notwithstanding anything to the contrary contained herein (including Section 7.13), the Company may, without any consent or action required from any other party hereto, and in its sole discretion, do either or both of the following with respect to the Unallocated Portion prior to Closing: (a) permit one or more additional existing stockholders of the Company or any Affiliated Entity of the foregoing to each become a party to this Agreement as an Investor hereunder, with any such party's Funding Amount consisting of all or any portion of the then remaining Unallocated Portion as agreed upon with the Company, by having such party execute and deliver a counterpart signature page to this Agreement (a "**New Investor**"), or (b) increase the Funding Amount of any Investor by all or any portion of the then remaining Unallocated Portion if such Investor so agrees to increase such Investor's Funding Amount (an "**Increased Allocation**"). Neither the Company nor Oasis shall have any obligation to offer the Unallocated Portion to any Investor or to offer any Unallocated Portion pro rata among Investors. Any New Investor that executes and delivers a counterpart signature page to this Agreement shall be deemed an "Investor" for all purposes hereunder. Notwithstanding anything to the contrary contained herein (including Section 7.13), Schedule A hereto may be amended by the Company after the date of this Agreement and prior to the Closing without the consent or approval of any other party to add or

adjust information regarding any New Investor or Increased Allocation in accordance with this Section 7.18. The Company shall provide prompt written notice of any adjustment to Schedule A pursuant to this Section 7.18 to Oasis.

7.19 Independent Nature of Investors' Obligations and Rights. The obligations of each Investor hereunder are several and not joint with the obligations of any other Investor, and no Investor shall be responsible in any way for the performance of the obligations of any other Investor hereunder. The decision of each Investor to fund its Funding Amount pursuant hereto has been made by such Investor independently of any other Investor and independently of any information, materials, statements or opinions as to the business, affairs, operations, assets, properties, liabilities, results of operations, condition (financial or otherwise) or prospects of Oasis which may have been made or given by any other Investor or by any agent or employee of any other Investor, and no Investor and none of its agents or employees shall have any liability to any other Investor (or any other person) relating to or arising from any such information, materials, statements or opinions. Nothing contained herein, and no action taken by any Investor pursuant hereto, shall be deemed to constitute the Investors as a partnership, an association, a joint venture or any other kind of entity, or create a presumption that the Investors are in any way acting in concert or as a group with respect to such obligations or the transactions contemplated hereby. Each Investor shall be entitled to independently protect and enforce its rights, including without limitation the rights arising out of this Agreement, and it shall not be necessary for any other Investor to be joined as an additional party in any proceeding for such purpose.

* * *

IN WITNESS WHEREOF, the parties have executed this Agreement as of the date first above written.

COMPANY:

ADICET BIO, INC.

By: _____
Name: Anil Singhal
Title: President and Chief Executive Officer

Address: _____
_____
_____

Facsimile: _____
Email: _____

OASIS:

RESTORBIO, INC.

By: _____
Name: Chen Schor
Title: Chief Executive Officer

Address: _____
_____
_____

Facsimile: _____
Email: _____

INVESTOR:

[_____]

By: _____
Name: _____
Title: _____

Address: _____
_____
_____
_____

Facsimile: _____
Email: _____

EXHIBIT E

Form of CVR Agreement

CONTINGENT VALUE RIGHTS AGREEMENT

This CONTINGENT VALUE RIGHTS AGREEMENT (this "Agreement"), dated as of [_____], 2020 (the "Effective Date"), is entered into by and between resTORbio, Inc., a Delaware corporation ("Parent"), [HOLDER REP], as representative of the Holders (the "Holders' Representative"), and [RIGHTS AGENT], as Rights Agent (as defined below). Parent and Rights Agent agree, for the equal and proportionate benefit of all Holders (as hereinafter defined), as follows:

1. DEFINITIONS.

Capitalized terms used but not otherwise defined herein will have the meanings ascribed to them in the Merger Agreement (as defined below). As used in this Agreement, the following terms will have the following meanings:

1.1 "Acting Holders" means, at the time of determination, Holders of at least a majority of the outstanding CVRs, as reflected on the CVR Register.

1.2 "Affiliate" means, with respect to any Person, any other Person that directly or indirectly, through one or more intermediaries, controls, is controlled by, or is under common control with, such Person. The term "control" (including the terms "controlled by" and "under common control with") of any Person means the power to direct the management and policies of such Person, directly or indirectly, whether through the ownership of voting shares of the Person or actual control over the business and affairs of such Person.

1.3 "Budget" shall mean the budget attached hereto as Exhibit A.

1.4 "Calendar Quarter" means the successive periods of three (3) consecutive calendar months ending on March 31, June 30, September 30 or December 31, for so long as this Agreement is in effect; provided, however that (a) the first Calendar Quarter shall commence on the Effective Date and shall end on the first [September 30][1] thereafter, and (b) the last Calendar Quarter shall commence on the first day after the full Calendar Quarter immediately preceding the effective date of the termination or expiration of this Agreement and shall end on the effective date of the termination or expiration of this Agreement.

1.5 "Clinical Trial" means a clinical study conducted on certain numbers of human subjects (depending on the phase of the trial) that is designed to (a) establish that a pharmaceutical product is reasonably safe and tolerable for continued testing, (b) investigate the safety and efficacy of the pharmaceutical product for its intended use, and to define warnings, precautions and adverse reactions that may be associated with the pharmaceutical product in the dosage range to be prescribed, or (c) support Marketing Approval of such pharmaceutical product or label expansion of such pharmaceutical product.

1.6 "Clinical Trial Cap" means US[***] less any fully burdened costs accrued or incurred by Parent or its Affiliates in connection with the CVR Clinical Trial(s), in accordance with the Budget, between the date of the Merger Agreement Date and the Closing Date.

1.7 "Commercialize" means to market, promote, distribute, import, export, offer to sell and/or sell the CVR Product, and "Commercialization" means commercialization activities related to the CVR Product, including activities relating to marketing, promoting, distributing, importing, exporting, offering for sale and/or selling the CVR Product.

1.8 "Commercially Reasonable Efforts" means the level of efforts consistent with the efforts that a Third Party of similar size and with similar resources as Parent, in the biopharmaceutical industry, typically devotes to a similar product of similar market potential, at a similar stage in its development or product life, taking into account development, commercial, legal and regulatory factors, such as efficacy, safety, patent and regulatory exclusivity, product profile, cost and availability of supply, the time and cost required to complete development,

[1] Assumes the closing occurs prior to September 30, 2020.

the competitiveness of the marketplace (including the proprietary position and anticipated market share of the product), the patent position with respect to such product (including the ability to obtain or enforce, or have obtained or enforced, such patent rights), the third-party patent landscape relevant to the product, the regulatory structure involved, the likelihood of obtaining Marketing Approval, the anticipated or actual profitability of the applicable product (but without taking into account the amount of any potential CVR Payments), anticipated or approved labeling, present and future market potential, competitive products and market conditions, pricing and reimbursement considerations, costs for development and costs for obtaining, prosecuting, maintaining and licensing relevant intellectual property rights, and other technical, commercial, legal, scientific, regulatory, and medical considerations, all based on conditions then prevailing. Notwithstanding anything to the contrary in this Agreement, (a) a Party makes no guarantee, and Commercially Reasonable Efforts does not mean, that such Party will actually accomplish the applicable task or objective or complete any particular phases of development or commercialization within any particular time horizons, (b) the use of Commercially Reasonable Efforts may, under certain circumstances, be consistent with the termination of the development, manufacture and/or Commercialization of the CVR Product, and (c) in no event shall the use of Commercially Reasonable Efforts require Parent to take or omit to take any action (including, without limitation, entering into any CVR Commercial Agreement) the approval of which would violate any fiduciary duties of Parent's board of directors, as determined by Parent's board of directors, acting reasonably and in good faith.

1.9 "CVR(s)" means the rights of Holders to receive contingent cash payments pursuant to the Merger Agreement and this Agreement.

1.10 "CVR Clinical Trial(s)" means the Planned Clinical Trial and the Proposed Clinical Trial.

1.11 "CVR Commercial Agreement" means a transaction or series of transactions between Parent or its Affiliates and any Partner that meets all of the following requirements:

(a) is memorialized in one or more binding, valid, and enforceable written agreements, the final form(s) of which (i) meets the requirements set forth in this Section 1.11 and are otherwise reasonably acceptable to Parent, and (ii) has been expressly approved by Parent's board of directors, in its reasonable discretion;

(b) is entered into on or before September 30, 2021;

(c) in which Parent or its Affiliate agrees to grant, sell, license or otherwise convey to Partner and/or its Affiliates the exclusive or co-exclusive rights to Commercialize the CVR Product in one or more fields of use in one or more countries or regions in the world;

(d) in which no proprietary technology, products or intangible tangible assets of Parent or its Affiliates (other than such proprietary technology, products or intangible tangible assets of Parent or its Affiliates regarding the CVR Product existing as of the Merger Agreement Date or generated pursuant to the Planned Protocol or the Proposed Protocol), including any rights associated therewith, are granted, sold, or otherwise conveyed by Parent or its Affiliates to Partner pursuant to the transaction;

(e) in which Partner or its Affiliate, collectively, is expressly obligated to reimburse Parent's out-of-pocket and accrued costs and expenses incurred prior to the date of such transaction in connection with filing, prosecuting, and maintaining any patent rights relating to the CVR Product in the Partner Territory and in the Partner Field, to the extent such costs and expenses are not subject to reimbursement by any other Third Party;

(f) in which, from and after the date of such transaction, Partner or its Affiliate, collectively, shall be responsible for (i) preparing, filing, and prosecuting applications to obtain Marketing Approval for the CVR Product in the Partner Territory and directly paying all future costs and expenses incurred in connection therewith together with all accrued expenses of Parent and its Affiliates to facilitate the foregoing, and (ii) prosecuting and maintaining any patent rights relating to the CVR Product, in the Partner Territory and in the

Partner Field (other than such patent rights as Partner or Parent may elect to abandon), on its own account or for the benefit of Parent or its Affiliate, and directly paying all future costs and expenses incurred in connection therewith together with all accrued expenses of Parent and its Affiliates to facilitate the foregoing;

(g) in which the payments received prior to the due date of the applicable Third-Party Payments by Parent from Partner or its Affiliate, collectively, for each CVR Payment Period shall not be less than the aggregate amounts of all Third-Party Payments owing for the same period;

(h) in which, from and after the effective date of such transaction, Partner or its Affiliate, collectively, shall be responsible for the development, manufacture, Marketing Approval, and Commercialization of the CVR Product in the relevant Partner Territory and directly paying all costs and expenses incurred in connection therewith; and

(i) in which the terms (i) provide that Parent and its Affiliates shall have no liability whatsoever regarding or in connection with the CVR Product or its the manufacture or use, (ii) make no representation and warranties on behalf of Parent and its Affiliates regarding or in connection with the CVR Product or its the manufacture or use, (iii) release Parent and its Affiliates from for all losses, liabilities, expenses, and damages incurred in connection with the CVR Product or its the manufacture or use, and (iv) require Partner to indemnify, defend, and hold harmless Parent and its Affiliates from any Third Party claims regarding or in connection with any of the foregoing.

1.12 "CVR Payment" means any payment under Section 2.4(a).

1.13 "CVR Payment Period" means a period equal to a Calendar Quarter ending at any time after the effective date of the CVR Commercial Agreement.

1.14 "CVR Payment Statement" means, for a given CVR Payment Period during the CVR Term, a written statement of Parent, signed on behalf of Parent setting forth in reasonable detail the calculation of the applicable CVR Payment for such CVR Payment Period.

1.15 "CVR Product" means solely [***].

1.16 "CVR Register" means the register described in Section 2.3(b).

1.17 "CVR Term" means the period beginning on the Closing and ending upon (i) if a CVR Commercial Agreement is entered into prior to any expiration or termination of this Agreement, the latest date upon which Parent or any of its Affiliates is eligible to receive Gross Consideration under such CVR Agreement, or (ii) if a CVR Commercial Agreement is not entered into prior to any termination of this Agreement by Partner, the effective date of termination and/or expiration of this Agreement.

1.18 "DTC" means The Depository Trust Company or any successor thereto.

1.19 "Finder" means JMP Securities LLC or another Person that is a nationally recognized investment banking firm identified by the Company.

1.20 "Finder Agreement" means the mutually acceptable agreement between Parent and Finder, as may be amended from time to time, that meets all of the following requirements:

(a) is a binding, valid, and enforceable written agreement, the final form of which meets the requirements set forth in this Section 1.20, is otherwise reasonably acceptable to Company and Finder, and is entered into prior to the Closing Date;

(b) pursuant to which, through September 30, 2021, and at Finder's sole cost and expense, Finder shall seek to identify, negotiate, and complete a CVR Commercial Agreement with any Partner for the Commercialization of the CVR Product by such Partner in one or more countries or regions in the world;

(c) in which the sole compensation to Finder for and in connection with the services set forth in Section 1.20(b) will be success-based fee(s) (including success-based reimbursements of out-of-pocket expenses) due and payable upon the full and complete execution of the CVR Commercial Agreement and the receipt of cash consideration from the Partner;

(d) in which the terms provide that Parent will have the right to immediately terminate the agreement for convenience and without liability or further obligation in the event the CVR Commercial Agreement is not mutually agreed, duly executed, and delivered on or before September 30, 2021; and

(e) in which the terms (i) provide that Parent and its Affiliates shall have no liability whatsoever regarding or in connection with CVR Product or its the manufacture or use, (ii) make no representation and warranties on behalf of Parent and its Affiliates regarding or in connection with the CVR Product or its the manufacture or use, (iii) release Parent and its Affiliates from for all losses, liabilities, expenses, and damages incurred in connection with the CVR Product or its the manufacture or use, and (iv) require Finder to indemnify, defend, and hold harmless Parent and its Affiliates from any third party claims regarding or in connection with any of the foregoing.

1.21 "FTE" means the equivalent of one full-time employee or consultant of Parent or its Affiliate conducting the efforts described in Section 4.3(a) on behalf of Parent under this Agreement. In no event shall any one individual be counted as more than one (1) FTE.

1.22 "Gross Consideration" means the sum of all cash consideration actually received by Parent or its Affiliates during the CVR Term in consideration for the grant of rights to Commercialize the CVR Product under the CVR Commercial Agreement or any sublicense granted under such rights.

1.23 "Holder" means a Person in whose name a CVR is registered in the CVR Register at the applicable time.

1.24 "Holders' Representative" means the Holders' Representative named in the first paragraph of this Agreement or any direct or indirect successor Holders' Representative designated in accordance with Section 5.3.

1.25 "IND" means an investigational new drug application filed with the FDA for approval to commence Clinical Trials in the United States.

1.26 "Marketing Approval" means, with respect to a pharmaceutical product, the registrations, authorizations and approvals of the applicable Regulatory Authority or other Governmental Authority in a particular country or region in the world that are necessary to market and sell or otherwise Commercialize such pharmaceutical product in such country or region.

1.27 "Merger Agreement" means that certain Agreement and Plan of Merger, dated as of April 28, 2020 (the "Merger Agreement Date"), as amended or restated from time to time, by and among Parent, Project Oasis Merger Sub, Inc., and Adicet Bio, Inc. (the "Company").

1.28 "Net Proceeds" means, for any CVR Payment Period, Gross Consideration minus Permitted Deductions, all as calculated in accordance with Parent's accounting practices and annual audited financial statements. For clarity, to the extent Permitted Deductions exceed Gross Consideration for any CVR Payment Period, any excess Permitted Deductions shall be applied against Gross Consideration in subsequent CVR Payment Periods.

1.29 "Partner" means any Third Party that enters into a transaction with Parent or its Affiliates for the Commercialization of the CVR Product as described in Section 4.3(a).

1.30 "Partner Field" means the field(s) of use in which a Partner is authorized to Commercialize the CVR Product pursuant to a CVR Agreement.

1.31 "Partner Territory" means the country(ies) and/or region(s) of the world in which a Partner is authorized to Commercialize the CVR Product pursuant to a CVR Agreement.

1.32 "Party" means Parent, the Rights Agent or the Holders' Representative.

1.33 "Payment Amount" means, with respect to each CVR Payment and each Holder, an amount equal to such CVR Payment divided by the total number of CVRs and then multiplied by the total number of CVRs held by such Holder as reflected on the CVR Register.

1.34 "Permitted Deductions" means the sum of:

(a) applicable excise taxes, use taxes, tariffs, sales taxes and customs duties, and/or other government charges imposed on the Gross Consideration owed for the applicable CVR Payment Period;

(b) any offsets, credits, deductions, refunds, and chargebacks actually granted, allowed or incurred in connection with the CVR Product during the applicable CVR Payment Period;

(c) any applicable Third-Party Payments;

(d) any reasonable and documented out of pocket costs and expenses incurred for any ongoing efforts described in Section 4.3(a);

(e) any reasonable and documented out-of-pocket costs incurred or accrued by Parent and its Affiliates in connection with the negotiation, entry into and closing of such CVR Commercial Agreement, including any accountant or attorney's fees;

(f) any aggregate losses, liabilities, damages, and expenses owing by Parent or its Affiliates arising out of any Third Party claims, demands, actions, or other proceedings relating to or in connection with the CVR Clinical Trial(s) and/or the CVR Product; and

(g) an administration fee of 7.5% of all Gross Consideration received by Parent or its Affiliate for the applicable CVR Payment Period.

1.35 "Permitted Transfer" means a transfer of CVRs (a) upon death of a Holder by will or intestacy; (b) pursuant to a court order; (c) by operation of law (including by consolidation or merger) or without consideration in connection with the dissolution, liquidation or termination of any corporation, limited liability company, partnership or other entity; or (d) in the case of CVRs held in book-entry or other similar nominee form, from a nominee to a beneficial owner and, if applicable, through an intermediary, to the extent allowable by DTC.

1.36 "Planned Clinical Trial" means [***].

1.37 "Planned Protocol" means the protocol entitled [***].

1.38 "Proposed Clinical Trial" means [***].

1.39 "Proposed Protocol" means [***].

1.40 "Regulatory Authority" means any national, regional, state or local regulatory authority, department, bureau, commission, council or other Governmental Authority within any country or region in the world (including the FDA) that is responsible for overseeing the development, use, manufacture, transport, storage or commercialization of the CVR Product in such country or region.

1.41 "Rights Agent" means the Rights Agent named in the first paragraph of this Agreement or any direct or indirect successor Rights Agent designated in accordance with the applicable provisions of this Agreement.

1.42 "Third Party" means any Person other than Parent, Rights Agent or their respective Affiliates.

1.43 "Third-Party Payment(s)" means all amounts owing by Parent or its Affiliates, including any applicable fees, success-based payments, milestone payments and/or royalties related thereto, to a Third Party that are related to the development, Marketing Approval, manufacture, or commercialization of the CVR Product, including, without limitation, all amounts owing by Parent under the Finder Agreement.

2. CONTINGENT VALUE RIGHTS.

2.1 CVRs. The CVRs represent the rights of Holders to receive contingent cash payments pursuant to this Agreement. The initial Holders will be the holders of Oasis Common Stock as of immediately prior to the Effective Time. One CVR will be issued with respect to each share of Oasis Common Stock that is outstanding as of immediately prior to the Effective Time (including, for the avoidance of doubt, those shares of Oasis Common Stock issued upon settlement of Oasis Restricted Stock Units pursuant to Section 6.8 of the Merger Agreement).

2.2 Nontransferable. The CVRs may not be sold, assigned, transferred, pledged, encumbered or in any other manner transferred or disposed of, in whole or in part, other than through a Permitted Transfer. The CVRs will not be listed on any quotation system or traded on any securities exchange.

2.3 No Certificate; Registration; Registration of Transfer; Change of Address; CVR Distribution.

(a) The CVRs will be issued in book-entry form only and will not be evidenced by a certificate or other instrument.

(b) The Rights Agent shall create and maintain a CVR Register for the purpose of registering CVRs and Permitted Transfers. The CVR Register will be created, and CVRs will be distributed, pursuant to written instructions to the Rights Agent from the Holders' Representative. The CVR Register will initially show one position for Cede & Co. representing shares of Oasis Common Stock held by DTC on behalf of the street holders of the shares of Oasis Common Stock held by such holders as of immediately prior to the Effective Time. The Rights Agent will have no responsibility whatsoever directly to the street name holders with respect to transfers of CVRs. With respect to any payments to be made under Section 2.4 below, the Rights Agent will accomplish the payment to any former street name holders of shares Oasis Common Stock by sending one lump-sum payment to DTC. The Rights Agent will have no responsibilities whatsoever with regard to the distribution of payments by DTC to such street name holders.

(c) Subject to the restrictions on transferability set forth in Section 2.2, every request made to transfer a CVR must be in writing and accompanied by a written instrument of transfer in form reasonably satisfactory to the Rights Agent pursuant to its guidelines, including a guaranty of signature by an "eligible guarantor institution" that is a member or participant in the Securities Transfer Agents Medallion Program, duly executed by the Holder thereof, the Holder's attorney duly authorized in writing, the Holder's personal representative or the Holder's survivor, and setting forth in reasonable detail the circumstances relating to the transfer. Upon receipt of such written notice, the Rights Agent shall, subject to its reasonable determination that the transfer instrument is in proper form and the transfer otherwise complies with the other terms and conditions of this

Agreement (including the provisions of Section 2.2), register the transfer of the CVRs in the CVR Register. Parent and Rights Agent may require payment of a sum sufficient to cover any stamp or other tax or governmental charge that is imposed in connection with any such registration of transfer. The Rights Agent shall have no duty or obligation to take any action under any section of this Agreement that requires the payment by a Holder of a CVR of applicable taxes or charges unless and until the Rights Agent is satisfied that all such taxes or charges have been paid. All duly transferred CVRs registered in the CVR Register will be the valid obligations of Parent and will entitle the transferee to the same benefits and rights under this Agreement as those held immediately prior to the transfer by the transferor. No transfer of a CVR will be valid until registered in the CVR Register.

(d) A Holder may make a written request to the Rights Agent to change such Holder's address of record in the CVR Register. The written request must be duly executed by the Holder. Upon receipt of such written notice, the Rights Agent shall, subject to its reasonable determination that the transfer instrument is in proper form, promptly record the change of address in the CVR Register. The Holders' Representative may make a written request to the Rights Agent for a list containing the names, addresses and number of CVRs of the Holders that are registered in the CVR Register. Upon receipt of such written request from the Holders' Representatives, the Rights Agent shall promptly deliver a copy of such list to the Holders' Representative.

(e) Holders' Representative will provide written instructions to the Rights Agent for the distribution of CVRs to holders of Oasis Common Stock as of immediately prior to the Effective Time (the "Record Time"). Subject to the terms and conditions of this Agreement and Parent's prompt confirmation of the Effective Time, the Rights Agent shall effect the distribution of the CVRs, less any applicable tax withholding, to each holder of Oasis Common Stock as of the Record Time by the mailing of a statement of holding reflecting such CVRs.

2.4 Payment Procedures.

(a) Within sixty (60) days after the end of each CVR Payment Period during the CVR Term, commencing with the first CVR Payment Period in which Parent or its Affiliate receives Gross Consideration, Parent shall deliver to the Holders' Representative and Rights Agent a CVR Payment Statement for such CVR Payment Period. Concurrent with the delivery of each CVR Payment Statement, on the terms and conditions of this Agreement, Parent shall pay the Rights Agent in U.S. dollars an amount equal to one-hundred percent (100%) of the Net Proceeds (if any) for the applicable CVR Payment Period. For further clarity, any sale of CVR Products by Partner will not be included in Gross Consideration or Net Proceeds, and Parent shall not be obligated to make any payments to the Rights Agent regarding any proceeds based on such sales (it being understood that payments made by Partner to Parent or its Affiliates based on such sales will be included in Gross Consideration). Such amount of Net Proceeds will be transferred by wire transfer of immediately available funds to an account designated in writing by the Rights Agent not less than twenty (20) Business Days prior to the date of the applicable payment. In the event that any Party determines that the calculation of Net Proceeds for a CVR Payment Period deviates from the amounts previously reported to the Rights Agent for any reason (such as, on account of additional amounts collected or product returns), Parent and the Rights Agent shall reasonably cooperate to reconcile any such deviations to the extent necessary under applicable legal or financial reporting requirements.

(b) The Rights Agent shall be solely responsible for the delivery of CVR Payment Statements and CVR Payments to each Holder, and Parent shall not have any responsibility or liability therefor. The Rights Agent shall promptly, and in any event within ten (10) Business Days after receipt of a CVR Payment Statement under Section 2.4(a), send each Holder at its registered address a copy of such statement. If the Rights Agent also receives any CVR Payment, then within ten (10) Business Days after the receipt of each CVR Payment, the Rights Agent shall also pay to each Holder, by check mailed to the address of each Holder as reflected in the CVR Register as of the close of business on the date of the receipt of the CVR Payment Statement, such Holder's Payment Amount.

(c) All payments under this Agreement shall be made without any deduction or withholding for or on account of any tax or similar governmental charge or levy, except as required by applicable law and as set forth in this Section 2.4(c). The Parties shall cooperate with one another and use reasonable efforts to minimize under applicable law obligations for any and all income or other taxes required by applicable law to be withheld or deducted from any payments made under this Agreement ("Withholding Taxes"). Parent shall, if required by applicable law, deduct or cause to be deducted from any amounts required to be paid under this Agreement an amount equal to such Withholding Taxes; provided that (i) Parent shall instruct the Rights Agent to solicit from each Holder an IRS Form W-9 or applicable IRS Form W-8 at such time or times as is necessary to permit any payment under this Agreement to be made without U.S. federal backup withholding, and (ii) in the event Parent becomes aware that a payment under this Agreement is subject to Withholding Taxes (other than U.S. federal backup withholding), Parent shall instruct the Rights Agent to use commercially reasonable efforts to provide written notice of such Withholding Taxes to the applicable Holders prior to paying such Withholding Taxes. For the avoidance of doubt, in the event that notice has been provided to an applicable Holder pursuant to clause (ii) of the immediately preceding sentence, no further notice shall be required to be given for any future payments of such Withholding Tax. Such Withholding Taxes shall be paid to the proper taxing authority for the applicable Holders' account and, if available, evidence of such payment shall be secured and sent to the Rights Agent within thirty (30) days of such payment. Parent shall, at the Rights Agent's sole cost and expense, as mutually agreed by the Parties, do all such lawful acts and things and sign all such lawful deeds and documents as the Rights Agent may reasonably request to enable Parent and the applicable Holders to avail themselves of any applicable legal provision or any double taxation treaties with the goal of paying the sums due to the Rights Agent hereunder without deducting any Withholding Taxes.

2.5 No Voting, Dividends or Interest; No Equity or Ownership Interest in Parent.

(a) The CVRs will not have any voting or dividend rights, and interest will not accrue on any amounts payable on the CVRs to any Holder.

(b) The CVRs will not represent any equity or ownership interest in Parent or in any constituent company to the Merger. It is hereby acknowledged and agreed that a CVR shall not constitute a security of Parent.

(c) Nothing contained in this Agreement shall be construed as conferring upon any Holder, by virtue of the CVRs, any rights or obligations of any kind or nature whatsoever as a stockholder or member of Parent, the Company or any of their respective subsidiaries, as applicable, either at law or in equity. The rights of any Holder and the obligations of Parent and its Affiliates and their respective officers, directors and controlling Persons are contract rights limited to those expressly set forth in this Agreement.

(d) Each Holder acknowledges and agrees to the appointment and authority of the Holders' Representative to act as the exclusive representative, agent and attorney-in-fact of such Holder and all Holders as set forth in this Agreement. Each Holder agrees that such Holder will not challenge or contest any action, inaction, determination or decision of the Holders' Representative or the authority or power of the Holders' Representative and will not threaten, bring, commence, institute, maintain, prosecute or voluntarily aid any action, which challenges the validity of or seeks to enjoin the operation of any provision of this Agreement, including, without limitation, the provisions related to the authority of the Holders' Representative to act on behalf of such Holder and all Holders as set forth in this Agreement.

3. THE RIGHTS AGENT.

3.1 Certain Duties and Responsibilities. The Rights Agent shall not have any liability for any actions taken or not taken in connection with this Agreement, except to the extent of its willful misconduct, bad faith or gross negligence (in each case as determined by a final, non-appealable decision of a court of competent jurisdiction). Parent and its Affiliates will not have any liability for acts or omissions by the Rights Agent in connection with this Agreement.

3.2 Limitation on Duties and Responsibilities of Rights Agent. The Rights Agent undertakes to perform such duties and only such duties as are specifically set forth in this Agreement, and no implied covenants or obligations will be read into this Agreement against the Rights Agent. In addition, the Rights Agent shall not have any duty or responsibility in the case of the receipt of any written demand from any Holder with respect to any action or default by Parent, including, without limiting the generality of the foregoing, any duty or responsibility to initiate or attempt to initiate any proceedings at law or otherwise or to make any demand upon Parent.

3.3 Resignation and Removal; Appointment of Successor.

(a) The Rights Agent may resign at any time by giving written notice thereof to Parent specifying a date when such resignation will take effect, which notice will be sent at least thirty (30) days prior to the date so specified. Parent may, in its sole discretion, remove the Rights Agent at any time by notice specifying a date when such removal will take effect. Such notice of removal will be given by Parent to the Rights Agent, which notice will be sent at least thirty (30) days prior to the date so specified.

(b) If the Rights Agent provides notice of its intent to resign, is removed or becomes incapable of acting, Parent shall as soon as is reasonably possible appoint a qualified successor Rights Agent who shall be a stock transfer agent of national reputation or the corporate trust department of a commercial bank. The successor Rights Agent so appointed will, forthwith upon its acceptance of such appointment in accordance with Section 3.4, become the successor Rights Agent.

(c) Parent shall give written notice of each resignation and each removal of a Rights Agent and each appointment of a successor Rights Agent to the Holders' Representative who has the obligation to notify each Holder as their names and addresses appear in the CVR Register. Each notice will include the name and address of the successor Rights Agent. If Parent fails to send such notice within ten days after acceptance of appointment by a successor Rights Agent, the successor Rights Agent will cause the notice to be mailed.

3.4 Acceptance of Appointment by Successor. Every successor Rights Agent appointed hereunder will execute, acknowledge and deliver to Parent and to the retiring Rights Agent an instrument accepting such appointment and a counterpart of this Agreement, and thereupon such successor Rights Agent, without any further act, deed or conveyance, will become vested with all the rights, powers, trusts and duties of the retiring Rights Agent. On request of Parent or the successor Rights Agent, the retiring Rights Agent will execute and deliver an instrument transferring to the successor Rights Agent all the rights (except such rights of predecessor rights agent which survive pursuant to Section 3.3 of this Agreement), powers and trusts of the retiring Rights Agent.

4. COVENANTS.

4.1 List of Holders. Parent shall furnish or cause to be furnished to the Rights Agent (with a copy to the Holders' Representative) in such form as Parent receives from Parent's transfer agent (or other agent performing similar services for Parent), the names and addresses of the Holders within thirty (30) Business Days of the Effective Time.

4.2 CVR Clinical Trial(s).

(a) From the Closing through September 30, 2021, and subject to any limitations set forth in this Agreement, Parent shall, or shall cause its Affiliates to, use Commercially Reasonable Efforts to perform the key tasks necessary to (i) continue the Planned Clinical Trial in strict accordance with the Planned Protocol, and (ii) conduct the Proposed Clinical Trial in strict accordance with the Proposed Protocol.

(b) Parent shall have no obligation to pay any fees and expenses for the CVR Clinical Trial(s) in the aggregate in excess of the Clinical Trial Cap. In the event that the total fees and expenses incurred by Parent to

conduct the CVR Clinical Trials(s) exceed, in the aggregate, the Clinical Trial Cap, Parent may, in its sole discretion and upon written notice to the Rights Agent and the Holders' Representative, terminate this Agreement without liability, whereupon Parent shall be relieved of any and all obligations contained herein. Without limiting the foregoing, in the event Parent anticipates that the total fees and expenses reasonably necessary to conduct the CVR Clinical Trial(s) will exceed, in the aggregate, the Clinical Trial Cap, Parent shall use reasonable efforts to promptly notify the Rights Agent and the Holders' Representative in writing.

(c) Parent has no obligation to conduct any tasks relating to the CVR Clinical Trial(s) after September 30, 2021. In the event (i) the CVR Clinical Trial(s) are not completed by September 30, 2021, for any reason, or (ii) an applicable Regulatory Authority requires or requests additional testing or information beyond that which is in the possession and control of Parent prior to the Merger Agreement Date or produced (or expected to be produced) after the Merger Agreement Date pursuant to the Planned Protocol or the Proposed Protocol; Parent may, in its sole discretion and upon written notice to the Rights Agent and the Holders' Representative, terminate its obligations under this Agreement with respect to Section 4.2(a) without liability whereupon Parent shall be relieved of any and all obligations contained in Section 4.2(a).

(d) Parent has no obligation to make any modifications, improvements, alterations, or other changes to the CVR Product or the process of manufacture thereof. In the event the CVR Product or the process of manufacture thereof, requires any modifications, Parent may, in its sole discretion and upon written notice to the Rights Agent, terminate this Agreement without liability whereupon Parent shall be relieved of any and all obligations contained herein.

(e) Subject to the terms and conditions of this Agreement Parent shall have no obligation under this Agreement to develop any additional technology, conduct any additional Clinical Trials, or be responsible for any filings, approvals, and requests for information from any Regulatory Authority, for any reason related to the CVR Product.

(f) Parent shall have no obligation to take (or refrain from taking) any action which would trigger any payment owing to [***] or its Affiliates under that certain [***], between [***], and Parent, as may be amended from time to time, unless such payment is directly paid by a Partner or its Affiliates prior to the applicable due date.

4.3 CVR Commercial Agreement.

(a) Subject to Parent's termination rights set forth in this Agreement, Parent shall, or shall cause its Affiliates to, use Commercially Reasonable Efforts to, through September 30, 2021, reasonably support Finder pursuant to the Finder Agreement in Finder's efforts to identify one or more Partners and negotiate and complete a CVR Commercial Agreement with such Partner for the Commercialization of the CVR Product by Partner in one or more countries or regions in the world. Parent shall have no obligation to enter into any agreement for the Commercialization of the CVR Product that is not a CVR Commercial Agreement or to commit the use, in connection with its activities under this Section 4.3(a), of more than the budgeted FTE(s) specified for such activities in the Budget.

(b) Parent has no obligation to support Finder after September 30, 2021. If a CVR Commercial Agreement is not mutually agreed, duly executed, and delivered prior September 30, 2021, Parent may terminate, in its sole discretion and upon written notice to the Rights Agent, this Agreement without liability whereupon Parent shall be relieved of any and all obligations contained herein.

(c) Notwithstanding anything contained herein to the contrary, Parent shall not, and shall not permit its Affiliates to: (i) amend any CVR Commercial Agreement, or waive any right thereunder if such amendment or waiver materially and adversely affects the rights of the Holders to receive the CVR Payment Amounts hereunder, unless the Holders' Representative consents to each such amendment or waiver, which shall not be

unreasonably withheld, delayed, or conditioned; (ii) assign any CVR Commercial Agreement without the consent of the Holders' Representative, which shall not be unreasonably withheld, delayed, or conditioned, unless such assignee agrees to assume all obligations under, and agrees to be bound in writing to the terms of, the CVR Commercial Agreement and this Agreement; or (iii) intentionally take any action for the principal purpose of reducing the amount of CVR Payment Amounts payable under this Agreement; provided, however, that Parent shall have no obligation to enforce the terms of the CVR Commercial Agreement against Partner or take any legal action against Partner in the event of an actual or alleged breach by Partner of the CVR Commercial Agreement.

(d) Prior to December 31, 2021 (the "Outside Date"), Parent shall not, and shall not permit its Affiliates to, grant, assign, transfer or otherwise convey any rights (including any option to obtain rights) to any Third Party to research, develop or Commercialize the CVR Product without obtaining the prior written consent of the Holders' Representative, other than to (i) contract research, contract manufacturing and similar service providers engaged to perform services on Parent or its Affiliate's behalf, (ii) a Partner pursuant to a CVR Commercial Agreement, or (iii) an Acquiror (as defined below) in connection with an Acquisition (as defined below).

4.4 Books and Records. Parent shall, and shall cause its Affiliates to, keep true, complete and accurate records in sufficient detail to enable the Rights Agent to confirm the applicable Payment Amount payable hereunder in accordance with the terms specified in this Agreement.

4.5 Audits. Until the expiration of this Agreement and for a period of one (1) year thereafter, Parent shall keep complete and accurate records in sufficient detail to permit the Rights Agent to confirm the accuracy of the payments due hereunder. The Rights Agent or the Holders' Representative shall each have the right to cause an independent internationally recognized accounting firm reasonably acceptable to Parent to audit such records for the sole purpose of confirming payments for a period covering not more than the preceding three (3) years. Parent may require such accounting firm to execute a reasonable confidentiality agreement with Parent prior to commencing the audit. The accounting firm shall disclose to Rights Agent or the Holders' Representative, as applicable, only whether the reports are correct or not and the specific details concerning any discrepancies. No other information shall be shared. Such audits may be conducted during normal business hours upon reasonable prior written notice to Parent, but no more than frequently than once per year. No accounting period of Parent shall be subject to audit more than one time by the Rights Agent or the Holders' Representative, as applicable, unless after an accounting period has been audited by the Rights Agent or the Holders' Representative, as applicable, Parent restates its financial results for such accounting period, in which event the Rights Agent or the Holders' Representative, as applicable, may conduct a second audit of such accounting period in accordance with this Section 4.5. Adjustments (including remittances of underpayments or overpayments disclosed by such audit) shall be made by the Parties to reflect the results of such audit, which adjustments shall be paid promptly following receipt of an invoice therefor. The Rights Agent or the Holders' Representative, as applicable, shall bear the full cost and expense of such audit unless such audit discloses an underpayment by Parent of twenty percent (20%) or more of the Payment Amount due under this Agreement, in which case Parent shall bear the full cost and expense of such audit.

5. HOLDERS' REPRESENTATIVE.

5.1 Appointment of Holders' Representative. To the extent valid and binding under applicable law, the Holders' Representative is hereby appointed, authorized and empowered to be the exclusive representative, agent and attorney-in-fact of each Holder, with full power of substitution, to make all decisions and determinations and to act (or not act) and execute, deliver and receive all agreements, documents, instruments and consents on behalf of and as agent for each Holder at any time in connection with, and that may be necessary or appropriate to accomplish the intent and implement the provisions of this Agreement and to facilitate the consummation of the transactions contemplated hereby, including without limitation for purposes of (i) negotiating and settling, on behalf of the Holders, any dispute that arises under this Agreement after the Effective Time, (ii) confirming the

satisfaction of Parent's obligations under this Agreement and (iii) negotiating and settling matters with respect to the amounts to be paid to the Holders pursuant to this Agreement.

5.2 Authority. To the extent valid and binding under applicable law, the appointment of the Holders' Representative by the Holders upon the Effective Time is coupled with an interest and may not be revoked in whole or in part (including, without limitation, upon the death or incapacity of any Holder). Subject to the prior qualifications, such appointment shall be binding upon the heirs, executors, administrators, estates, personal representatives, officers, directors, security holders, successors and assigns of each Holder. To the extent valid and binding under applicable law, all decisions of the Holders' Representative shall be final and binding on all Holders. Parent and the Rights Agent shall be entitled to rely upon, without independent investigation, any act, notice, instruction or communication from the Holders' Representative and any document executed by the Holders' Representative on behalf of any Holder and shall be fully protected in connection with any action or inaction taken or omitted to be taken in reliance thereon, absent gross negligence, bad faith or willful misconduct by Parent or the Rights Agent (as such gross negligence, bad faith or willful misconduct is determined by a final, non-appealable judgment of a court of competent jurisdiction, as applicable). The Holders' Representative shall not be responsible for any loss suffered by, or liability of any kind to, the Holders arising out of any act done or omitted by the Holders' Representative in connection with the acceptance or administration of the Holders' Representative's duties hereunder, unless such act or omission involves gross negligence, bad faith or willful misconduct.

5.3 Successor Holders' Representative. The Holders' Representative may be removed for any reason or no reason by written consent of the Acting Holders. In the event that the Holders' Representative dies, becomes unable to perform his or her responsibilities hereunder or resigns or is removed from such position, the Acting Holders shall be authorized to and shall select another representative to fill such vacancy and such substituted representative shall be deemed to be the Holders' Representative for all purposes of this Agreement. The newly-appointed Holders' Representative shall notify Parent, the Rights Agent and any other appropriate Person in writing of his or her appointment, provide evidence that the Acting Holders approved such appointment and provide appropriate contact information for purposes of this Agreement. Parent and the Rights Agent shall be entitled to rely upon, without independent investigation, the identity and validity of such newly-appointed Holders' Representative as set forth in such written notice. In the event that within 30 days after the Holders' Representative dies, becomes unable to perform his or her responsibilities hereunder or resigns or is removed from such position, no successor Holders' Representative has been so selected, the Rights Agent shall notify the Person holding the largest quantity of the outstanding CVRs (and who is not Parent) that such Person is the successor Holders' Representative, and such Person shall be the successor Holders' Representative hereunder. If such Person notifies the Rights Agent in writing that such Person declines to serve, the Rights Agent shall forthwith notify the Person holding the next-largest quantity of the outstanding CVRs (and who is not Parent) that such next-largest-quantity Person is the successor Holders' Representative, and such next-largest-quantity Person shall be the successor Holders' Representative hereunder. (And so on, to the extent as may be necessary.) The Holders are intended third party beneficiaries of this Section 5.3. If a successor Holders' Representative is not appointed pursuant to the preceding procedure within 60 days after the Holders' Representative dies, becomes unable to perform his or her responsibilities hereunder or resigns or is removed from such position, Rights Agent shall appoint a successor Holders' Representative.

5.4 Termination of Duties and Obligations. Except to provide the written consent contemplated in Section 4.3(d) (or to withhold such consent, as the case may be), the Holders' Representative's duties and obligations under this Agreement shall survive until no CVRs remain outstanding or until this Agreement expires or is terminated pursuant to Section 6.7 or the other applicable terms hereof, whichever is earlier.

6. OTHER PROVISIONS OF GENERAL APPLICATION.

6.1 Notices to Rights Agent, Parent and Holders' Representative. All requests and notices required or permitted to be given to the Parties hereto shall be given in writing, shall expressly reference the section(s) of this Agreement to which they pertain, and shall be delivered to the other Party, effective on receipt, at the appropriate

address as set forth below or to such other addresses as may be designated in writing by the Parties from time to time during the term of this Agreement:

If to the Rights Agent, to it at:

[INSERT]
Attn: [INSERT]
Email: [INSERT]

With a copy to:

If to Parent, to it at:

[INSERT]
Attn: [INSERT]
Email: [INSERT]

With a copy to:

If to the Holders' Representative, to him at:

[INSERT]
Attn: [INSERT]
Email: [INSERT]

With a copy to:

[INSERT]
Attn: [INSERT]
Email: [INSERT]

The Rights Agent, Parent or the Holders' Representative may specify a different address or electronic mail address by giving notice in accordance with this Section 6.1.

6.2 Notice by Rights Agent or the Holders' Representative to Holders. Where this Agreement provides for notice to Holders, such notice will be sufficiently given (unless otherwise herein expressly provided) if in writing and mailed, first-class postage prepaid, to each Holder affected by such event, at the Holder's address as it appears in the CVR Register, not later than the latest date, and not earlier than the earliest date, if any, prescribed for the giving of such notice. In any case where notice to Holders is given by mail, neither the failure to mail such notice, nor any defect in any notice so mailed, to any particular Holder will affect the sufficiency of such notice with respect to other Holders.

6.3 Parent Successors and Assigns; Merger of Rights Agent.

(a) Parent may not assign this Agreement without the prior written consent of the Holders' Representative, provided that (i) Parent may assign, in its sole discretion and without the consent of any other Party, any or all of its rights, interests and obligations hereunder to one or more Affiliates of Parent (each, an "Assignee") provided that the Assignee agrees to assume and be bound by all of the terms of this Agreement, and (ii) Parent may assign this Agreement in its entirety without the consent of any other Party to its successor in interest in connection with the sale of all or substantially all of its assets or of its stock, or in connection with a merger, acquisition or similar transaction (such successor in interest, the "Acquiror", and such transaction, the "Acquisition"). This Agreement will be binding upon, inure to the benefit of and be enforceable by Parent's successors, acquirers and each Assignee. Each reference to "Parent" in this Agreement shall be deemed to include Parent's successors, acquirers and all Assignees. Each of Parent's successors, acquirers and assigns shall expressly assume by an instrument supplemental hereto, executed and delivered to the Rights Agent, the due and punctual payment of the CVR Payments and the due and punctual performance and observance of all of the covenants and obligations of this Agreement to be performed or observed by Parent.

(b) The Holders' Representative may not delegate nor assign this Agreement nor any right or obligation hereunder, in whole or part, without the prior express written consent of the other Parties. Any permitted assignee shall assume all obligations of the Holders' Representative under this Agreement.

(c) The Rights Agent may not assign this Agreement without the prior written consent of Parent, provided that the Rights Agent may assign this Agreement in its entirety without the consent of any other Parties to its successor in interest in connection with the sale of all or substantially all of its assets or of its stock, or in connection with a merger, acquisition or similar transaction. Any Person into which the Rights Agent or any successor Rights Agent may be merged or with which it may be consolidated, or any Person resulting from any merger or consolidation to which the Rights Agent or any successor Rights Agent shall be a party, or any Person succeeding to the stock transfer or other shareholder services business of the Rights Agent or any successor Rights Agent, shall be the successor to the Rights Agent under this Agreement without the execution or filing of any paper or any further act on the part of any of the Parties hereto, provided that such Person would be eligible for appointment as a successor Rights Agent under the provisions of the Agreement. The purchase of all or substantially all of the Rights Agent's assets employed in the performance of transfer agent activities shall be deemed a merger or consolidation for purposes of this Section 6.3(c).

6.4 Benefits of Agreement. Nothing in this Agreement, express or implied, will give to any Person (other than the Rights Agent, Parent, Parent's successors and assignees, and the Holders) any benefit or any legal or equitable right, remedy or claim under this Agreement or under any covenant or provision herein contained, all such covenants and provisions being for the sole benefit of the Rights Agent, Parent, Parent's successors and assignees, and the Holders. The rights of Holders are limited to those expressly provided in this Agreement and the Merger Agreement.

6.5 Severability. If any provision of this Agreement is held invalid or unenforceable by any court of competent jurisdiction, the other provisions of this Agreement shall remain in full force and effect. Any provision of this Agreement held invalid or unenforceable only in part or degree shall remain in full force and effect to the extent not held invalid or unenforceable. The Parties further agree to replace such invalid or unenforceable provision of this Agreement with a valid and enforceable provision that will achieve, to the extent possible, the economic, business and other purposes of such invalid or unenforceable provision; provided, however, that if such excluded provision shall affect the rights, immunities, liabilities, duties or obligations of the Rights Agent, the Rights Agent shall be entitled to resign immediately upon written notice to Parent.

6.6 Counterparts and Signature. This Agreement may be executed in two or more counterparts (including by electronic scan delivered by electronic mail), each of which shall be deemed an original but all of which together shall be considered one and the same agreement and shall become effective when counterparts have been signed by each of the Parties hereto and delivered to the other Party, it being understood that the Parties need not sign the same counterpart.

6.7 Termination.

(a) Unless otherwise terminated earlier in accordance with the termination rights set forth in this Agreement, this Agreement will expire and be of no force or effect, the Parties hereto will have no liability hereunder (other than with respect to monies due and owing by Parent to Rights Agent or any other rights of the Rights Agent which expressly survive the termination of this Agreement), and no additional payments will be required to be made, upon the expiration or termination of the CVR Term; provided that the following provisions shall survive any termination or expiration of this Agreement and shall remain fully effective and enforceable thereafter: Section 4.3(c) (clause (iii) only), Section 4.3(d) (until the Outside Date), Section 4.5 (for the one (1) year period specified therein) and Section 5.2.

(b) This Agreement will terminate automatically upon termination of the Merger Agreement prior to the Effective Time.

6.8 Entire Agreement. Notwithstanding the reference to any other agreement hereunder, this Agreement contains the entire understanding of the Parties hereto and thereto with reference to the transactions and matters contemplated hereby and thereby and supersedes all prior agreements, written or oral, among the Parties with respect hereto and thereto. If and to the extent that any provision of this Agreement is inconsistent or conflicts with the Merger Agreement, this Agreement will govern and control.

6.9 Applicable Law; Jurisdiction. This Agreement shall be governed by, and construed in accordance with, the laws of the State of Delaware, regardless of the laws that might otherwise govern under applicable principles of conflicts of laws. In any action or proceeding between the Parties arising out of or relating to this Agreement, each Party: (a) irrevocably and unconditionally consents and submits to the exclusive jurisdiction and venue of the Court of Chancery of the State of Delaware or, to the extent such court does not have subject matter jurisdiction, the United States District Court for the District of Delaware or, to the extent that neither of the foregoing courts has jurisdiction, the Superior Court of the State of Delaware; (b) agrees that all claims in respect of such action or proceeding shall be heard and determined exclusively in accordance with clause (a) of this Section 6.9; (c) waives any objection to laying venue in any such action or proceeding in such courts; (d) waives any objection that such courts are an inconvenient forum or do not have jurisdiction over any Party; (e) agrees that service of process upon such Party in any such action or proceeding shall be effective if notice is given in accordance with Section 6.1 of this Agreement; and (f) irrevocably and unconditionally waives the right to trial by jury.

6.10 Amendments. No amendment, modification or waiver of any provision of this Agreement shall be effective unless in writing and signed by duly authorized signatories of Parent, the Rights Agent, and the Holders' Representative; provided, however, that Parent and the Rights Agent may, without the consent of Holders' Representative, amend this Agreement (a) as may be necessary or appropriate to ensure that the CVRs are not subject to registration under the Securities Act, the Exchange Act or any applicable state securities or "blue sky" laws, (b) to evidence the succession of another Person to Parent and the assumption by such successor of the covenants of Parent herein, (c) to evidence the succession of another Person as a successor Rights Agent and the assumption by such successor of the covenants and obligations of the Rights Agent herein; (d) to cure any ambiguity, to correct or supplement any provision herein that may be defective or inconsistent with any other provision herein, or to make any other provisions with respect to matters or questions arising under this Agreement; provided that, in each case, such provisions do not adversely affect the interests of the Holders, or (e) any other amendments hereto for the purpose of adding, eliminating or changing any provisions of this Agreement, unless such addition, elimination or change is adverse to the interests of the Holders. Promptly after the execution by Parent and the Rights Agent of any amendment pursuant to subsections (a)-(e) of this Section 6.10, Parent will mail (or cause the Rights Agent to mail) a notice thereof by first class mail to the Holders' Representative and to each Holder at its address as it appears on the CVR Register, setting forth such amendment. The failure to deliver such notice, or any defect in such notice, shall not impair or affect the validity of such amendment to this Agreement. Upon the execution of any amendment under this Section 6.10, this Agreement will be modified in accordance therewith, such amendment will form a part of this Agreement for all purposes and each party and every Holder will be bound thereby.

6.11 Rules of Construction. Except as otherwise explicitly specified to the contrary, (a) references to a Section means a Section of this Agreement unless another agreement is specified, (b) the word "including" (in its various forms) means "including without limitation," (c) references to a particular statute or regulation include all rules and regulations thereunder and any successor statute, rules or regulation, in each case as amended or otherwise modified from time to time, (d) words in the singular or plural form include the plural and singular form, respectively, (e) references to a particular Person include such Person's successors and assigns to the extent not prohibited by this Agreement and (f) all references to dollars or "$" refer to United States dollars.

{Remainder of page intentionally left blank}

IN WITNESS WHEREOF, each of the Parties has caused this Contingent Value Rights Agreement to be executed on its behalf by its duly authorized officers, and the Holders' Representative has executed this Contingent Value Rights Agreement, as of the day and year first above written.

RESTORBIO, INC.

By:
Name:
Title:

[RIGHTS AGENT]

By:
Name:
Title:

[HOLDERS' REP]

By:

Annex B

April 28, 2020

The Board of Directors
resTORbio, Inc.
500 Boylston Street, 13th Floor
Boston, MA 02116

Dear Board of Directors:

We understand that resTORbio, Inc. (together with its subsidiaries, the "Company") is contemplating a merger transaction (the "Transaction") whereby, on the terms and subject to the conditions set forth in the Agreement (as defined below), all shares of the common stock and the preferred stock of Adicet Bio, Inc. ("Adicet") outstanding immediately prior to the Transaction (excluding shares to be canceled pursuant to the Agreement and shares held by stockholders who have exercised and perfected appraisal rights for such shares) shall be automatically converted into shares of Company common stock at an exchange ratio (the "Exchange Ratio") equal to the quotient obtained by dividing (a) (i) $220,000,000 divided by (ii) the number of outstanding shares of Adicet capital stock by (b) (i) $73,333,333.33 divided by (ii) the number of outstanding shares of Company common stock. We also understand that, pursuant to the Agreement, the stockholders of the Company as of the effective time of the Transaction shall be entitled to one contractual contingent value right (each, a "CVR" and, collectively the "CVRs") issued by the Company subject to and in accordance with the terms and conditions of the CVR Agreement referenced in the Agreement.

The Board of Directors of the Company (the "Board") (i) will be considering certain financial aspects of the Transaction, among other matters, prior to deciding whether or not to approve the execution and delivery of the Agreement and (ii) has requested our opinion as to whether the Exchange Ratio is fair, from a financial point of view, to the Company.

For purposes of our opinion, we have:

1. reviewed the financial terms and conditions of a draft dated April 24, 2020 of the Agreement and Plan of Merger to be entered into by the Company, a wholly owned subsidiary of the Company and Adicet (the "Agreement");
2. reviewed certain business and financial information relating to the Company, including the Company's audited financial statements for the years ended December 31, 2018 and 2019;
3. reviewed certain business and financial information relating to Adicet, including Adicet's financial statements for the years ended December 31, 2018 and 2019;
4. reviewed certain financial projections provided to us by the Company relating to the Company and Adicet, and certain other historical and current financial and business information provided to us by the Company and Adicet;
5. held discussions regarding the operations, financial condition and prospects of the Company and Adicet with the respective managements of the Company and Adicet;
6. compared certain financial terms of the Transaction to financial terms, to the extent publicly available, of other transactions we deemed relevant;
7. reviewed for information purposes the financial and stock market performances of certain publicly traded companies that we deemed to be relevant; and
8. performed such other studies, analyses and inquiries and considered such other factors as we deemed appropriate.

The Board of Directors
resTORbio, Inc.
April 28, 2020

In arriving at our opinion, we have, with your consent, (i) relied upon and assumed the accuracy and completeness of the foregoing information without independent verification, (ii) not assumed any responsibility for independently verifying such information, and (iii) relied on the assurances of the management of the Company and Adicet that they are not aware of any facts or circumstances that would make such information inaccurate or misleading. In addition, with your consent, we have not made any independent evaluation or appraisal of any of the assets or liabilities (contingent or otherwise) of the Company or Adicet, nor have we been furnished with any such evaluations or appraisals. With respect to the financial projections referred to above and any other forecasts or forward-looking information, we have assumed, at the direction of the management of the Company that such projections, forecasts and information were reasonably prepared and reflect the best currently available estimates and good faith judgments of such management as to the expected future results of operations and financial condition of the Company and Adicet and the other matters covered thereby, and we have relied on such information in arriving at our opinion and have not assessed the reasonableness or achievability of such projections, forecasts and information. Further, with respect to such financial projections, as part of our analysis in connection with this opinion, we have assumed, at the direction of the Company, that the financial results reflected therein can be realized in the amounts and at the times indicated thereby.

In addition, in arriving at our opinion, we have assumed, with your consent, that (i) there has been no material change in any of the assets, liabilities, financial condition, business or prospects of the Company or Adicet since the date of the most recent financial statements and other information made available to us, and there will be no material adjustments to the Exchange Ratio, (ii) all material information we have requested from the Company and Adicet during the scope of our engagement has been provided to us fully and in good faith, (iii) the Transaction will be consummated in accordance with the terms and conditions set forth in the Agreement (the final terms and conditions of which we have assumed will not differ in any respect material to our analysis from the aforementioned draft we have reviewed), without any waiver, modification or amendment of any material terms or conditions, (iv) the representations and warranties made by the parties to the Agreement are and will be true and correct in all respects material to our analysis, (v) all governmental and third party consents, approvals and agreements necessary for the consummation of the Transaction will be obtained without any adverse effect on Adicet or the Transaction, and (vi) the Transaction will not violate any applicable federal or state statutes, rules or regulations.

This opinion does not constitute legal, regulatory, accounting, insurance, tax or other similar professional advice and does not address (i) the underlying decision of the Company to proceed with or effect the Transaction, (ii) the terms of the Transaction (other than the Exchange Ratio to the extent expressly addressed herein) or any arrangements, understandings, agreements or documents related to the Transaction, (iii) the fairness of the Transaction (other than with respect to the Exchange Ratio to the extent expressly addressed herein) or any other transaction to the Company or the Company's equity holders or creditors or any other person or entity, (iv) the relative merits of the Transaction as compared to any alternative strategy or transaction that might exist for the Company, or the effect of any other transaction which it may consider in the future, (v) the tax, accounting or legal consequences of the Transaction, or (vi) the solvency, creditworthiness, fair market value or fair value of any of the Company, Adicet or their respective assets under any applicable laws relating to bankruptcy, insolvency, fraudulent conveyance or similar matters. This opinion expresses no opinion as to the fairness of the amount or nature of any compensation to any officers, directors, or employees of any party to the Transaction, or any class of such persons, relative to the Exchange Ratio.

Our opinion is necessarily based on business, economic, monetary, market and other conditions as they exist and can reasonably be evaluated on, and the information made available to us as of, the date hereof. In particular, we note that there is significant uncertainty in the Company's industry and significant volatility in the equity and credit markets. Subsequent developments may affect this opinion, and we assume no responsibility for updating

or revising our opinion based on circumstances or events occurring after the date hereof (regardless of the closing date of the Transaction). We have not been engaged to amend, supplement or update this opinion at any time. We express no view or opinion as to the prices at which the shares of Company common stock may be sold or exchanged, or otherwise be transferable, at any time. We express no view or opinion as to any product that may result from the Company's COVID-19 study or the terms of, or any value related to, the CVRs.

We have acted as a financial advisor to the Company with respect to the proposed Transaction and will receive a fee for our services, a portion of which is payable upon the delivery of this opinion (which will be credited against any fee subsequently paid upon consummation of the Transaction) and a substantial portion of which will become payable only if the proposed Transaction is consummated. In addition, (i) the Company has agreed to indemnify us against certain claims and liabilities related to or arising out of our engagement, and (ii) we may seek to provide financial advisory services to the Company, Adicet or their respective affiliates in the future, for which we would expect to receive compensation.

This opinion was approved by a JMP Securities LLC fairness opinion committee.

This opinion is directed and addressed to the Board (in its capacity as such) in connection with its consideration of the Transaction. This opinion does not (i) constitute a recommendation as to how the Board or any shareholder should act or vote with respect to the Transaction or any other matter, and (ii) create any fiduciary duties on the part of JMP Securities LLC to any persons or entities.

Based upon and subject to and in reliance on the foregoing, it is our opinion that, as of the date hereof, the Exchange Ratio is fair, from a financial point of view, to the Company.

Very truly yours,

JMP SECURITIES LLC

Annex C

SECTION 262 OF THE GENERAL CORPORATION LAW OF THE STATE OF DELAWARE

§ 262. Appraisal rights.

(a) Any stockholder of a corporation of this State who holds shares of stock on the date of the making of a demand pursuant to subsection (d) of this section with respect to such shares, who continuously holds such shares through the effective date of the merger or consolidation, who has otherwise complied with subsection (d) of this section and who has neither voted in favor of the merger or consolidation nor consented thereto in writing pursuant to § 228 of this title shall be entitled to an appraisal by the Court of Chancery of the fair value of the stockholder's shares of stock under the circumstances described in subsections (b) and (c) of this section. As used in this section, the word "stockholder" means a holder of record of stock in a corporation; the words "stock" and "share" mean and include what is ordinarily meant by those words; and the words "depository receipt" mean a receipt or other instrument issued by a depository representing an interest in 1 or more shares, or fractions thereof, solely of stock of a corporation, which stock is deposited with the depository.

(b) Appraisal rights shall be available for the shares of any class or series of stock of a constituent corporation in a merger or consolidation to be effected pursuant to § 251 (other than a merger effected pursuant to § 251(g)), § 252, § 254, § 255, § 256, § 257, § 258, § 263 or § 264 of this title:

(1) Provided, however, that, except as expressly provided in § 363(b) of this title, no appraisal rights under this section shall be available for the shares of any class or series of stock, which stock, or depository receipts in respect thereof, at the record date fixed to determine the stockholders entitled to receive notice of the meeting of stockholders to act upon the agreement of merger or consolidation (or, in the case of a merger pursuant to § 251(h), as of immediately prior to the execution of the agreement of merger), were either: (i) listed on a national securities exchange or (ii) held of record by more than 2,000 holders; and further provided that no appraisal rights shall be available for any shares of stock of the constituent corporation surviving a merger if the merger did not require for its approval the vote of the stockholders of the surviving corporation as provided in § 251(f) of this title.

(2) Notwithstanding paragraph (b)(1) of this section, appraisal rights under this section shall be available for the shares of any class or series of stock of a constituent corporation if the holders thereof are required by the terms of an agreement of merger or consolidation pursuant to §§ 251, 252, 254, 255, 256, 257, 258, 263 and 264 of this title to accept for such stock anything except:

a. Shares of stock of the corporation surviving or resulting from such merger or consolidation, or depository receipts in respect thereof;

b. Shares of stock of any other corporation, or depository receipts in respect thereof, which shares of stock (or depository receipts in respect thereof) or depository receipts at the effective date of the merger or consolidation will be either listed on a national securities exchange or held of record by more than 2,000 holders;

c. Cash in lieu of fractional shares or fractional depository receipts described in the foregoing paragraphs (b)(2)a. and b. of this section; or

d. Any combination of the shares of stock, depository receipts and cash in lieu of fractional shares or fractional depository receipts described in the foregoing paragraphs (b)(2)a., b. and c. of this section.

(3) In the event all of the stock of a subsidiary Delaware corporation party to a merger effected under § 253 or § 267 of this title is not owned by the parent immediately prior to the merger, appraisal rights shall be available for the shares of the subsidiary Delaware corporation.

(4) In the event of an amendment to a corporation's certificate of incorporation contemplated by § 363(a) of this title, appraisal rights shall be available as contemplated by § 363(b) of this title, and the procedures of this section, including those set forth in subsections (d) and (e) of this section, shall apply as nearly as practicable, with the word "amendment" substituted for the words "merger or consolidation," and the word "corporation" substituted for the words "constituent corporation" and/or "surviving or resulting corporation."

(c) Any corporation may provide in its certificate of incorporation that appraisal rights under this section shall be available for the shares of any class or series of its stock as a result of an amendment to its certificate of incorporation, any merger or consolidation in which the corporation is a constituent corporation or the sale of all or substantially all of the assets of the corporation. If the certificate of incorporation contains such a provision, the provisions of this section, including those set forth in subsections (d), (e), and (g) of this section, shall apply as nearly as is practicable.

(d) Appraisal rights shall be perfected as follows:

(1) If a proposed merger or consolidation for which appraisal rights are provided under this section is to be submitted for approval at a meeting of stockholders, the corporation, not less than 20 days prior to the meeting, shall notify each of its stockholders who was such on the record date for notice of such meeting (or such members who received notice in accordance with § 255(c) of this title) with respect to shares for which appraisal rights are available pursuant to subsection (b) or (c) of this section that appraisal rights are available for any or all of the shares of the constituent corporations, and shall include in such notice a copy of this section and, if 1 of the constituent corporations is a nonstock corporation, a copy of § 114 of this title. Each stockholder electing to demand the appraisal of such stockholder's shares shall deliver to the corporation, before the taking of the vote on the merger or consolidation, a written demand for appraisal of such stockholder's shares; provided that a demand may be delivered to the corporation by electronic transmission if directed to an information processing system (if any) expressly designated for that purpose in such notice. Such demand will be sufficient if it reasonably informs the corporation of the identity of the stockholder and that the stockholder intends thereby to demand the appraisal of such stockholder's shares. A proxy or vote against the merger or consolidation shall not constitute such a demand. A stockholder electing to take such action must do so by a separate written demand as herein provided. Within 10 days after the effective date of such merger or consolidation, the surviving or resulting corporation shall notify each stockholder of each constituent corporation who has complied with this subsection and has not voted in favor of or consented to the merger or consolidation of the date that the merger or consolidation has become effective; or

(2) If the merger or consolidation was approved pursuant to § 228, § 251(h), § 253, or § 267 of this title, then either a constituent corporation before the effective date of the merger or consolidation or the surviving or resulting corporation within 10 days thereafter shall notify each of the holders of any class or series of stock of such constituent corporation who are entitled to appraisal rights of the approval of the merger or consolidation and that appraisal rights are available for any or all shares of such class or series of stock of such constituent corporation, and shall include in such notice a copy of this section and, if 1 of the constituent corporations is a nonstock corporation, a copy of § 114 of this title. Such notice may, and, if given on or after the effective date of the merger or consolidation, shall, also notify such stockholders of the effective date of the merger or consolidation. Any stockholder entitled to appraisal rights may, within 20 days after the date of giving such notice or, in the case of a merger approved pursuant to § 251(h) of this title, within the later of the consummation of the offer contemplated by § 251(h) of this title and 20 days after the date of giving such notice, demand in writing from the surviving or resulting corporation the appraisal of such holder's shares; provided that a demand may be delivered to the corporation by electronic transmission if directed to an information processing system (if any) expressly designated for that purpose in such notice. Such demand will be sufficient if it reasonably informs the corporation of the identity of the stockholder and that the stockholder intends thereby to demand the appraisal of such holder's shares. If such notice did not notify stockholders of the effective date of the merger or consolidation, either (i) each such constituent corporation shall send a second notice before the effective date of the merger or consolidation notifying each of the holders of any class or series of stock of such constituent

corporation that are entitled to appraisal rights of the effective date of the merger or consolidation or (ii) the surviving or resulting corporation shall send such a second notice to all such holders on or within 10 days after such effective date; provided, however, that if such second notice is sent more than 20 days following the sending of the first notice or, in the case of a merger approved pursuant to § 251(h) of this title, later than the later of the consummation of the offer contemplated by § 251(h) of this title and 20 days following the sending of the first notice, such second notice need only be sent to each stockholder who is entitled to appraisal rights and who has demanded appraisal of such holder's shares in accordance with this subsection. An affidavit of the secretary or assistant secretary or of the transfer agent of the corporation that is required to give either notice that such notice has been given shall, in the absence of fraud, be prima facie evidence of the facts stated therein. For purposes of determining the stockholders entitled to receive either notice, each constituent corporation may fix, in advance, a record date that shall be not more than 10 days prior to the date the notice is given, provided, that if the notice is given on or after the effective date of the merger or consolidation, the record date shall be such effective date. If no record date is fixed and the notice is given prior to the effective date, the record date shall be the close of business on the day next preceding the day on which the notice is given.

(e) Within 120 days after the effective date of the merger or consolidation, the surviving or resulting corporation or any stockholder who has complied with subsections (a) and (d) of this section hereof and who is otherwise entitled to appraisal rights, may commence an appraisal proceeding by filing a petition in the Court of Chancery demanding a determination of the value of the stock of all such stockholders. Notwithstanding the foregoing, at any time within 60 days after the effective date of the merger or consolidation, any stockholder who has not commenced an appraisal proceeding or joined that proceeding as a named party shall have the right to withdraw such stockholder's demand for appraisal and to accept the terms offered upon the merger or consolidation. Within 120 days after the effective date of the merger or consolidation, any stockholder who has complied with the requirements of subsections (a) and (d) of this section hereof, upon request given in writing (or by electronic transmission directed to an information processing system (if any) expressly designated for that purpose in the notice of appraisal), shall be entitled to receive from the corporation surviving the merger or resulting from the consolidation a statement setting forth the aggregate number of shares not voted in favor of the merger or consolidation (or, in the case of a merger approved pursuant to § 251(h) of this title, the aggregate number of shares (other than any excluded stock (as defined in § 251(h)(6)d. of this title)) that were the subject of, and were not tendered into, and accepted for purchase or exchange in, the offer referred to in § 251(h)(2)), and, in either case, with respect to which demands for appraisal have been received and the aggregate number of holders of such shares. Such statement shall be given to the stockholder within 10 days after such stockholder's request for such a statement is received by the surviving or resulting corporation or within 10 days after expiration of the period for delivery of demands for appraisal under subsection (d) of this section hereof, whichever is later. Notwithstanding subsection (a) of this section, a person who is the beneficial owner of shares of such stock held either in a voting trust or by a nominee on behalf of such person may, in such person's own name, file a petition or request from the corporation the statement described in this subsection.

(f) Upon the filing of any such petition by a stockholder, service of a copy thereof shall be made upon the surviving or resulting corporation, which shall within 20 days after such service file in the office of the Register in Chancery in which the petition was filed a duly verified list containing the names and addresses of all stockholders who have demanded payment for their shares and with whom agreements as to the value of their shares have not been reached by the surviving or resulting corporation. If the petition shall be filed by the surviving or resulting corporation, the petition shall be accompanied by such a duly verified list. The Register in Chancery, if so ordered by the Court, shall give notice of the time and place fixed for the hearing of such petition by registered or certified mail to the surviving or resulting corporation and to the stockholders shown on the list at the addresses therein stated. Such notice shall also be given by 1 or more publications at least 1 week before the day of the hearing, in a newspaper of general circulation published in the City of Wilmington, Delaware or such publication as the Court deems advisable. The forms of the notices by mail and by publication shall be approved by the Court, and the costs thereof shall be borne by the surviving or resulting corporation.

(g) At the hearing on such petition, the Court shall determine the stockholders who have complied with this section and who have become entitled to appraisal rights. The Court may require the stockholders who have demanded an appraisal for their shares and who hold stock represented by certificates to submit their certificates of stock to the Register in Chancery for notation thereon of the pendency of the appraisal proceedings; and if any stockholder fails to comply with such direction, the Court may dismiss the proceedings as to such stockholder. If immediately before the merger or consolidation the shares of the class or series of stock of the constituent corporation as to which appraisal rights are available were listed on a national securities exchange, the Court shall dismiss the proceedings as to all holders of such shares who are otherwise entitled to appraisal rights unless (1) the total number of shares entitled to appraisal exceeds 1% of the outstanding shares of the class or series eligible for appraisal, (2) the value of the consideration provided in the merger or consolidation for such total number of shares exceeds $1 million, or (3) the merger was approved pursuant to § 253 or § 267 of this title.

(h) After the Court determines the stockholders entitled to an appraisal, the appraisal proceeding shall be conducted in accordance with the rules of the Court of Chancery, including any rules specifically governing appraisal proceedings. Through such proceeding the Court shall determine the fair value of the shares exclusive of any element of value arising from the accomplishment or expectation of the merger or consolidation, together with interest, if any, to be paid upon the amount determined to be the fair value. In determining such fair value, the Court shall take into account all relevant factors. Unless the Court in its discretion determines otherwise for good cause shown, and except as provided in this subsection, interest from the effective date of the merger through the date of payment of the judgment shall be compounded quarterly and shall accrue at 5% over the Federal Reserve discount rate (including any surcharge) as established from time to time during the period between the effective date of the merger and the date of payment of the judgment. At any time before the entry of judgment in the proceedings, the surviving corporation may pay to each stockholder entitled to appraisal an amount in cash, in which case interest shall accrue thereafter as provided herein only upon the sum of (1) the difference, if any, between the amount so paid and the fair value of the shares as determined by the Court, and (2) interest theretofore accrued, unless paid at that time. Upon application by the surviving or resulting corporation or by any stockholder entitled to participate in the appraisal proceeding, the Court may, in its discretion, proceed to trial upon the appraisal prior to the final determination of the stockholders entitled to an appraisal. Any stockholder whose name appears on the list filed by the surviving or resulting corporation pursuant to subsection (f) of this section and who has submitted such stockholder's certificates of stock to the Register in Chancery, if such is required, may participate fully in all proceedings until it is finally determined that such stockholder is not entitled to appraisal rights under this section.

(i) The Court shall direct the payment of the fair value of the shares, together with interest, if any, by the surviving or resulting corporation to the stockholders entitled thereto. Payment shall be so made to each such stockholder, in the case of holders of uncertificated stock forthwith, and the case of holders of shares represented by certificates upon the surrender to the corporation of the certificates representing such stock. The Court's decree may be enforced as other decrees in the Court of Chancery may be enforced, whether such surviving or resulting corporation be a corporation of this State or of any state.

(j) The costs of the proceeding may be determined by the Court and taxed upon the parties as the Court deems equitable in the circumstances. Upon application of a stockholder, the Court may order all or a portion of the expenses incurred by any stockholder in connection with the appraisal proceeding, including, without limitation, reasonable attorney's fees and the fees and expenses of experts, to be charged pro rata against the value of all the shares entitled to an appraisal.

(k) From and after the effective date of the merger or consolidation, no stockholder who has demanded appraisal rights as provided in subsection (d) of this section shall be entitled to vote such stock for any purpose or to receive payment of dividends or other distributions on the stock (except dividends or other distributions payable to stockholders of record at a date which is prior to the effective date of the merger or consolidation); provided, however, that if no petition for an appraisal shall be filed within the time provided in subsection (e) of this section, or if such stockholder shall deliver to the surviving or resulting corporation a written withdrawal of such

stockholder's demand for an appraisal and an acceptance of the merger or consolidation, either within 60 days after the effective date of the merger or consolidation as provided in subsection (e) of this section or thereafter with the written approval of the corporation, then the right of such stockholder to an appraisal shall cease. Notwithstanding the foregoing, no appraisal proceeding in the Court of Chancery shall be dismissed as to any stockholder without the approval of the Court, and such approval may be conditioned upon such terms as the Court deems just; provided, however that this provision shall not affect the right of any stockholder who has not commenced an appraisal proceeding or joined that proceeding as a named party to withdraw such stockholder's demand for appraisal and to accept the terms offered upon the merger or consolidation within 60 days after the effective date of the merger or consolidation, as set forth in subsection (e) of this section.

(l) The shares of the surviving or resulting corporation to which the shares of such objecting stockholders would have been converted had they assented to the merger or consolidation shall have the status of authorized and unissued shares of the surviving or resulting corporation.

Annex D

CERTIFICATE OF AMENDMENT OF THIRD AMENDED AND RESTATED CERTIFICATE OF INCORPORATION OF RESTORBIO, INC. PURSUANT TO SECTION 242 OF THE GENERAL CORPORATION LAW OF THE STATE OF DELAWARE

resTORbio, Inc., a Delaware corporation (referred to as the "Corporation"), hereby certifies as follows:

The Board of Directors of the Corporation (referred to as the "Board of Directors"), pursuant to Section 242 of the Delaware General Corporations Law (referred to as "DGCL"), has duly adopted a resolution setting forth the following proposed amendment (referred to as the "Amendment") to the Corporation's third amended and restated certificate of incorporation as currently in effect (referred to as the "Certificate of Incorporation") and declaring such amendment advisable, and the stockholders of the Corporation have duly approved and adopted the Amendment at the special meeting of stockholders called and held upon notice in accordance with Section 222 and Section 242 of the DGCL.

In order to effect such proposed amendment, ARTICLE IV of the Certificate of Incorporation is hereby amended so that the following paragraph be inserted at the end of second full paragraph of such Article to read as follows:

"That, at [5:00 p.m.], Eastern time, on the date of filing of this Certificate of Amendment of the Certificate of Incorporation with the Secretary of State of the State of Delaware (the "Effective Time"), each [●][34] (the "Conversion Number") shares of the Common Stock (including treasury shares) issued and outstanding as of effective time of the merger shall be combined into one validly issued, fully paid and non-assessable share of Common Stock, automatically and without any action by the holder thereof (the "Reverse Stock Split"). The par value of the Common Stock following the Reverse Stock Split shall remain at $0.0001 per share. No fractional shares of Common Stock shall be issued as a result of the Reverse Stock Split. In lieu of any fractional shares to which a stockholder would otherwise be entitled (after taking into account all fractional shares of Common Stock otherwise issuable to such holder), the Corporation shall, upon surrender of such holder's certificate(s) representing such fractional shares of Common Stock, pay cash in an amount equal to such fractional shares of Common Stock multiplied by [the then fair value of the Common Stock as determined by the Board of Directors]."

Each stock certificate or book entry share that, immediately prior to effective time of the merger, represented shares of Common Stock that were issued and outstanding immediately prior to effective time of the merger shall, from and after effective time of the merger, automatically and without the necessity of presenting the same for exchange, represent that number of whole shares of Common Stock after effective time of the merger into which the shares formerly represented by such certificate or book entry share have been combined (as well as the right to receive cash in lieu of fractional shares of Common Stock after effective time of the merger); provided, however, that each person of record holding a certificate that represented shares of Common Stock that were issued and outstanding immediately prior to effective time of the merger shall receive, upon surrender of such certificate, a new certificate evidencing and representing the number of whole shares of Common Stock after effective time of the merger into which the shares of Common Stock formerly represented by such certificate shall have been combined.

34 Shall be a number greater than four (4) and up to ten (10) and shall include not more than three decimal digits. By approving the Reverse Stock Split, the stockholders of the Corporation are approving the Amendment to the Certificate of Incorporation for each possible Conversion Number within such range, and authorizing the Board of Directors to file such Amendment(s) as the Board of Directors deems advisable and in the best interest of the Corporation and its stockholders either prior to or after the merger, with any such Amendment not filed on or prior to the end of trading hours on the third trading day after the closing date under the merger agreement being abandoned and of no further force and effect.

IN WITNESS WHEREOF, this Certificate of Amendment has been executed by a duly authorized officer of the Corporation on this day [●] of [●], 2020.

resTORbio, Inc.

By: _____
Chen Schor
President and Chief Executive Officer

PART II

INFORMATION NOT REQUIRED IN PROXY STATEMENT/PROSPECTUS/INFORMATION STATEMENT

Item 20 – Indemnification and Officers

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

Subsection (b) of Section 145 empowers a corporation to indemnify any person who was or is a party or is threatened to be made a party to any threatened, pending or completed action or suit by or in the right of the corporation to procure a judgment in its favor by reason of the fact that the person acted in any of the capacities set forth above, against expenses (including attorneys' fees) actually and reasonably incurred by the person in connection with the defense or settlement of such action or suit if the person acted in good faith and in a manner the person reasonably believed to be in or not opposed to the best interests of the corporation, except that no indemnification shall be made in respect of 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 the court in which such action or suit was brought shall determine upon application that, despite the adjudication of liability but in view of all 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.

Section 145 further provides that to the extent a director or officer of a corporation has been successful on the merits or otherwise in the defense of any action, suit or proceeding referred to in subsections (a) and (b) of Section 145, or in defense of any claim, issue or matter therein, such person shall be indemnified against expenses (including attorneys' fees) actually and reasonably incurred by such person in connection therewith; that indemnification provided for by Section 145 shall not be deemed exclusive of any other rights to which the indemnified party may be entitled; and the indemnification provided for by Section 145 shall, unless otherwise provided when authorized or ratified, continue as to a person who has ceased to be a director, officer, employee or agent and shall inure to the benefit of such person's heirs, executors and administrators. Section 145 also empowers the corporation to purchase and maintain insurance on behalf of any person who is or was a director, officer, employee or agent of the corporation, or is or was serving at the request of the corporation as a director, officer, employee or agent of another corporation, partnership, joint venture, trust or other enterprise against any liability asserted against such person and incurred by such person in any such capacity, or arising out of his status as such, whether or not the corporation would have the power to indemnify such person against such liabilities under Section 145.

Section 102(b)(7) of the DGCL provides that a corporation's certificate of incorporation may contain a provision eliminating or limiting the personal liability of a director to the corporation or its stockholders for monetary damages for breach of fiduciary duty as a director, provided that such provision shall not eliminate or limit the liability of a director (i) for any breach of the director's duty of loyalty to the corporation or its stockholders, (ii) for acts or omissions not in good faith or which involve intentional misconduct or a knowing violation of law, (iii) under Section 174 of the DGCL or (iv) for any transaction from which the director derived an improper

personal benefit. resTORbio's amended and restated certificate of incorporation provides that to the fullest extent permitted by the DGCL, a director of resTORbio shall not be personally liable to resTORbio or its stockholders for monetary damages for breach of fiduciary duty as a director. resTORbio's amended and restated bylaws provide that to the fullest extent permitted by applicable law as it presently exists or may hereafter be amended, any person who was or is made or is threatened to be made a party or is otherwise involved in any action, suit or proceeding, whether civil, criminal administrative or investigative, by reason of the fact that he or she, or a person for whom he or she is the legal representative, is or was a director or officer of the corporation or, while a director or officer of the corporation, is or was serving at the request of the corporation as a director, officer, employee or agent of another corporation or of a partnership, joint venture, trust, enterprise or nonprofit entity, including service with respect to employee benefit plans, against all liability and loss suffered and expenses reasonably incurred by such person.

resTORbio entered into indemnification agreements with its directors and executive officers, in addition to the indemnification provided for in the resTORbio certificate of incorporation and the resTORbio bylaws, and intends to enter into indemnification agreements with any new directors and executive officers in the future.

resTORbio has purchased and intends to maintain insurance on behalf of any person who is or was a director or officer of resTORbio against any loss arising from any claim asserted against him or her and incurred by him or her in any such capacity, subject to certain inclusions.

Pursuant to the terms of the merger agreement, from the effective time of the merger through the sixth anniversary of the date on which the effective time of the merger occurs, resTORbio must indemnify and hold harmless each person who is now, or has been at any time prior to the date thereof, or who becomes prior to the effective time of the merger, a director or officer of resTORbio or Adicet, respectively, against all claims, losses, liabilities, damages, judgments, fines and reasonable fees, costs and expenses, including attorney's fees and disbursements, incurred in connection with any claim, action, suit, proceeding or investigation to the fullest extent permitted under the DGCL. Each such person will also be entitled to advancement of expenses incurred in the defense of any such claim, action, suit, proceeding or investigation, provided that such person provides an undertaking required by the DGCL, to repay such advances if it is ultimately determined that such person is not entitled to indemnification. From and after the effective time of the merger, resTORbio must maintain directors' and officers' liability insurance policies, with an effective date as of the closing date of the merger, on commercially available terms and conditions and with coverage limits customary for U.S. public companies similarly situated to resTORbio. In addition, resTORbio shall purchase, prior to the effective time of the merger, a six-year prepaid "tail policy" for the non-cancellable extension of the directors' and officers' liability coverage of resTORbio's existing directors' and officers' insurance policies with terms, conditions, retentions and limits of liability that are no less favorable than the current directors' and officers' liability insurance policies maintained by resTORbio.

Further, pursuant to the terms of the merger agreement, the provisions of the resTORbio certificate of incorporation and the resTORbio bylaws with respect to indemnification, advancement of expenses and exculpation of present and former directors and officers of resTORbio shall not be amended, modified or repealed for a period of six years from the effective time of the merger in a manner that would adversely affect the rights thereunder of individuals who, at or prior to the effective time of the merger, were officers and directors of resTORbio.

Item 21 – Exhibits and Financial Statement Schedules

a) Exhibit Index

A list of exhibits filed with this registration statement on Form S-4 is set forth on the Exhibit Index and is incorporated herein by reference.

(b) Financial Statements

The financial statements filed with this registration statement on Form S-4 are set forth on the Financial Statement Index and are incorporated herein by reference.

Item 22 – Undertakings

(a) The undersigned registrant hereby undertakes as follows:

(1) That prior to any public reoffering of the securities registered hereunder through use of a proxy statement/prospectus/information statement which is a part of this registration statement, by any person or party who is deemed to be an underwriter within the meaning of Rule 145(c), the issuer undertakes that such reoffering proxy statement/prospectus/information statement will contain the information called for by the applicable registration form with respect to reofferings by persons who may be deemed underwriters, in addition to the information called for by the other items of the applicable form.

(2) That every proxy statement/prospectus/information statement (i) that is filed pursuant to paragraph (a)(1) immediately preceding, or (ii) that purports to meet the requirements of Section 10(a)(3) of the Securities Act and is used in connection with an offering of securities subject to Rule 415, will be filed as a part of an amendment to the registration statement and will not be used until such amendment is effective, and that, for purposes of determining any liability under the Securities Act, each such post-effective amendment shall be deemed to be a new registration statement relating to the securities offered therein, and the offering of such securities at that time shall be deemed to be the initial bona fide offering thereof.

(3) To respond to requests for information that is incorporated by reference into this proxy statement/prospectus/information statement pursuant to Item 4 10(b), 11, or 13 of this Form, within one business day of receipt of such request, and to send the incorporated documents by first class mail or other equally prompt means. This includes information contained in documents filed subsequent to the effective date of the registration statement through the date of responding to the request.

(4) To supply by means of a post-effective amendment all information concerning a transaction, and the company being acquired involved therein, that was not the subject of and included in the registration statement when it became effective.

(b) 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.

EXHIBIT INDEX

Exhibit Number	Description of Exhibit
2.1	Merger Agreement, dated as of April 28, 2020, by and among resTORbio, Adicet and Project Oasis Merger Sub, Inc. (included as Annex A to this proxy statement/prospectus/information statement forming a part of this Registration Statement)
2.2	Form of Support Agreement, by and among resTORbio, Inc., Adicet Bio, Inc. and certain stockholders of Adicet Bio, Inc. (included as Annex A to this proxy statement/prospectus/information statement forming a part of this Registration Statement)
2.3	Form of Support Agreement, by and among resTORbio, Inc., Adicet Bio, Inc. and certain stockholders of resTORbio, Inc. (included as Annex A to this proxy statement/prospectus/information statement forming a part of this Registration Statement)
2.4	Form of Lockup Agreement, by and among resTORbio, Inc., Adicet Bio, Inc. and certain stockholders of resTORbio, Inc. and Adicet Bio, Inc. (included as Annex A to this proxy statement/prospectus/information statement forming a part of this Registration Statement)
2.5	Funding Agreement, by and among resTORbio, Inc., Adicet Bio, Inc. and certain stockholders of resTORbio, Inc. and Adicet Bio, Inc. (included as Annex A to this proxy statement/prospectus/information statement forming a part of this Registration Statement)
2.6+	Form of CVR Agreement, by and among resTORbio, Inc., Holders' Representative and Rights Agent (included as Annex A to this proxy statement/prospectus/information statement forming a part of this Registration Statement)
3.1	Third Amended and Restated Certificate of Incorporation of the Registrant (as currently in effect) (incorporated by reference to Exhibit 3.1 to the Registrant's Current Report on Form 8-K (File No. 001-38359) filed with the SEC on January 30, 2018)
3.2	Amended and Restated Bylaws of the Registrant (as currently in effect) (incorporated by reference to Exhibit 3.2 to the Registrant's Current Report on Form 8-K (File No. 001-38359) filed with the SEC on January 30, 2018)
4.1	Specimen stock certificate evidencing the shares of common stock (incorporated by reference to Exhibit 4.1 to the Registrant's Registration Statement on Form S-1, as amended, (File No. 333-222373) filed with the SEC on January 16, 2018)
4.2	Amended and Restated Investors' Rights Agreement, dated as of November 29, 2017, among the Registrant and the other parties thereto (incorporated by reference to Exhibit 4.1 to the Registration Statement on Form S-1 (File No. 333-222373) filed with the SEC on December 29, 2017)
5.1**	Opinion of Goodwin Procter LLP regarding the validity of the securities.
8.1**	Opinion of Morrison & Foerster LLP regarding tax matters.
10.1#	2017 Stock Incentive Plan and forms of award agreements thereunder (incorporated by reference to Exhibit 10.1 to the Registrant's Registration Statement on Form S-1, as amended, (File No. 333-222373) filed with the SEC on January 16, 2018)
10.2#	2018 Stock Option and Incentive Plan and forms of award agreements thereunder (incorporated by reference to Exhibit 10.2 to the Registrant's Registration Statement on Form S-1, as amended, (File No. 333-222373) filed with the SEC on January 16, 2018)
10.3#	Form of Director Indemnification Agreement (incorporated by reference to Exhibit 10.3 to the Registrant's Registration Statement on Form S-1, as amended, (File No. 333-222373) filed with the SEC on January 16, 2018)

Exhibit Number	Description of Exhibit
10.4#	Form of Officer Indemnification Agreement (incorporated by reference to Exhibit 10.4 to the Registrant's Registration Statement on Form S-1, as amended, (File No. 333-222373) filed with the SEC on January 16, 2018)
10.5#	2018 Employee Stock Purchase Plan (incorporated by reference to Exhibit 10.5 to the Registrant's Registration Statement on Form S-1, as amended, (File No. 333-222373) filed with the SEC on January 16, 2018)
10.6#	Non-Employee Director Compensation Policy (incorporated by reference to Exhibit 10.6 to the Registrant's Registration Statement on Form S-1, as amended, (File No. 333-222373) filed with the SEC on January 16, 2018)
10.7+	License Agreement, dated as of March 23, 2017, by and between the Registrant and Novartis International Pharmaceutical Ltd. (incorporated by reference to Exhibit 10.7 to the Registrant's Registration Statement on Form S-1, as amended, (File No. 333-222373) filed with the SEC on January 16, 2018)
10.8+	First Amendment to License Agreement, dated as of October 3, 2017, by and among the Registrant and Novartis International Pharmaceutical Ltd. (incorporated by reference to Exhibit 10.5 to the Registrant's Registration Statement on Form S-1 (File No. 333-222373) filed with the SEC on December 29, 2017)
10.9#	Offer Letter, dated as of March 31, 2017, between the Registrant and Chen Schor (incorporated by reference to Exhibit 10.7 to the Registrant's Registration Statement on Form S-1 (File No. 333-222373) filed with the SEC on December 29, 2017)
10.10#	Offer Letter, dated as of March 31, 2017, between the Registrant and Joan Mannick (incorporated by reference to Exhibit 10.8 to the Registrant's Registration Statement on Form S-1 (File No. 333-222373) filed with the SEC on December 29, 2017)
10.11#	Offer Letter, dated as of October 5, 2017, between the Registrant and John McCabe (incorporated by reference to Exhibit 10.9 to the Registrant's Registration Statement on Form S-1 (File No. 333-222373) filed with the SEC on December 29, 2017)
10.12#	Amendment to Offer Letter, dated as of March 31, 2017, between the Registrant and Joan Mannick (incorporated by reference to Exhibit 10.13 to the Registrant's Registration Statement on Form S-1, as amended, (File No. 333-222373) filed with the SEC on January 16, 2018)
10.13#	Amendment to Offer Letter, dated as of March 31, 2017, between the Registrant and Chen Schor (incorporated by reference to Exhibit 10.14 to the Registrant's Registration Statement on Form S-1, as amended, (File No. 333-222373) filed with the SEC on January 16, 2018)
10.14	Office Lease Agreement, dated as of January 8, 2018, by and between the Registrant and 500 Boylston and 222 Berkeley Owner (DE) LLC (incorporated by reference to Exhibit 10.15 to the Registrant's Registration Statement on Form S-1, as amended, (File No. 333-222373) filed with the SEC on January 16, 2018)
10.15#	Senior Executive Cash Incentive Bonus Plan (incorporated by reference to Exhibit 10.16 of the Registrant's Annual Report on Form 10-K (File No. 001-38359) filed with the SEC on March 29, 2018)
10.16#	Second Amendment to Offer Letter, effective as of March 1, 2019, between the Registrant and Joan Mannick (incorporated by reference to Exhibit 10.1 to the Registrant's Quarterly Report on Form 10-Q (File No. 001-38359) filed with the SEC on May 15, 2019)

Exhibit Number	Description of Exhibit
10.17	First Amendment to Office Lease, dated as of April 1, 2019, by and between the Registrant and 500 Boylston and 222 Berkeley Owner (DE) LLC (incorporated by reference to Exhibit 10.2 to the Registrant's Quarterly Report on Form 10-Q (File No. 001-38359) filed with the SEC on May 15, 2019)
10.18#	Employment Agreement, dated as of May 8, by and between the Registrant and Lloyd Klickstein (incorporated by reference to Exhibit 10.2 to the Registrant's Quarterly Report on Form 10-Q (File No. 001-38359) filed with the SEC on August 14, 2019)
10.19	Amendment No. 2 to License Agreement, dated August 20, 2019, by and between the Registrant and Novartis International Pharmaceutical Ltd. (incorporated by reference to Exhibit 10.1 to the Registrant's Quarterly Report on Form 10-Q (File No. 001-38359) filed with the SEC on November 5, 2019)
10.20*#	Transition Agreement, dated April 28, 2020, as amended, by and between Adicet Bio, Inc. and Anil Singhal.
10.21*#	Independent Contractor Services Agreement, dated as of April 28, 2020, by and between Adicet Bio, Inc. and Anil Singhal.
10.22*#†	Employment Offer Letter, dated as of September 4, 2019, between Adicet Bio, Inc. and Francesco Galimi, M.D. Ph.D.
10.23*#	Amendment to Francesco Galimi's Employment Offer Letter, dated as of April 25, 2020, between Adicet Bio, Inc. and Francesco Galimi, M.D. Ph.D.
10.24*#†	Employment Offer Letter, dated as of November 1, 2017, between Adicet Bio, Inc. and Carrie A. Krehlik
10.25*#†	Employment Offer Letter, dated as of May 17, 2018, between the Adicet Bio, Inc. and Stewart E. Abbot
10.26*#	Amendment to Stewart Abbot's Employment Offer Letter, dated as of June 18, 2020, between Adicet Bio, Inc. and Stewart Abbot, Ph.D.
10.27*#	Adicet Bio, Inc. 2015 Stock Incentive Plan
10.28*#	Adicet 2015 Plan – Israeli Sub Plan
10.29*#	Form of Adicet Bio, Inc. 2015 Stock Incentive Plan Stock Option Agreement (Immediately Exercisable)
10.30*#	Form of Adicet Bio, Inc. 2015 Stock Incentive Plan Stock Option Agreement (Non-Immediately Exercisable)
10.31*#	Form of Adicet Bio, Inc. 2015 Stock Incentive Plan Stock Option Agreement (Israel 3(i))
10.32*#	Form of Adicet Bio, Inc. 2015 Stock Incentive Plan Stock Option Agreement (Israel – 102)
10.33*#	Form of Adicet Bio, Inc. 2015 Stock Incentive Plan Restricted Stock Purchase Award Agreement
10.34*#	Adicet Bio, Inc. Share Option Plan (2014)
10.35*#	Amendment No. 1 to the Adicet Bio, Inc. Share Option Plan (2014)
10.36*#	Form of Adicet Bio, Inc. Share Option Plan (2014) Stock Option Award Notice
10.37*†	Lease Agreement, dated as of October 31, 2018, by and between Westport Office Park, LLC and Adicet Bio, Inc.
10.38*†	Business Park Lease, dated as of September 30, 2015, by and between Adicet Bio, Inc. and David D. Bohannon Organization
10.39*†	Amendment to Business Park Lease, dated as of September 2019, between Adicet Bio, Inc. and David D. Bohannon Organization
10.40*†	Loan and Security Agreement, dated as of April 28, 2020, between Adicet Bio, Inc. and Pacific Western Bank

Exhibit Number	Description of Exhibit
10.41*	Warrant to Purchase Stock, dated as of April 28, 2020, issued to Pacific Western Bank
10.42*	Form of Warrant to Purchase Stock issued to Beech Hill Securities, Inc.
10.43*+†	Amended and Restated License Agreement, dated as of May 21, 2014, by and between Technion Research and Development Foundation Ltd., acting on behalf of itself and the Technion-Israel Institute of Technology, and Adicet Bio, Inc. as successor in interest to Applied Immune Technology, Ltd.
10.44*+†	Amendment No. 1 to Amended and Restated License Agreement, dated as of June 30, 2015, by and between Technion Research and Development Foundation Ltd., acting on behalf of itself and the Technion-Israel Institute of Technology, and Applied Immune Technology, Ltd.
10.45*+†	Amendment No. 2 to Amended and Restated License Agreement, dated as of January 13, 2016, by and between Technion Research and Development Foundation Ltd., Applied Immune Technology, Ltd., and Adicet Bio, Inc.
10.46*+†	License and Collaboration Agreement, dated as of July 29, 2016, by and between Adicet Bio, Inc. and Regeneron Pharmaceuticals, Inc.
10.47*+†	Amendment No. 1 to License and Collaboration Agreement, dated as of April 24, 2019, by and between Adicet Bio, Inc. and Regeneron Pharmaceuticals, Inc.
10.48*	Form of Adicet Bio, Inc. Director and Officer Indemnification Agreement
23.1*	Consent of KPMG LLP, independent registered public accounting firm of resTORbio, Inc.
23.2*	Consent of PricewaterhouseCoopers LLP, independent accountants of Adicet Bio, Inc.
23.3**	Consent of Goodwin Procter LLP (included in Exhibit 5.1 hereto)
23.4**	Consent of Morrison & Foerster LLP (included in Exhibit 8.1 hereto)
24.1*	Power of Attorney (included on signature page)
99.1**	Form of Proxy Card for the resTORbio, Inc. Special Meeting of Stockholders
99.2*	Opinion of JMP Securities LLP, financial advisor to resTORbio, Inc. (included as Annex B to this proxy statement/prospectus/information statement forming a part of this Registration Statement)
99.3*	Consent of JMP Securities LLP, financial advisor to resTORbio, Inc.
99.4**	Proposed Amended and Restated Certificate of Incorporation of resTORbio Therapeutics, Inc.
101.INS*	XBRL Instance Document
101.SCH*	XBRL Taxonomy Extension Schema Document
101.CAL*	XBRL Taxonomy Extension Calculation Linkbase Document
101.DEF*	XBRL Taxonomy Extension Definition Linkbase Document
101.LAB*	XBRL Taxonomy Extension Label Linkbase Document
101.PRE*	XBRL Taxonomy Extension Presentation Linkbase Document

* Filed herewith.
** To be filed by amendment.
# Indicates a management contract or any compensatory plan, contract or arrangement
+ Pursuant to Item 601(b)(10) of Regulation S-K, certain confidential portions of this exhibit were omitted by means of marking such portions with an asterisk because the identified confidential portions (i) are not material and (ii) would be competitively harmful if publicly disclosed.
† Non-material schedules and exhibits have been omitted pursuant to Item 601(b)(2) of Regulation S-K. The Registrant hereby undertakes to furnish supplementally copies of any of the omitted schedules and exhibits upon request by the SEC.

SIGNATURES

Pursuant to the requirements of the Securities Act, the registrant has duly caused this registration statement to be signed on its behalf by the undersigned, thereunto duly authorized in the city of Boston, Commonwealth of Massachusetts, on the 23 day of June, 2020.

resTORbio, Inc.

By: /s/ Chen Schor
Chen Schor
President and Chief Financial Officer

KNOW ALL PERSONS BY THESE PRESENTS, that each person whose signature appears below constitutes and appoints Chen Schor and John McCabe as his or her true and lawful attorneys-in-fact and agents, with full power of substitution, for him or her and in his or her name, place and stead, in any and all capacities, to sign any and all amendments (including post-effective amendments) to this registration statement, and all posteffective amendments thereto, and to file the same, with all exhibits thereto and all documents in connection therewith, with the SEC, granting unto said attorneys-in-fact and agents, and full power and authority to do and perform each and every act and thing requisite and necessary to be done in and about the premises, as fully to all intents and purposes as he might or could do in person, hereby ratifying and confirming that said attorneys-in-fact and agents, or his substitute, may lawfully do or cause to be done by virtue hereof.

IN WITNESS WHEREOF, each of the undersigned has executed this Power of Attorney as of the date indicated opposite his/her name.

Pursuant to the requirements of the Securities Act, this report has been signed by the following persons on behalf of the Registrant and in the capacities and on the dates indicated.

Signature	Title	Date
/s/ Chen Schor Chen Schor	President, Chief Executive Officer and Director (principal executive officer)	June 23, 2020
/s/ John McCabe John McCabe	Senior Vice President, Finance (principal financial officer and principal accounting officer)	June 23, 2020
/s/ Jeffrey Chodakewitz Jeffrey Chodakewitz	Director	June 23, 2020
/s/ Paul Fonteyne Paul Fonteyne	Director	June 23, 2020
/s/ Michael Grissinger Michael Grissinger	Director	June 23, 2020
/s/ Jonathan Silverstein Jonathan Silverstein	Director	June 23, 2020
/s/ David Steinberg David Steinberg	Director	June 23, 2020
/s/ Lynne Sullivan Lynne Sullivan	Director	June 23, 2020

Adicet Bio, Inc.

April 28, 2020

Anil Singhal

Re: Transition Agreement

Dear Anil,

This letter (the "**Transition Agreement**") confirms the agreement between you and Adicet Bio, Inc. (the "**Company**") (collectively, the "**parties**") regarding the transition of your position with the Company on the following terms:

1. Transition. You acknowledge that, in the event that the proposed reverse triangular merger among the Company, a publicly traded company previously disclosed to you ("**Parent**"), and a wholly owned subsidiary of Parent ("**Merger Sub**"), pursuant to which Merger Sub will merge with and into the Company with the Company surviving as a wholly owned subsidiary of Parent (the "**Merger**") pursuant to an agreement and plan of merger anticipated to be entered into shortly following the date hereof (the "**Merger Agreement**"), is consummated (the "**Closing**"), your employment with the Company as Chief Executive Officer, President, Treasurer and Secretary shall end effective as of the Closing (such date, the "**Resignation Date**"). You further acknowledge that on your Resignation Date you will receive your final paycheck, which includes your final wages and pay for any accrued but unused vacation or personal days through your last day of employment, less withholdings. You agree to submit any claims for reimbursement for unreimbursed business expenses within 10 days of the Resignation Date in accordance with the Company's normal procedures for reimbursement. The parties acknowledge that except as provided for in this Transition Agreement, all benefits and perquisites of employment cease as of your last day of employment, including any and all temporary housing and travel arrangements provided to you by the Company.

2. Future Service. The parties wish to provide for a smooth succession, including providing the Company time for you and the Company to transition knowledge, relationships, and other matters that you acquired in your years with the Company. Accordingly, you agree that following your Resignation Date you will continue to assist the Company and Parent in the transition to new management (the "**Services**") as set out in the Independent Contractor Services Agreement (set forth in Attachment A) (the "**Independent Contractor Services Agreement**").

3. Resignation. For purposes of this Transition Agreement, the parties acknowledge and agree that you have voluntarily elected to resign from your employment without Good Reason as defined in Section 3.c.iii of your Executive Employment Agreement, dated April 23, 2019, as amended, modified or restated from time to time (the "**Employment Agreement**"), and therefore you are not entitled to any Severance Benefits (as defined in the Employment Agreement), upon termination of your employment under Section 3.b of the Employment Agreement. You also acknowledge that effective as of the Resignation Date, you shall cease to hold, and be deemed to have resigned from (and hereby resign effective as of the Resignation Date from), any and all titles, positions and appointments you hold with the Company and/or any of its subsidiaries, whether as an officer, trustee, director, employee, trustee, committee member or otherwise. You further agree to execute any documents reasonably requested by the Company in connection with the actions contemplated by the preceding sentence. On and after your Resignation Date, you agree that you will not represent to anyone that you are still an employee or officer of the Company or any of its subsidiaries or affiliates or and you will not say or do anything purporting to bind the Company or any of its subsidiaries or affiliates.

4. Consideration. Although you are not otherwise entitled to receive any additional consideration from the Company under the circumstances of your resignation, subject to, and in consideration for your providing the Company with an executed copy of this Transition Agreement and the Independent Contractor Services Agreement, and provided you continue in service as an employee of the Company through the Resignation Date and comply with all of the terms and conditions of this Transition Agreement, the Independent Contractor Services Agreement, the Employee Proprietary Information and Invention Assignment Agreement entered into by and between you and the Company (the "**Proprietary Information Agreement**") and all applicable Company policies, the Company will provide you with the following ("**Consideration**"): (a) the consulting relationship set forth in the Independent Contractor Services Agreement and (b) the payments and benefits set forth in Section 6 (subject to the terms and conditions thereof).

5. Equity.

a. You acknowledge and agree that (i) you currently own options to purchase (A) 3,128,049 shares of the Common Stock of the Company pursuant to that certain Notice of Stock Option Award and Stock Option Award Agreement (Award Number 118), dated as of May 22, 2019, by and between you and the Company and the Company's 2015 Stock Incentive Plan, as amended (the "**Plan**") and (B) 2,814,768 shares of the Common Stock of the Company pursuant to that certain Notice of Stock Option Award and Stock Option Award Agreement (Award Number 140), dated as of October 15, 2019, by and between you and the Company and the Plan (the "**Existing Options**"), (ii) you may become eligible to receive additional options to purchase up to 364,112 shares of the Common Stock of the Company in accordance with, and subject to the terms of the Employment Agreement (the "**Milestone Options**") (the Existing Options and Milestone Options, collectively, the "**Options**" and the related option agreements for the Options, collectively, the "**Option Agreements**") and (iii) other than the Options, and notwithstanding anything to the contrary, you do not have any right, title, claim or interest in or to any equity or other security of the Company, any security convertible or exercisable into any of the foregoing, or any right to purchase or receive any of the foregoing (whether presently, as a result of the passage of time or upon the occurrence of any events).

b. You and the Company acknowledge and agree that, notwithstanding anything to the contrary, including your service to the Company pursuant to the Independent Contractor Services Agreement or in any other capacity: (i) your transition from an employee to a consultant of the Company as contemplated hereby will not be deemed to be a termination of your Continuous Service for purposes of the Option Agreements (other than as provided for in subsection (iii) below); (ii) following such transition, Continuous Service for purposes of the Option Agreements shall refer solely to your continued service to the Company or its affiliates (including Parent) as a consultant pursuant to the Independent Contractor Services Agreement; (iii) following such transition, your Continuous Service for purposes of the Option Agreement shall be deemed to have been terminated upon the earliest of (the "**Vesting End Date**"): (1) the termination of your services pursuant to the Independent Contractor Services Agreement or (2) May 7, 2021; (iv) in no event shall you vest in any further shares under the Options following the Vesting End Date (notwithstanding any continuation in your "Continuous Service" for purposes of the Options); provided, however, that if the Company terminates your service under the Independent Contractor Services Agreement without ICSA Cause (as defined below) prior to May 7, 2021, you shall vest in all then unvested shares subject to the Options (the "**Unvested Shares**") that would have vested from the date of such termination without ICSA Cause through May 7, 2021; (v) all Unvested Shares (including, for the avoidance of doubt, the Milestone Options and other than any Unvested Shares you may potentially vest in as a result of your service prior to May 7, 2021 pursuant to the Independent Contractor

Services Agreement or pursuant to clause (iv) above) shall be deemed forfeited as of the Resignation Date and (vi) the acceleration provisions set forth in the Option Agreements shall terminate on the Resignation Date and shall thereafter be null and void. The Option Agreements are hereby amended to the extent necessary to reflect the foregoing.

c. "**ICSA Cause**" shall mean (i) your intentional performance of any act or failure to perform any act in bad faith and to the detriment of the Company or its affiliates, including, but not limited to, misappropriation of trade secrets, fraud or embezzlement; (ii) material breach by you of any written agreement with the Company or its affiliates; (iii) your conviction or plea of no-contest to any felony or any crime of moral turpitude, (iv) your willful refusal to implement or follow a lawful policy or directive of the Company or its affiliates; or (v) your engagement in misfeasance or malfeasance demonstrated by a pattern of failure to perform job duties diligently and professionally; provided, however, that except for an action, omission, failure, breach, refusal or other event which, by its nature, cannot reasonably be expected to be cured, you shall have twenty (20) days from the delivery of written notice by the Company within which to cure any acts constituting ICSA Cause; provided however, that, if the Company reasonably expects material injury from a delay of twenty (20) days, the Company may give you notice of such shorter period within which to cure as is reasonable under the circumstances, which may include the termination of the Independent Contractor Services Agreement without notice and with immediate effect.

d. Your further acknowledge and agree that any unexercised Options that are incentive stock options shall cease to be treated as incentive stock options and shall be treated for tax purposes as non-statutory stock options upon the effective date of this Transition Agreement.

e. The Options will remain subject to the terms and conditions of the following (as modified hereby, as applicable): (i) the Option Agreements, (ii) the Plan and (iii) the Company's Bylaws, in each case, as may be amended, modified or restated from time to time (collectively, the "**Equity Documents**"). The Equity Documents will remain in full force and effect and, to the extent applicable, will govern any shares of the Company's capital stock or other securities of the Company that you currently own or hereafter may acquire in the future (including, but not limited to, any shares you may receive upon exercise of the Options).

f. You expressly acknowledge and agree that the Merger and the related transactions shall not constitute a "Liquidation" for purposes of the Employment Agreement or any of the Options. Further, you acknowledge and agree that (i) you understand and agree to the treatment of the Options pursuant to the Merger Agreement, a draft of which has been provided to you prior to the date hereof, (ii) the Milestone Options may be granted to you following consummation of the Merger and (iii) in such event, (A) the Milestone Options would be for shares of Parent's common stock under a Parent equity incentive plan, (B) the Milestone Options would be subject to the terms of Parent's standard stock option agreement, (C) the Milestone Options would have a per share exercise price equal to the per share fair market value of Parent's common stock on the date of grant, as determined by the board of directors of Parent (D) an adjustment would be made to the number of shares subject to the Milestone Options above based on the terms of the Merger Agreement, (E) your service under the Independent Contractor Services Agreement will qualify for purposes of the Milestone Options as remaining in continuous service as the Company's Chief Executive Officer.

6. Termination Consideration. Solely if either: (i) you continue to provide services as an employee of the Company through the Resignation Date and the Closing occurs or (ii) the Company terminates your employment prior to your Resignation Date other than (a) for Cause (as defined in the Employment Agreement), (b) as a result of your death or (c) as a result of your Disability (as defined in the Employment Agreement), the Company will provide you with the payments and benefits listed in this

Section 6 (the "**Termination Consideration**"), subject to and contingent upon Section 8 of this Transition Agreement:

a. A payment of $470,000, payable in one lump sum within sixty (60) days following the Resignation Date.

b. An amount equal to the prorated portion of $211,500 based on the ratio that the number of days elapsed in calendar year 2020 prior to the Resignation Date bears to 365 (the "**2020 Bonus Payment**"), payable in one lump sum within sixty (60) days following the Resignation Date.

c. A payment of $250,000, payable in one lump sum on January 1, 2021.

d. A payment of $24,000, payable in one lump sum within sixty (60) days following the Resignation Date.

e. The vesting of all Options then held by you shall be accelerated such that all Options shall be deemed vested as if you had remained continuously employed for twelve (12) months following the Resignation Date.

f. All vested Options then held by you as of the Resignation Date or that subsequently vest in accordance with Section 5 shall remain exercisable until the twelve (12) month anniversary of the termination of your services pursuant to the Independent Contractor Services Agreement; provided, however, that no such Option shall be exercisable after the expiration of its maximum term pursuant to the terms thereto.

g. Reimbursement for up to $15,000 of your reasonable and documented legal expenses incurred in connection with this Transition Agreement.

7. Early Resignation. You acknowledge and agree that if you resign from employment prior to the Resignation Date (an "**Early Resignation**"), you will not be entitled to any Termination Consideration, or any Severance Benefits under the Employment Agreement or any acceleration of vesting under any of the Options. You acknowledge and agree that, other than as set forth in Section 6 (and under the conditions set forth therein), you are not entitled to, or eligible for, any further bonus payment of any kind.

8. Eligibility. Your eligibility for the Termination Consideration is conditioned on (a) you having resigned from the Board and from all positions that you are then serving as a director, officer or in another similar capacity at the Company's direct and indirect subsidiaries and (b) you having first signed a release agreement in substantially the form attached as Attachment B, which may be adjusted by the Company in its discretion for changes in applicable laws, rules or regulations or customary practice (the "**Release**") and such Release becoming effective pursuant to its terms no later than sixty (60) days following the date of termination of your employment (the "**Release Deadline**"). If the Release does not become effective and irrevocable by the Release Deadline, you forfeit any rights to the Termination Consideration. In no event will any Termination Consideration be paid under this this Agreement until the Release becomes effective and irrevocable and the Termination Consideration will commence or be provided once the Release becomes effective and irrevocable. You agree that the Company shall have a right of offset against the foregoing for amounts owed to the Company by you (unless the amounts owed are subject to a good faith dispute) to the fullest extent not prohibited by law. The Termination Consideration shall be in lieu of any other severance payments, severance benefits, and severance protections to which you may be entitled under the Employment Agreement (including the Severance Benefits) or any severance or termination policy, plan, program, practice or arrangement of the Company and its affiliates.

9. Withholding. All amounts payable under this Transition Agreement shall be paid less all applicable state and federal tax withholdings and any other withholdings required by any applicable jurisdiction or authorized by you. You acknowledge and agree that other than (a) payment of salary and wages through the Resignation Date (the "**Remaining Employment Compensation**") and (b) subject to the terms and conditions hereof and the payments and benefits set forth herein: (i) you have been timely paid all of your wages through the date hereof and, assuming the payment of the Remaining Employment Compensation, you will have been timely paid all of your wages earned through the Resignation Date, (ii) prior to the execution of this Transition Agreement, except for the Remaining Employment Compensation and standard employee benefits through the Resignation Date, you were not entitled to receive (or if entitled to receive, hereby waive, release and forever discharge) any further payments, equity grants, perks or benefits from the Company or any of its subsidiaries or affiliates and (iii) you are not entitled to (or if entitled, hereby waive, release and forever discharge) any further payments, equity grants, perks or benefits from the Company or any of its subsidiaries or affiliates after the Resignation Date (including, without limitation, under the Employment Agreement), except as set forth in this Transition Agreement and the Independent Contractor Services Agreement. You agree that you did not suffer an injury covered by workers' compensation in the course and scope of your employment with the Company. You agree that, except as provided in this Transition Agreement, you are not and will not be entitled to any severance or acceleration benefits, including, without limitation, under the Option Agreements and the Employment Agreement, as a result of your resignation.

10. Section 409A. It is intended that the terms of this Transition Agreement comply with Section 409A of the Internal Revenue Code of 1986, as amended, the final regulations and any guidance promulgated thereunder (collectively, "**Section 409A**") or an exemption therefrom, and the terms of this Transition Agreement will be interpreted accordingly; provided, however, that the Company, its affiliates, and their respective employees, officers, directors, agents and representatives (including, without limitation, legal counsel) will not have any liability to you with respect to any taxes, penalties, interest or other costs or expenses you or any related party may incur with respect to or as a result of Section 409A or for damages for failing to comply with Section 409A. Notwithstanding any provision to the contrary in this Transition Agreement, with respect to any amounts under this Transition Agreement that are determined to be deferred compensation for purposes of Section 409A and payable as a result of your termination of employment, you shall not be deemed to have terminated employment unless and until you have experienced a "separation from service" (as that term is used in Section 409A). Payments pursuant to this Transition Agreement are intended to constitute separate payments for purposes of Section 409A. To the extent you are a "specified employee," as defined in Section 409A and any elections made by the Company in accordance therewith, notwithstanding the timing of payment provided in any other section of this Transition Agreement, to the extent required by Section 409A, no payment, distribution or benefit under this Transition Agreement that constitutes a distribution of deferred compensation (within the meaning of Section 409A) upon "separation from service" (as that term is used in Section 409A), after taking into account all available exemptions, that would otherwise be payable, distributable or settled during the six (6) month period after separation from service, will be made during such six (6) month period, and any such payment, distribution or benefit will instead be paid on the first business day after such six (6) month period, provided, however, that if you die following the date of termination and prior to the payment, distribution, settlement or provision of any payments, distributions or benefits delayed on account of Section 409A, such payments, distributions or benefits shall be paid or provided to the personal representative of your estate within thirty (30) days after the date of your death. To the extent that the payment of any amount hereunder constitutes "nonqualified deferred compensation" for purposes of Section 409A, if the applicable sixty (60) day period described in either Section 6 or Section 8 above spans calendar years, the payments will be made in the second calendar year. Any reimbursements or in-kind benefits provided to or for your benefit that constitute deferred compensation for purposes of Section 409A shall be provided in a manner that complies with Section 409A. Accordingly, (a) all such reimbursements will be made not later than the last day of the calendar year after the calendar year in which the expenses

were incurred, (b) any right to such reimbursements or in-kind benefits will not be subject to liquidation or exchange for another benefit, and (c) the amount of the expenses eligible for reimbursement, or the amount of any in-kind benefit provided, during any taxable year will not affect the amount of expenses eligible for reimbursement, or the in-kind benefits provided, in any other taxable year.

11. Release. In exchange for the agreements contained in this Transition Agreement, which you acknowledge exceeds any amounts to which you otherwise may be entitled under the Company's policies and practices or applicable law, you on behalf of yourself and your heirs, executors, representatives and assigns, hereby fully acquits, releases, waives and discharges from and agree that you have not and will not file, cause to be filed or pursue against, the Company, its affiliates, related parties, parent or subsidiary companies, and its and their present and former directors, officers, employees, agents, committee members, attorneys and representatives, and each of the foregoing's successors and assigns (including, without limitation, Parent) (the "**Released Parties**") all claims obligations, liabilities, complaints, causes of action, charges, debts, and demands of any kind, known and unknown, in law or in equity, asserted or unasserted ("**Claims**") which you may now have or have ever had against any of them, or arising out of your relationship with any of them, including all claims for compensation and bonuses, attorneys' fees, and all claims arising from your employment with the Company or the termination of your employment, whether based on contract, tort, statute, local ordinance, rule, regulation or any comparable law in any jurisdiction ("**Released Claims**").

Released Claims include, but are not limited to:

(i) all Claims arising from your employment with the Company or the termination of that employment, including Claims for wrongful termination or retaliation and the terms and conditions of employment;

(ii) all Claims related to your compensation or benefits from the Company, including salary, wages, bonuses, commissions, incentive compensation, profit sharing, retirement benefits, paid time off, vacation, sick leave, leaves of absence, expense reimbursements, equity, severance pay, and fringe benefits;

(iii) all Claims for breach of contract, breach of quasi-contract, promissory estoppel, detrimental reliance, and breach of the implied covenant of good faith and fair dealing;

(iv) all tort Claims, including Claims for fraud, defamation, slander, libel, disparagement, negligent or intentional infliction of emotional distress, personal injury, negligence, compensatory or punitive damages, negligent or intentional misrepresentation, and discharge in violation of public policy;

(v) all federal, state, and local statutory Claims, including Claims for discrimination, harassment, retaliation, attorneys' fees, medical expenses, experts' fees, costs and disbursements; and

(vi) any other Claims of any kind whatsoever, from the beginning of time until the date you sign this Transition Agreement, in each case whether based on contract, tort, statute, local ordinance, rule, regulation or any comparable law, public policy or common law in any jurisdiction.

By way of example and not limitation, Released Claims shall include any Claims arising under Title VII of the Civil Rights Act of 1964, 42 U.S.C. § 2000e et seq.; the Civil Rights Act of 1991; the Civil Rights Acts of 1866 and/or 1871, 42 U.S.C. Section 1981; the Americans with Disabilities Act, 42 U.S.C. 12101 et seq., the Age Discrimination in Employment Act ("**ADEA**"), 29 U.S.C. § 621 et seq.; the Family Medical Leave Act, 29 U.S.C. § 2601 et seq.; the Employee Retirement Income Security Act of 1974, 29 U.S.C. § 1001 et seq.; the federal Worker Adjustment Retraining Notification Act, 29 U.S.C. § 2102 et seq., the California

WARN Act, California Labor Code § 1400 et seq., the California Fair Employment and Housing Act, Cal. Gov. Code §12900 et seq., the California Labor Code, and the orders of the California Industrial Welfare Commission. The parties intend for this release to be enforced to the fullest extent permitted by law. You understand that you are not waiving any right or Claim that cannot be waived as a matter of law, such as workers' compensation Claims, Claims for indemnification under California Labor Code Section 2802, Claims for unemployment insurance benefits, your right to vested equity or other vested benefits, or as otherwise set forth in this Transition Agreement. YOU UNDERSTAND AND AGREE THAT THIS TRANSITION AGREEMENT CONTAINS A GENERAL RELEASE OF ALL CLAIMS.

12. ADEA. You further specifically unconditionally release and forever discharge the Released Parties from any and all Claims that you may have as of the date you sign this Transition Agreement arising under the ADEA. By signing this Transition Agreement, you acknowledge and confirm that: (a) you have been advised by the Company to consult with an attorney of your choice before signing this Transition Agreement; (b) you were given no fewer than twenty-one (21) days to consider the terms of this Transition Agreement, although you may sign it sooner if desired; (c) you are providing this release in exchange for consideration in addition to that which you are already entitled; (d) you have seven (7) days from the date of signing this Transition Agreement to revoke this Transition Agreement by providing the Company with a written notice of revocation to the Company's Chairman of the Board at the Company's principal executive office located at 200 Constitution Drive, Menlo Park, CA 94025, before the end of such seven-day period ("**Revocation Period**"); (e) this Transition Agreement will not become effective, and you will not be entitled to the benefits of this Transition Agreement, until the Revocation Period passes without you revoking this Transition Agreement; (f) the release contained in this paragraph does not apply to rights and claims that may arise after the date on which you sign this Transition Agreement, and (g) you knowingly and voluntarily accept the terms of this Transition Agreement. You further agree that any change to this Transition Agreement, whether material or immaterial, will not restart the twenty-one (21) day period for you to consider the terms of this Transition Agreement.

13. Section 1542. You further agree that because this release specifically covers known and unknown claims, you waive your rights under Section 1542 of the California Civil Code, or under any comparable law of any other jurisdiction. Section 1542 states:

> **A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS THAT THE CREDITOR OR RELEASING PARTY DOES NOT KNOW OR SUSPECT TO EXIST IN HIS OR HER FAVOR AT THE TIME OF EXECUTING THE RELEASE AND THAT, IF KNOWN BY HIM OR HER, WOULD HAVE MATERIALLY AFFECTED HIS OR HER SETTLEMENT WITH THE DEBTOR OR RELEASED PARTY.**

You intend for this release to be enforced to the fullest extent permitted by law. Notwithstanding the foregoing, you acknowledge and agree that you are not waiving or being required to waive any right that cannot be waived as a matter of law, including the right to file a charge, report an alleged violation of law or participate in an investigation by a governmental administrative agency, including your ability to file a charge or complaint with the Equal Employment Opportunity Commission, the National Labor Relations Board, the Occupational Safety and Health Administration, the Securities and Exchange Commission or any other federal, state or local government agency or commission ("**Government Agencies**"). You further understand that this General Release Agreement does not limit your ability to communicate with any Government Agencies or otherwise participate in any investigation or proceeding that may be conducted by any Government Agency, including providing documents or other information, without notice to the Company; provided, however, that you hereby disclaim and waive any right to share or participate in any monetary award resulting from the prosecution of such charge, report or investigation, except that you may receive and fully retain a monetary award from a government-administered whistleblower award program for providing information directly to a government agency. This General Release does not release any rights you may have pursuant to this Transition Agreement or Independent Contractor Services Agreement.

14. Confidentiality. You further agree to maintain this Transition Agreement and its contents in the strictest confidence and agree that you will not disclose the terms of this Transition Agreement to any third party (other than your legal and financial advisors) without the prior written consent of the Company, unless otherwise required by law. If you are obligated under law to disclose the contents of this Transition Agreement, you agree, to the extent possible, to provide the Company at least five (5) days prior written notice of such obligation. You also agree that during your continued services with the Company and for five (5) years thereafter, you will not make or publish, either orally or in writing, any disparaging statement regarding any Released Parties. The Company agrees that during such period it shall instruct its executive officers and directors to refrain from making or publishing, either orally or in writing, any disparaging statements concerning you to any third parties; provided, however, that the Company shall be permitted to (a) respond truthfully to reference requests from your potential future employers, and (b) disclose the reasons for your departure to current and prospective equityholders, officers, directors, investors, financing sources, underwriters, acquirors, strategic partners or any representative or affiliate or the foregoing, and both parties may make disclosures necessary or advisable to comply with applicable law, rule, regulation, securities exchange requirement or court order. The parties further agree that you will refer any third party reference requests to the Company's Chief Human Resources Officer or the then highest ranking human resources employee, who will respond by confirming dates of employment and last position held.

15. Cooperation. You agree to use reasonable efforts to cooperate with the Company in connection with any business matters in which you were involved or any existing or potential claims, investigations, administrative proceedings, lawsuits or other legal and business matters which arose during your employment or thereafter as part of the Services or involving matters of which you have knowledge due to your position as Chief Executive Officer, President, Treasurer or Secretary. This includes being available to provide information or explain documents as requested by the Company and its counsel as well as disclosing to the Company and its counsel any facts you know which might be relevant and cooperating fully so as to enable the Company and its counsel to present any claim or defense which it may have relating to such matters. In addition, you agree not to counsel or assist any attorneys or their clients in the presentation or prosecution of any disputes, differences, grievances, claims, charges or complaints by any third party against the Company, unless under subpoena or other court or administrative order or legal process to do so.

16. Right to Disclose. Notwithstanding any other provision of this Transition Agreement to the contrary, you have the right to (a) disclose in confidence trade secrets to federal, state, and local government officials, or to an attorney, for the sole purpose of reporting or investigating a suspected violation of the law or (b) disclose trade secrets in a document filed in a lawsuit or other proceeding so long as that filing is made under seal and protected from public disclosure. Nothing in this Transition Agreement is intended to conflict with 18 U.S.C. § 1833(b) or create liability for disclosures of trade secrets that are expressly allowed by 18 U.S.C. § 1833(b).

17. Proprietary Information. You agree that, notwithstanding any other provision of this Transition Agreement to the contrary and without limiting in any manner the Proprietary Information Agreement, as a precondition of your eligibility for and receipt of the Consideration, you shall return to the Company all Company documents (and all copies thereof) and other Company property that you have had in your possession at any time, including, but not limited to, CD's, electronic files and/or storage devices, presentations; Company files, notes, drawings, records, business plans and forecasts, financial information, specifications, computer-recorded information, tangible property (including, but not limited to, computers, phones, credit cards, entry cards, identification badges and building and desk keys); and, any materials of

any kind that contain or embody any proprietary or confidential information of the Company (and all reproductions thereof). You shall retain no copies of Company records after the date hereof. Any such records have been or will be returned to Company.

18. Arbitration. You and the Company further agree that the sole remedy for any and all disputes arising out of or based on the terms, interpretation, application, or alleged breach of this Transition Agreement, including any of the Released Claims, shall be binding arbitration, which shall be conducted in San Mateo County, California, before a single arbitrator, in accordance with the then applicable rules of the Judicial Arbitration and Mediation Service ("**JAMS**") or by a non-JAMS process to which the parties may otherwise agree. By agreeing to arbitrate, the parties are waiving their respective rights to a jury trial with regard to any of the above-referenced claims.

19. Entire Agreement. This Transition Agreement constitutes the entire agreement and understanding between you and the Company concerning its subject matter, replaces and supersedes any and all prior agreements and understandings between us (other than the Proprietary Information Agreement, which shall remain in full force and effect), and may only be amended in writing signed by you and an authorized representative of the Company, and that, except for the Proprietary Information Agreement and the Independent Contractor Services Agreement, and except as otherwise expressly provided in this Transition Agreement, this Transition Agreement renders null and void any and all prior or contemporaneous representations, warranties or agreements between you and the Company or any affiliate of the Company. It is agreed that this Transition Agreement shall be governed by the laws of the State of California. If any provision of this Transition Agreement or the application thereof to any person, place, or circumstance shall be held by a court of competent jurisdiction or arbitrator to be invalid, unenforceable, or void, the remainder of this Transition Agreement and such provision as applied to other person, places, and circumstances shall remain in full force and effect. You understand and agree that this Transition Agreement is not an admission of guilt or wrongdoing by the Company and that the Company does not believe or admit that it has done anything wrong.

20. Acknowledgement. Finally, by your signature below, you acknowledge each of the following: (a) that you have read this Transition Agreement or have been afforded every opportunity to do so; (b) that you are fully aware of this Transition Agreement's contents and legal effect; (c) that you have reviewed, or have had the opportunity to review, this Transition Agreement with legal counsel of your choosing; and (d) that you have chosen to enter into this Transition Agreement freely, without coercion and based upon your own judgment and not in reliance upon any promises made by Company other than those contained in this Transition Agreement.

21. Conditionality. Each party acknowledges and agrees that this Transition Agreement shall terminate in its entirety and be of no further force and effect if the Merger Agreement is: (a) not entered into prior to June 30, 2020 or (b) entered into and subsequently terminated prior to the Closing occurring.

[*Remainder of Page Left Intentionally Blank*]

To accept this Transition Agreement, please sign and date this Transition Agreement and return it to me. Please indicate your agreement with the above terms by signing below.

Sincerely,

Adicet Bio Inc.

By: /s/ Donald Santel
Name: Donald Santel
Title: Executive Chairman

Address for Notices:

200 Constitution Drive
Menlo Park, CA 94025

My agreement with the terms of this Transition Agreement is signified by my signature below. I confirm and acknowledge that I am not entitled to any severance under my Employment Agreement. Furthermore, I acknowledge that I have read and understand this Transition Agreement and that I sign this release of all claims voluntarily, with full appreciation that at no time in the future may I pursue any of the rights I have waived in this Transition Agreement.

Signed /s/ Anil Singhal
Anil Singhal

Dated: April 28, 2020

Address for Notices:

Attachment A: Independent Contractor Services Agreement
Attachment B: Form of Release

ATTACHMENT A

INDEPENDENT CONTRACTOR SERVICES AGREEMENT

[See Attached]

ATTACHMENT B

FORM OF RELEASE

[See Attached]

GENERAL RELEASE AGREEMENT

This General Release Agreement is executed by Anil Singhal ("**you**"), in accordance with your Transition Agreement, dated as of April 28, 2020, by and between you and Adicet Bio, Inc. (the "**Company**"), as amended, modified or restated from time to time (the "**Transition Agreement**"). Capitalized terms used but not otherwise defined herein shall have the meanings set forth in the Transition Agreement.

In accordance with the Transition Agreement, and in exchange for the Termination Consideration, which you acknowledge exceeds any amounts to which you otherwise may be entitled under the Company's policies and practices or applicable law, you on behalf of yourself and your heirs, executors, representatives and assigns, hereby fully acquits, releases, waives and discharges from and agree that you have not and will not file, cause to be filed or pursue against, the Company, its affiliates, related, parent or subsidiary companies, and its and their present and former directors, officers, employees, agents, committee members, attorneys and representatives, and each of the foregoing's successors and assigns (including, without limitation, Parent) (the "**Released Parties**") all claims obligations, liabilities, complaints, causes of action, charges, debts, and demands of any kind, known and unknown, in law or in equity, asserted or unasserted ("**Claims**") which you may now have or have ever had against any of them, or arising out of your relationship with any of them, including all claims for compensation and bonuses, attorneys' fees, and all claims arising from your employment with the Company or the termination of your employment, whether based on contract, tort, statute, local ordinance, rule, regulation or any comparable law in any jurisdiction ("**Released Claims**").

Released Claims include, but are not limited to:

(i) all Claims arising from your employment with the Company or the termination of that employment, including Claims for wrongful termination or retaliation and the terms and conditions of employment;

(ii) all Claims related to your compensation or benefits from the Company, including salary, wages, bonuses, commissions, incentive compensation, profit sharing, retirement benefits, paid time off, vacation, sick leave, leaves of absence, expense reimbursements, equity, severance pay, and fringe benefits;

(iii) all Claims for breach of contract, breach of quasi-contract, promissory estoppel, detrimental reliance, and breach of the implied covenant of good faith and fair dealing;

(iv) all tort Claims, including Claims for fraud, defamation, slander, libel, disparagement, negligent or intentional infliction of emotional distress, personal injury, negligence, compensatory or punitive damages, negligent or intentional misrepresentation, and discharge in violation of public policy;

(v) all federal, state, and local statutory Claims, including Claims for discrimination, harassment, retaliation, attorneys' fees, medical expenses, experts' fees, costs and disbursements; and

(vi) any other Claims of any kind whatsoever, from the beginning of time until the date you sign this General Release Agreement, in each case whether based on contract, tort, statute, local ordinance, rule, regulation or any comparable law, public policy or common law in any jurisdiction.

By way of example and not limitation, Released Claims shall include any Claims arising under Title VII of the Civil Rights Act of 1964, 42 U.S.C. § 2000e et seq.; the Civil Rights Act of 1991; the Civil Rights Acts of 1866 and/or 1871, 42 U.S.C. Section 1981; the Americans with Disabilities Act, 42 U.S.C. 12101 et seq., the Age Discrimination in Employment Act ("**ADEA**"), 29 U.S.C. § 621 et seq.; the Family Medical Leave

Act, 29 U.S.C. § 2601 et seq.; the Employee Retirement Income Security Act of 1974, 29 U.S.C. § 1001 et seq.; the federal Worker Adjustment Retraining Notification Act, 29 U.S.C. § 2102 et seq., the California WARN Act, California Labor Code § 1400 et seq., the California Fair Employment and Housing Act, Cal. Gov. Code §12900 et seq., the California Labor Code, and the orders of the California Industrial Welfare Commission. The parties intend for this release to be enforced to the fullest extent permitted by law. You understand that you are not waiving any right or Claim that cannot be waived as a matter of law, such as workers' compensation Claims, Claims for indemnification under California Labor Code Section 2802, Claims for unemployment insurance benefits, your right to vested equity or other vested benefits, or as otherwise set forth in this General Release Agreement. YOU UNDERSTAND AND AGREE THAT THIS GENERAL RELEASE AGREEMENT CONTAINS A GENERAL RELEASE OF ALL CLAIMS.

You further agree that because this release specifically covers known and unknown claims, you waive your rights under Section 1542 of the California Civil Code, or under any comparable law of any other jurisdiction. Section 1542 states:

> **A GENERAL RELEASE DOES NOT EXTEND TO CLAIMS THAT THE CREDITOR OR RELEASING PARTY DOES NOT KNOW OR SUSPECT TO EXIST IN HIS OR HER FAVOR AT THE TIME OF EXECUTING THE RELEASE AND THAT, IF KNOWN BY HIM OR HER, WOULD HAVE MATERIALLY AFFECTED HIS OR HER SETTLEMENT WITH THE DEBTOR OR RELEASED PARTY.**

You intend for this release to be enforced to the fullest extent permitted by law. Notwithstanding the foregoing, you acknowledge and agree that you are not waiving or being required to waive any right that cannot be waived as a matter of law, including the right to file a charge, report an alleged violation of law or participate in an investigation by a governmental administrative agency, including your ability to file a charge or complaint with the Equal Employment Opportunity Commission, the National Labor Relations Board, the Occupational Safety and Health Administration, the Securities and Exchange Commission or any other federal, state or local government agency or commission ("**Government Agencies**"). You further understand that this General Release Agreement does not limit your ability to communicate with any Government Agencies or otherwise participate in any investigation or proceeding that may be conducted by any Government Agency, including providing documents or other information, without notice to the Company; provided, however, that you hereby disclaim and waive any right to share or participate in any monetary award resulting from the prosecution of such charge, report or investigation, except that you may receive and fully retain a monetary award from a government-administered whistleblower award program for providing information directly to a government agency. This General Release does not release any rights you may have pursuant to the Transition Agreement or Independent Contractor Services Agreement.

You further specifically unconditionally release and forever discharge the Released Parties from any and all Claims that you may have as of the date you sign this General Release Agreement arising under the ADEA. By signing this General Release Agreement, you acknowledge and confirm that: (i) you have been advised by the Company to consult with an attorney of your choice before signing this General Release Agreement; (ii) you were given no fewer than [twenty-one (21) or forty-five (45)] days to consider the terms of this General Release Agreement, although you may sign it sooner if desired; (iii) you are providing this release in exchange for consideration in addition to that which you are already entitled; (iv) you have seven (7) days from the date of signing this General Release Agreement to revoke this General Release Agreement by providing the Company with a written notice of revocation to the current [Chairman of the Board of Directors of the Company] at the Company's principal executive office located at [LOCATION], before the end of such seven-day period ("**Revocation Period**"); (v) this General Release Agreement will not become effective, and you will not be entitled to any Termination Consideration, until the Revocation Period passes without you revoking this General Release Agreement; (vi) the release contained in this

paragraph does not apply to rights and claims that may arise after the date on which you sign this General Release Agreement, and (vii) you knowingly and voluntarily accept the terms of this General Release Agreement. You further agree that any change to this General Release Agreement, whether material or immaterial, will not restart the [twenty-one (21) or forty-five (45)] day period for you to consider the terms of this General Release Agreement.

You affirm that you have not initiated, filed or caused to be filed and agree not to initiate, file or cause to be filed any Released Claims against any of the Released Parties. You further agree not to encourage any person, including any current or former Company employee, to file any kind of claim whatsoever against the Released Parties, or any of them, and not to solicit, assist, support or in any way cooperate in the initiation or prosecution of any action or proceeding brought against the Released Parties, or any of them, by a third party, except if compelled to do so by legal process which includes when compelled by court order, subpoena or written request by an administrative agency or the legislature to testify regarding alleged criminal conduct or alleged sexual harassment.

Notwithstanding anything to the contrary in this General Release Agreement, nothing in this General Release Agreement shall prohibit or interfere with you exercising protected rights to file a charge with or report to any Governmental Agency. You do not need the Company's advance permission to file any such charge or report or to participate in any such investigation. You do, however, waive any right to receive any monetary award or benefit resulting from such a charge, report, or investigation related to any Released Claims, except that you may receive and fully retain a monetary award from a government-administered whistleblower award program. You further acknowledge and agree that this General Release Agreement shall not be construed as a waiver of any rights that are not subject to waiver by private agreement or otherwise cannot be waived as a matter of law.

You represent and warrant that you have returned to the Company—and have not retained any copies of—all Company property, including, without limitation, all documents and data in whatever form maintained, confidential information, computer hardware or software, files, papers, memoranda, correspondence, client lists, employee information, financial records and information, credit cards, keys, access cards, tape recordings, pictures and any other items of any nature which were or are the property of the Company. You understand that you will not be eligible for any Termination Consideration, until you return all Company property.

You agree to reasonably cooperate with the Company in any pending or future litigation and/or administrative investigation in which the Company is a party and/or is the subject of an administrative investigation where you have relevant knowledge or information.

You agree that the Transition Agreement and this General Release Agreement contain all of the agreements and understandings between you and the Company with respect to their subject matter, and may not be contradicted by evidence of any prior or contemporaneous agreement; provided, however, that, the Proprietary Information Agreement shall not be modified in any way by this General Release Agreement and shall continue in full force and effect in accordance with its terms. This General Release Agreement shall be governed by the laws of the State of California. If any provision of this General Release Agreement or its application to any person, place, or circumstance is held by a court of competent jurisdiction to be invalid, unenforceable, or void, the remainder of this General Release Agreement and such provision as applied to other person, places, and circumstances will remain in full force and effect. Nothing in this General Release Agreement shall be construed as an admission by any party of any wrongdoing, violation of the Company's policies or procedures, or violations of any federal, state or local law.

Finally, by your signature below, you acknowledge each of the following: (a) you have read this General Release Agreement or have been afforded every opportunity to do so; (b) you are fully aware of this General

Release Agreement's contents and legal effect; (c) you have reviewed, or have had the opportunity to review, this General Release Agreement with legal counsel of your choosing; and (d) you have chosen to enter into this General Release Agreement freely, without coercion and based upon your own judgment and not in reliance upon any promises made by the Company other than those contained in this General Release Agreement.

Please note that this General Release Agreement may be signed no earlier than your last date of employment with the Company, and that your eligibility for any Termination Consideration, is conditioned upon meeting the terms set forth in the Transition Agreement.

_____ Date: _____

Anil Singhal

INDEPENDENT CONTRACTOR SERVICES AGREEMENT

THIS INDEPENDENT CONTRACTOR SERVICES AGREEMENT (this "**Agreement**") effective as of April 28, 2020 (the "**Effective Date**"), is entered into between Adicet Bio, Inc., a Delaware corporation ("**Adicet**"), and Anil Singhal ("**Contractor**"). The parties hereby agree as follows:

1. Engagement for Services. Subject to and contingent upon Contractor providing services as an employee of Adicet through the Resignation Date and the Closing occurring (each as defined in that certain letter agreement, dated on or about the date hereof, by and between Contractor and Adicet, as amended, modified or restated from time to time (the "**Transition Agreement**")), Adicet hereby engages Contractor to perform the services (the "**Services**") described on Exhibit A on the terms and conditions of this Agreement from and after the Resignation Date (the "**Start Date**"). Contractor hereby accepts such engagement, and shall perform the Services and otherwise act in strict accordance with the terms and conditions of this Agreement. Contractor shall comply with all applicable Adicet policies and procedures in the performance of the Services. Contractor shall perform the Services in accordance with all applicable laws, regulations and the highest professional industry standards. Except as otherwise provided herein, Adicet shall not control the manner or means by which Contractor performs the Services.

2. Place of Work. Contractor is generally free to perform Contractor's Services at a location of Contractor's choosing. Contractor understands that the Services must coordinate with Adicet's established protocols and security requirements and may from time to time need to be performed at Adicet's premises.

3. Compensation. Adicet shall pay Contractor the compensation set forth in Exhibit A in accordance with the payment schedule set forth therein. If provided for in Exhibit A, Adicet shall reimburse Contractor's reasonable expenses in accordance with, and subject to the terms and conditions set forth on, Exhibit A. Upon termination of this Agreement for any reason, Contractor shall be (a) paid fees on the basis set forth in Exhibit A and (b) reimbursed only for expenses that are incurred prior to termination of this Agreement and in accordance with this Agreement.

4. Disclosure and Assignment of Work Product.

4.1 Work Product. "**Work Product**" shall mean all (a) deliverables, discoveries, inventions, designs, processes, formulae, developments, improvements, works of authorship, results, information, data, know-how, ideas, concepts, technology or intellectual property (in each case, whether or not protectable under patent, copyright or trade secret laws) and (b) patent rights, copyrights, trade secret rights, mask work rights, trademark rights, trade names, trade dress, trade secret rights, sui generis database rights and all other intellectual property rights of any sort throughout the world, in each case of any of the foregoing in (a) or (b), conceived, created, generated, made, derived, developed or reduced to practice, whether directly or indirectly or solely or jointly with others, from, using, or in connection with (i) the performance of the Services or (ii) any Confidential Information (as defined below).

4.2 Disclosure and Assignment of Work Product. Contractor shall maintain adequate and current records of all Work Product, which records shall be and remain the property of Adicet. Contractor shall promptly disclose and describe to Adicet all Work Product. Contractor shall, and hereby does, assign to Adicet, or Adicet's designee, all of Contractor's right, title and interest in and to any and all Work Product, all associated records, and all intellectual property rights therein and thereto. Contractor retains no rights to use the Work Product.

4.3 Further Assistance. Contractor shall perform, during and after the term of this Agreement, all acts that Adicet deems necessary or desirable to permit and assist Adicet in obtaining,

perfecting and enforcing the full benefits, enjoyment, rights and title throughout the world in the Work Product. Such assistance shall include, without limitation, the maintenance of adequate and current records of any and all Work Product, the disclosure of all pertinent information and data relating to Work Product, the execution of all applications, specifications, oaths, and assignments, and all other instruments and papers that Adicet shall deem necessary to apply for and to assign or convey to Adicet, its successors, and assigns or nominees, the sole and exclusive right, title, and interest in such Work Product. If Adicet is unable for any reason to secure Contractor's signature to any document required to file, prosecute, register, enforce or memorialize the assignment of any rights under any Work Product, Contractor hereby irrevocably designates and appoints Adicet as Contractor's agent and attorney-in-fact to act for and on Contractor's behalf and instead of Contractor to take all lawfully permitted acts to further the filing, prosecution, registration, memorialization of assignment, issuance and enforcement of rights under such Work Product, all with the same legal force and effect as if executed by Contractor. The foregoing is deemed a power coupled with an interest and is irrevocable.

4.4 License. To the extent any of the rights, title and interest in and to any Work Product cannot be assigned by Contractor to Adicet, Contractor hereby unconditionally and irrevocably grants to Adicet and Adicet's designees and successors in interest an exclusive (even as to Contractor), royalty-free, transferable, irrevocable, perpetual, worldwide, fully paid-up license (with rights to sublicense through multiple tiers of sublicensees) to use, reproduce, distribute, display and perform (whether publicly or otherwise), prepare derivative works of and otherwise modify, make, sell, offer to sell, import and otherwise use and exploit (and have others exercise such rights on behalf of Adicet) all or any portion of such non-assignable rights, title and interest, in each case in any medium or format, whether now known or later developed, and in each case without notice to, the consent of, or accounting to Contractor. To the extent any of the rights, title and interest in and to any Work Product can neither be assigned nor licensed by Contractor to Adicet, Contractor hereby unconditionally and irrevocably waives and agrees never to assert such non-assignable and non-licensable rights, title and interest, and any associated claims or causes of action, against Adicet or any of Adicet's designees or successors in interest. Contractor further waives any "moral" rights or other rights with respect to attribution of authorship or integrity of such Work Product that Contractor may have under any applicable law, whether under copyright, trademark, unfair competition, defamation, right of privacy, contract, tort or other legal theory.

4.5 Out-of-Scope Innovations. Contractor agrees not to use or incorporate into any Work Product any confidential or proprietary information, technology or intellectual property conceived, created, generated, made, derived, developed or reduced to practice (a) by Contractor other than in the course of performing the Services or (b) by any third party (collectively, the "**Out-of-Scope Innovations**"). To the extent Contractor uses, incorporates or permits to be incorporated into any Work Product any Out-of-Scope Innovations, then Contractor hereby grants to Adicet and Adicet's designees and successors in interest a non-exclusive, royalty-free, transferable, irrevocable, perpetual, worldwide, fully paid-up license (with rights to sublicense through multiple tiers of sublicensees) to use, reproduce, distribute, display and perform (whether publicly or otherwise), prepare derivative works of and otherwise modify, make, sell, offer to sell, import and otherwise use and exploit (and have others exercise such rights on behalf of Adicet) all or any portion of such Out-of-Scope Innovations, in each case in any medium or format, whether now known or later developed, and without notice to, the consent of, or accounting to Contractor. To the extent any of the rights, title and interest in and to any Out-of-Scope Innovations cannot be licensed by Contractor to Adicet, Contractor hereby unconditionally and irrevocably waives and agrees never to assert such non-licensable rights, title and interest, and any associated claims or causes of action, against Adicet or any of Adicet's designee or successors in interest.

5. Confidentiality.

5.1 Confidential Information. "**Confidential Information**" shall mean (a) any and all data and information (and all tangible and intangible embodiments thereof), whether or not marked or identified as confidential or proprietary, of any type whatsoever, whether in writing, or in oral, graphic, electronic or any other form, related to Adicet, its technology, intellectual property, contracts, business relationships, products, product candidates, employees, business, assets, finances, operations or opportunities and/or the Services, (b) all Work Product and all associated records, (c) the existence of this Agreement and the nature and scope of the Services, the terms and conditions hereof and thereof, and the performance of the Services, and (d) any other data or information (and all tangible and intangible embodiments thereof), including any trade secrets, that may be provided, made accessible or made known to, Contractor from or in connection with the performance of the Services, including, without limitation, any such information that Adicet has received from others that Adicet is obligated to treat as confidential or proprietary. Notwithstanding the foregoing, Confidential Information shall not include (i) information that is or becomes publicly known through lawful means through no act or omission of Contractor; (ii) information that was rightfully known by Contractor without confidential or proprietary restriction before receipt from Adicet, as evidenced by Contractor's contemporaneous written records; or (iii) information that is disclosed to Contractor without restriction by a third party who rightfully possesses the information and does not owe a duty of confidentiality to Adicet with respect to such information.

5.2 Nondisclosure and Nonuse. Except as permitted in this Section 5, Contractor shall maintain in confidence and not, directly or indirectly, use, disseminate or in any way disclose the Confidential Information to any third party, other than Adicet. Contractor may use the Confidential Information solely to perform the Services for the sole and exclusive benefit of Adicet and for no other purpose. Contractor shall treat all Confidential Information with the same degree of care as Contractor accords to Contractor's own confidential information, but in no case shall Contractor use less than reasonable care. Contractor shall immediately give notice to Adicet of any unauthorized use or disclosure of the Confidential Information. Contractor shall assist Adicet in remedying any such unauthorized use or disclosure of the Confidential Information.

5.3 Permitted Disclosure. Contractor's nondisclosure obligations under Section 5.2 shall not apply to the extent that Contractor is required to disclose information by applicable law, regulation or order of a governmental agency or a court of competent jurisdiction; provided, however, that Contractor shall provide advanced written notice thereof to Adicet, consult with Adicet with respect to such disclosure and provide Adicet sufficient opportunity to object to any such disclosure or to request confidential treatment thereof (if applicable) and reasonably cooperate with Adicet in objecting to or narrowing the scope of such disclosure and/or obtaining a protective order or confidential treatment of such disclosure.

5.4 Ownership and Return of Confidential Information and Adicet Property. All Confidential Information and any materials (including, without limitation, documents, drawings, papers, media, tapes, models, apparatus, sketches, designs and lists) relating thereto, as well as any other materials furnished by Adicet to Contractor in connection with this Agreement, and any copies or derivatives thereof (collectively, the "**Adicet Property**"), are and shall remain the sole and exclusive property of Adicet. Within five (5) days after any request by Adicet, Contractor shall destroy or deliver to Adicet, at Adicet's option, (a) all Adicet Property and (b) all materials in Contractor's possession or control that contain or disclose any Confidential Information. Nothing in this Section 5 is intended to limit any remedy of Adicet under the California Uniform Trade Secrets Act (California Civil Code Section 3426), or otherwise available under law.

5.5 Third Party Information. Contractor shall not disclose to Adicet, or bring onto Adicet's premises or induce Adicet to use any confidential or proprietary information, technology or intellectual property that belongs to anyone other than Adicet or Contractor or otherwise take any action that may result in any Work Product being considered owned, in whole or in part, by any other third party.

5.6 Privacy. Contractor acknowledges that Adicet may access all information and materials generated, received or maintained by or for Contractor on the premises or equipment of Adicet (including, without limitation, computer systems and electronic or voice mail systems), and Contractor hereby waives any privacy rights Contractor may have with respect to such information and materials. During the term of this Agreement and thereafter, Contractor shall adhere to any policies, guidelines or the like adopted by Adicet from time to time regarding treatment of personal information. Further, Contractor understands that there are laws in the United States and other countries that protect personal information, and agrees to comply with all applicable laws regarding the use and disclosure of any personal information.

6. Waiver of Rights and Constructive Trust. Contractor hereby waives any and all rights Contractor may have or hereafter acquire in or to the Work Product, the Confidential Information or the Adicet Property, or any other work product derived directly or indirectly therefrom. Without limiting the generality of any other provision of this Agreement, Contractor shall not copy, disclose, publish or otherwise disseminate (including without limitation in the form of any book, movie, television show, video, article, interview, blog, tweet, website posting or other public disclosure or use of any type whatsoever) the Work Product, the Confidential Information or the Adicet Property, or any other work product derived directly or indirectly therefrom. Any and all proceeds (in cash, in kind or otherwise) directly or indirectly resulting from any violation of this Agreement shall be held in constructive trust for the sole and exclusive benefit of Adicet, and Contractor immediately shall pay or deliver to Adicet any and all of such proceeds.

7. Independent Contractor Relationship. Contractor's relationship with Adicet is that of an independent contractor, and nothing in this Agreement is intended to, or shall be construed to, create a partnership, agency, joint venture, employment or similar relationship. Neither Contractor nor, if Contractor is an entity, any employee of Contractor (which for purposes of this Section 7 shall be included in the term "**Contractor**") shall be entitled to any benefits accorded to Adicet's employees, including workers' compensation, disability insurance, retirement plans, or vacation or sick pay. Contractor's exclusion from benefit programs maintained by Adicet is a material component of the terms of compensation negotiated by the parties, and is not premised on Contractor's status as a non-employee with respect to Adicet. To the extent that Contractor may become eligible for any benefit programs maintained by Adicet (regardless of the timing of or reason for eligibility), Contractor hereby waives Contractor's right to participate in the programs. Contractor's waiver is not conditioned on any representation or assumption concerning Contractor's status under the common law test. Consistent with Contractor's independent contractor status, Contractor shall not apply for any government-sponsored benefits that are intended to apply to employees, including, without limitation, unemployment benefits. Contractor is not authorized to make any representation, contract or commitment on behalf of Adicet unless specifically requested or authorized in writing to do so by Adicet. Contractor is solely responsible for, and shall file, on a timely basis, all tax returns and payments required to be filed with, or made to, any federal, state or local tax authority with respect to the performance of services and receipt of fees under this Agreement, and shall provide Adicet with proof of payment on demand. Contractor is solely responsible for, and must maintain adequate records of, expenses incurred in the course of performing services under this Agreement. No part of Contractor's compensation shall be subject to withholding by Adicet for the payment of any social security, federal, state or any other employee payroll taxes. Contractor shall be responsible for providing, at Contractor's expense and in Contractor's name, disability, workers' compensation, or other insurance as well as licenses and permits usual or necessary for performing the Services.

8. Term and Termination.

8.1 Term. This Agreement is effective as of the Effective Date set forth above and shall terminate on the one (1) year anniversary of the Closing, unless terminated earlier as set forth below.

8.2 Termination. Either party may terminate this Agreement at any time, without cause, on ten (10) days' prior express written notice of termination. Either party may terminate this Agreement immediately upon any material breach by the other party by express written notice of such termination.

8.3 Merger Termination. Each party acknowledges and agrees that this Agreement shall terminate in its entirety and be of no further force and effect if the Merger Agreement (as defined in the Transition Agreement) is: (1) not entered into prior to June 30, 2020 or (ii) entered into and subsequently terminated prior to the Closing occurring.

8.4 Effect of Expiration or Termination. Upon expiration or termination of this Agreement, Adicet shall pay Contractor for services performed under this Agreement as set forth in Section 2 and Exhibit A. The provisions of Sections 4, 5, 6, 7, 8.4, 10, 11 and 12 shall survive any termination or expiration of this Agreement.

9. Other Services; No Conflict of Interest. Contractor may represent, perform services for, or be employed by such additional persons or companies as Contractor sees fit, except to the extent that doing so causes Contractor to breach Contractor's obligations under this Agreement. During the term of this Agreement, Contractor shall not accept work, enter into a contract or accept an obligation inconsistent or incompatible with Contractor's obligations, or the Services to be rendered to Adicet, under this Agreement. Contractor represents and warrants that Contractor does not presently perform consulting or other services for, or engage in an employment relationship with, companies whose business or proposed business in any way involve products or services which would be competitive with Adicet's products or services, or those products or services proposed or in development by Adicet during the term of the Agreement. If, however, Contractor decides to do so, Contractor agrees that, (a) Contractor shall continue to abide by the terms of this Agreement, and (b) in advance of accepting such work, Contractor will promptly notify Adicet in writing, specifying the organization with which Contractor proposes to consult, provide services, or become employed by to allow Adicet to determine if such work would conflict with the terms of this Agreement, the interests of Adicet or further services which Adicet might request of Contractor hereunder and (c) Adicet shall have the right to immediately terminate this Agreement by written notice to Contractor.

10. Contractor's Representations and Warranties; Indemnification.

10.1 Contractor represents and warrants to Adicet that (a) Contractor has the qualifications and ability to perform the Services in accordance with the terms of this Agreement, without the advice, control or supervision of Adicet, (b) Contractor shall be solely responsible for the professional performance of the Services and shall receive no assistance, direction or control from Adicet, (c) Contractor has good title to any Work Product and the right to assign Work Product to Adicet free of any proprietary rights of any other party or any other encumbrance whatsoever, (d) neither the Work Product nor any element thereof will infringe or misappropriate any intellectual property or proprietary right of any person or entity, whether contractual, statutory or common law, (e) Contractor has never been debarred by the United States Food and Drug Administration, or other applicable governing health authority (or authorities), under any existing or prior law or regulation and (f) (i) Contractor has all necessary power and capacity (if Contractor is an individual) or authority (if Contractor is an entity) to enter into and perform this Agreement, (ii) this Agreement constitutes Contractor's valid and binding obligation, enforceable in accordance with its terms, (iii) the execution and performance of this Agreement by Contractor do not (1) violate any

provision of law applicable to Contractor, (2) conflict with or result in a default under any duty, document, agreement or instrument to which Contractor is a party or is otherwise subject to or (3) except for notices, approvals and consents that have been made or obtained, require that Contractor obtain any consent or approval of, or give notice to, any person. Contractor further represents and warrants that, following the Closing, Contractor will be engaged in an independently established trade, occupation, or business; maintains and operate or be employed by a business that is separate and independent from Adicet's business; will hold himself or herself out to the public as independently competent and available to provide applicable services similar to the Services; may obtain and/or expect to obtain clients or customers other than Adicet for whom Contractor performs services or is employed; and will perform work for Adicet that Contractor understands is outside the usual course of Adicet's business.

10.2 Contractor shall and does hereby indemnify, defend, and hold harmless Adicet, and Adicet's officers, directors, equityholders, employees, agents, affiliates, subsidiaries, representatives, successors and assigns, from and against any and all claims, demands, losses, costs, expenses, obligations, liabilities, damages, settlements, judgments, recoveries, and deficiencies, including, without limitation, interest, penalties, and reasonable attorney fees and costs, that Adicet may incur or suffer to the extent resulting from or relating to any breach or failure of Contractor to perform any of its representations, warranties, and covenants in this Agreement or any actual or alleged breach by Contractor of any contract with or duty to any third party.

11. Non-Solicitation. Contractor acknowledges that, because of Contractor's responsibilities at Adicet, Contractor will help to develop, and will be exposed to, Adicet's business strategies, information on customers and clients, and other valuable Confidential Information and trade secrets, and that use or disclosure of such Confidential Information and trade secrets in breach of this Agreement would be extremely difficult to detect or prove. Contractor also acknowledges that Adicet's relationships with its employees, customers, clients, vendors, and other persons are valuable business assets. Therefore, Contractor agrees that Contractor shall not, during Contractor's engagement with Adicet pursuant to this Agreement, or for a period of one year following termination of Contractor's engagement with Adicet for any reason, directly or indirectly solicit, induce, recruit, or encourage any officer, director, employee, independent contractor or consultant of Adicet who was employed by or affiliated with Adicet at the time of the termination of Contractor's engagement with Adicet to leave Adicet or terminate his or her employment or relationship with Adicet.

12. Miscellaneous.

12.1 Successors and Assigns. Contractor may not subcontract or otherwise assign, transfer or delegate Contractor's rights or obligations under this Agreement without Adicet's prior written consent. Subject to the foregoing, this Agreement shall be binding upon and shall inure to the benefit of the parties and their respective heirs, legal representatives, successors, and permitted assigns, and shall not benefit any person or entity other than those enumerated above. Adicet may fully assign and transfer this Agreement in whole or part.

12.2 Counterparts; Signatures. This Agreement may be executed and delivered by in two or more counterparts, each of which shall be deemed an original, but all of which together shall constitute one and the same instrument. Any signature page delivered by facsimile or e-mail transmission of images in Adobe PDF or similar format shall be binding to the same extent as an original signature page, with regard to any agreement subject to the terms hereof or any amendment thereto.

12.3 Injunctive Relief. Contractor's obligations under this Agreement are of a unique character that gives them particular value; Contractor's breach of any of such obligations shall result in irreparable and continuing damage to Adicet for which money damages are insufficient, and Adicet shall,

in addition to any other remedies that may be available at law, in equity or otherwise, be entitled to injunctive relief and/or a decree for specific performance without the necessity of posting a bond. Contractor waives any claim or defense that there is an adequate remedy at law for such breach or threatened breach.

12.4 Attorneys' Fees. If any legal action (including, without limitation, an action for arbitration or injunctive relief) is brought relating to this Agreement or the breach or alleged breach hereof, the prevailing party in any final judgment or arbitration award in any such action shall be entitled to receive from the other party the reasonable attorneys' fees (and all related costs and expenses), and all other costs and expenses paid or incurred by such prevailing party in connection with such action or proceeding and in connection with enforcing any judgment or order with respect to such matter.

12.5 Governing Law; Forum. This Agreement shall be governed by, interpreted and construed in accordance with the laws of the State of California, without regard to the conflicts of law principles thereof. The parties hereby irrevocably and unconditionally (a) submit to the jurisdiction of the federal and state courts located within the geographical boundaries 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 federal and state courts located within the geographical boundaries of 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.

12.6 Notices. All notices, requests, waivers and other communications made pursuant to this Agreement shall be in writing and shall be conclusively deemed to have been duly given (a) when hand delivered to the other party; (b) when sent by electronic mail to the address set forth on the signature pages hereto if sent between 8:00 am and 5:00 pm recipient's local time on a business day, or on the next business day if sent by electronic mail other than between 8:00 am and 5:00 pm recipient's local time; (c) three business days after deposit in the U.S. mail with first class or certified mail receipt requested postage prepaid and addressed to the other party at the address set forth on the signature pages hereto; or (d) the next business day after deposit with a national overnight delivery service, postage prepaid, addressed to the parties as set forth on the signature pages hereto with next business day delivery guaranteed, provided that the sending party receives a confirmation of delivery from the delivery service provider. A party may change or supplement the addresses given above, or designate additional addresses, for purposes of this Section 11.7 by giving the other party written notice of the new address in the manner set forth above.

12.7 Further Assurances. Adicet and Contractor shall from time to time and at all times hereafter make, do, execute, or cause or procure to be made, done and executed such further acts, deeds, conveyances, consents and assurances without further consideration, which may reasonably be required to effect the transactions contemplated by this Agreement.

12.8 Enforceability; Severability. The parties hereto agree that each provision of this Agreement shall be interpreted in such a manner as to be effective and valid under applicable law. If one or more provisions of this Agreement are held to be unenforceable under applicable law, (a) such provision shall be ineffective only to the extent of such prohibition or invalidity, without invalidating the remainder of such provision or the remaining provisions of this Agreement, and (b) the balance of the Agreement shall be interpreted as if such provision were so modified and shall be enforceable in accordance with its terms.

12.9 Amendments; Waivers. This Agreement shall not be varied, altered, modified, changed or in any way amended except by an instrument in writing executed by Contractor and a duly authorized representative of Adicet. No waiver by a party of a breach of or obligation under this Agreement shall constitute a waiver of any other or subsequent breach or obligation.

12.10 18 U.S.C. § 1833(b) Notice. Contractor understands that 18 U.S.C. § 1833(b) states as follows:

> An individual shall not be held criminally or civilly liable under any Federal or State trade secret law for the disclosure of a trade secret that-(A) is made-(i) in confidence to a Federal, State, or local government official, either directly or indirectly, or to an attorney; and (ii) solely for the purpose of reporting or investigating a suspected violation of law; or (B) is made in a complaint or other document filed in a lawsuit or other proceeding, if such filing is made under seal.

Accordingly, notwithstanding anything to the contrary in this Agreement, Contractor understands that Contractor has the right to disclose in confidence trade secrets to Federal, State, and local government officials, or to an attorney, for the sole purpose of reporting or investigating a suspected violation of law. Contractor understands that Contractor also has the right to disclose trade secrets in a document filed in a lawsuit or other proceeding, but only if the filing is made under seal and protected from public disclosure. Contractor understands and acknowledges that nothing in this Agreement is intended to conflict with 18 U.S.C. § 1833(b) or create liability for disclosures of trade secrets that are expressly allowed by 18 U.S.C. § 1833(b).

12.11 Acknowledgement; Interpretation. The parties acknowledge that: (a) they have each had the opportunity to consult with independent counsel of their own choice concerning this Agreement and have done so to the extent they deem necessary, and (b) they each have read and understand the Agreement, are fully aware of its legal effect, and have entered into it voluntarily and freely based on their own judgment and not on any promises or representations other than those contained in the Agreement. This Agreement shall be construed as a whole, according to its fair meaning, and not in favor of or against any party. By way of example and not in limitation, this Agreement shall not be construed in favor of the party receiving a benefit nor against the party responsible for any particular language in this Agreement. Captions are used for reference purposes only and should be ignored in the interpretation of this Agreement.

12.12 Entire Agreement. This Agreement, together with the Transition Agreement, constitute the entire agreement between the parties relating to this subject matter and supersede all prior or contemporaneous representations, warranties or agreements concerning such subject matter, written or oral; provided, however, that, notwithstanding the foregoing, this Agreement shall in no way supersede or effect the enforceability of that certain Employee Proprietary Information and Inventions Assignment Agreement, dated as of May 6, 2019, by and between Adicet and Contractor, which shall continue in full force and effect.

[*Remainder of Page Left Intentionally Blank*]

IN WITNESS WHEREOF, the parties have executed this Agreement as of the Effective Date.

ADICET BIO, INC.

By: /s/ Donald Santel
Name: Donald Santel
Title: Executive Chairman

Address for Notices:

200 Constitution Drive
Menlo Park, CA 94025

ANIL SINGHAL

By: /s/ Anil Singhal
Name: Anil Singhal

Address for Notices:

EXHIBIT A

SERVICES AND COMPENSATION

Description of Services.

Contractor will serve as a senior advisor to Adicet and provide strategic advice and such other services, all as related to Adicet business, as requested by Adicet from time to time.

Contractor agrees to be available and to devote as requested up to 40 hours per month to performing Contractor's obligations to Adicet pursuant to this Agreement (or such greater amount as mutually agreed to from time to time by Contractor and Adicet). Without Contractor's consent, Contractor has no duty or obligation to ever work more than 40 hours in any given month.

Adicet shall not supervise Contractor in the day-to-day performance of the Services. All of the services to be performed by Contractor, including but not limited to the Services, will be as agreed between Contractor and the Board or the Board's designee. Contractor will be required to report to the Board or the Board's designee concerning the Services performed under this Agreement. The nature and frequency of these reports will be in the discretion of the Board or the Board's designee.

Contractor shall be free to choose the location at which Contractor provides the Services; provided, however, that Contractor shall be available to provide the Services at Adicet's San Francisco Bay Area offices at least one day a week if requested by the Board or the Board's designee upon reasonable advance notice.

Compensation and Payment Terms.

Adicet shall pay Contractor $12,500.00 per month during the term of this Agreement commencing on the Start Date, pro-rated for any partial month of service hereunder. Such amounts shall be paid within thirty (30) days of the end of each month during the term of this Agreement. Any additional hours beyond 40 hours in any given month shall be compensated at the rate of $312.50 per hour, pro-rated for any partial hour of service hereunder.

Contractor shall not be authorized to incur on behalf of Adicet any expenses and will be responsible for all expenses incurred while performing the Services unless otherwise agreed to in advance by the Board or the Board's designee in writing ("**Approved Expenses**"). Adicet shall reimburse Approved Expenses no later than thirty (30) days after Adicet's receipt of Contractor's invoice, provided that reimbursement for Approved Expenses may be delayed until such time as Contractor has furnished reasonable documentation for Approved Expenses as Adicet may reasonably request. Contractor shall submit to Adicet all statements for Approved Expenses incurred on a monthly basis in a form prescribed by Adicet.

Adicet Bio, Inc.

September 4, 2019

Francesco Galimi, M.D. Ph.D.

Re: Employment Offer

Dear Francesco,

Adicet Bio, Inc., a Delaware corporation (the "**Company**"), is pleased to make you an offer of employment on the following terms and conditions:

1. Position and Duties. You will serve as Chief Medical Officer and shall perform such duties as are ordinary, customary and necessary in such role. You will report initially to the Company's Chief Executive Officer and thereafter to such person as the Company may designate. Your start date with the Company shall be September 23, 2019, or such earlier date as agreed to by you and the Company's Chief Executive Officer. You shall devote your full business time, skill and attention to the performance of your duties on behalf of the Company. Without the prior written consent of the Company's Chief Executive Officer, you will not engage in other employment or in any activities that could interfere with the performance of your duties or your availability to perform such duties or that will adversely affect, or negatively reflect upon, the Company or that would be detrimental to the interests of the Company.

2. Compensation and Benefits.

a) Salary. The Company agrees to pay you an annual salary of $385,000 ("**Base Salary**"), less all required deductions and withholdings, payable as earned in accordance with the Company's customary payroll practices.

b) Performance Bonus. You will be eligible to earn an annual performance bonus of up to 35% of your Base Salary, based on achievement of performance targets established by the Company. The amount of any such bonus will be determined in the sole discretion of the Company. You must be employed with the Company on the date such bonus is paid in order to be eligible for any bonus payment. Such bonus will be pro-rated for any partial year of employment.

c) Sign-on Bonus. The Company agrees to pay you a sign-on bonus of $325,000 in the aggregate, less all required deductions and withholdings (the "**Sign-On Bonus**"), which Sign-On Bonus shall be payable in two tranches and subject to the following terms:

The initial tranche of the Sign-On Bonus shall be for $162,500, less all required deductions and withholdings, and shall be payable upon your first payroll in accordance with the Company's customary payroll practices.

The final tranche of the Sign-On Bonus shall be the remaining sum of $162,500,

less all required deductions and withholdings, and shall be payable within 45 days of the six (6) month anniversary of your start date in accordance with the Company's customary payroll practices.

To receive the final tranche of the Sign-On Bonus, you must be employed with the Company on the six (6) month anniversary of your start date. You agree to repay (i) the full amount of your Sign-On Bonus to the Company if you voluntarily terminate your employment prior to the twelve (12) month anniversary of your start date and (ii) 50% of your Sign-On Bonus to the Company if you voluntarily terminate your employment on or after the twelve (12) month anniversary of your start date and prior to the twenty-four (24) month anniversary of your start date.

d) Stock Options. Subject to approval of the Company's Board of Directors (the "**Board**"), you will receive an option to purchase 1,035,685 shares of the Company's common stock (the "**Option**") pursuant to the Company's 2015 Stock Incentive Plan. The per share exercise price of the Option will be equal to the per share fair market value of the Company's common stock on the date of grant, as determined by the Board. The Option will be contingent upon you executing the Company's standard stock option agreement. So long as you continue in service with the Company, the Option will vest and become exercisable with respect to 25% of the shares subject to the Option on the one-year anniversary of your start date, and with respect to the balance, in thirty-six (36) equal monthly installments upon your completion of each additional month of service thereafter.

e) Benefits. You will be eligible to participate in regular health insurance, vacation, and other employee benefit plans established by the Company for its employees from time to time on substantially the same terms as are made available to employees of the Company generally, provided you are eligible under (and subject to all provisions of) the plan documents governing those plans.

f) Commuting and Lodging Expenses. The Company will provide a fully taxable reimbursement for reasonable travel and lodging expense of up to $6,000 per month (for up to two years from your start date), less all required deductions and withholdings, related to your travel back and forth from San Diego, California to the San Francisco Bay Area to provide services under this letter agreement, upon submission of proper vouchers and documentation in accordance with the Company's expense reimbursement policy.

g) Other Expenses. The Company will reimburse you for all other reasonable and necessary expenses incurred by you in connection with the Company's business, in accordance with any applicable policy established by the Company from time to time.

3. At-Will Employment. You will be an "at-will" employee of the Company, which means that the employment relationship can be terminated by either you or the Company for any reason, at any time, with or without prior notice and with or without cause. Any

statements or representations to the contrary should be regarded by you as ineffective. Any modification or change in the at-will employment status may only occur by way of a written agreement signed by you and the Company's Chief Executive Officer.

4. Severance.

a) Severance. Except in situations where your employment is terminated (1) by the Company for Cause (as defined below) or as a result of your death or Disability (as defined below), or (2) by you other than for Good Reason (as defined below), you will be eligible to receive the following severance benefits (collectively, the "**Severance Benefits**"):

i. An amount equal to six (6) months of your then-current Base Salary, less standard withholdings for tax and social security purposes, payable in one lump sum within seventy (70) days following the date of termination of employment on the first payroll date following the date the Release (as defined below) becomes irrevocable (with the first payment including any installments that otherwise would have been paid between the date of termination and the date of such first installment); provided, however, that, to the extent that the payment of any amount constitutes "nonqualified deferred compensation" for purposes of Section 409A of the Internal Revenue Code of 1986, as amended (the "**Code**") and related Treasury regulations ("**Section 409A**"), if the seventy (70) day period described above spans calendar years, the payments will commence in the second calendar year.

ii. Subject to your timely election under COBRA, reimbursement of your COBRA premiums pursuant to the Company's normal expense reimbursement policy for six (6) months following the date of the termination of your employment (not to exceed the applicable continuation period) or, if earlier, until such time as you become eligible for similar coverage through another employer. You will thereafter be responsible for the payment of COBRA premiums (including, without limitation, all administrative expenses) for any remaining COBRA period. Notwithstanding the foregoing, in the event that the Company determines, in its sole discretion, that the Company may be subject to a tax or penalty pursuant to applicable law, including, but not limited to, Section 4980D of the Code as a result of providing some or all of the payments described in this section, the Company may reduce or eliminate its obligations under this section to the extent it deems necessary, with no offset or other consideration required.

iii. If such termination of employment occurs within twelve months following a Liquidation (as defined in the Company's Amended and Restated Certificate of Incorporation, as amended, modified or restated from time to time), the vesting of all unvested restricted stock, options or other equity incentive awards then held by you shall be accelerated such that all such restricted stock, options or other equity awards shall be deemed vested in full.

b) Eligibility. Your eligibility for the Severance Benefits is conditioned on you having first signed a release agreement in substantially the form attached as Exhibit B (the "**Release**"), which may be adjusted by the Company in its discretion for changes in applicable laws, rules or regulations or customary practice, and such Release becoming effective pursuant to its terms no later than sixty (60) days following the date of termination of your employment (the "**Release Deadline**"). If the Release does not become effective and irrevocable by the Release Deadline, you forfeit any rights to the Severance Benefits described in this Section 4. In no event will any Severance Benefits be paid under this Section 4 until the Release becomes effective and irrevocable and the Severance Benefits will commence or be provided once the Release becomes effective and irrevocable. You agree that the Company shall have a right of offset against all severance payments for amounts owed to the Company by you (unless the amounts owed are subject to a good faith dispute) to the fullest extent not prohibited by law. The Severance Benefits shall be in lieu of any other severance payments, severance benefits and severance protections to which you may be entitled under any severance or termination policy, plan, program, practice or arrangement of the Company and its affiliates. Except as specifically provided in this Section 4 or in another section of this letter agreement, or except as required by law, all compensation and benefits provided by the Company to you under this letter agreement or otherwise shall cease as of the date of termination of your employment. You shall not be entitled to any Severance Benefits if your employment is terminated (1) by the Company for Cause or as a result of your death or Disability, or (2) by you other than for Good Reason.

c) Certain Tax Provisions. It is intended that the terms of this offer of employment comply with Section 409A or an exemption therefrom, and the terms of this offer of employment will be interpreted accordingly; provided, however, that the Company, its affiliates, and their respective employees, officers, directors, agents and representatives (including, without limitation, legal counsel) will not have any liability to you with respect to any taxes, penalties, interest or other costs or expenses you or any related party may incur with respect to or as a result of Section 409A or for damages for failing to comply with Section 409A. Notwithstanding any provision to the contrary in this offer of employment, with respect to any amounts under this offer of employment that are determined to be deferred compensation for purposes of Section 409A and payable as a result of the your termination of employment, you shall not be deemed to have terminated employment unless and until you have experienced a "separation from service" (as that term is used in Section 409A). Payments pursuant to this offer of employment are intended to constitute separate payments for purposes of Treasury Regulation Section 1.409A-2(b)(2)(i) and payments of continued salary pursuant to Section 4(a)(i) are intended to constitute a series of separate payments for purposes of Treasury Regulation Section 1.409A-2(b)(2)(iii). Any

reimbursements or in-kind benefits provided to you or for your benefit that constitute deferred compensation for purposes of Section 409A shall be provided in a manner that complies with Treasury Regulation Section 1.409A-3(i)(v). Accordingly, (i) all such reimbursements will be made not later than the last day of the calendar year after the calendar year in which the expenses were incurred, (ii) any right to such reimbursements or in-kind benefits will not be subject to liquidation or exchange for another benefit, and (iii) the amount of the expenses eligible for reimbursement, or the amount of any in-kind benefit provided, during any taxable year will not affect the amount of expenses eligible for reimbursement, or the in-kind benefits provided, in any other taxable year.

d) Certain Definitions. For purposes of this letter agreement:

i. "**Cause**" shall mean: (A) performance of any act or failure to perform any act in bad faith and to the detriment of the Company or its affiliates, including, but not limited to, misappropriation of trade secrets, fraud or embezzlement; (B) material breach of any agreement with the Company or its affiliates; (C) commission of a crime involving dishonesty, breach of trust, or physical or emotional harm to any person, (D) your willful refusal to implement or follow a lawful policy or directive of the Company or its affiliates; or (E) your engagement in misfeasance or malfeasance demonstrated by a pattern of failure to perform job duties diligently and professionally.

ii. "**Disability**" means disability as defined under the long-term disability policy of the Company regardless of whether you are covered by such policy. If the Company does not have a long-term disability plan in place, "Disability" means that, in the sole opinion of the Company, you are unable to carry out the responsibilities and functions of the position you hold by reason of any medically determinable physical or mental impairment for a period of not less than ninety (90) consecutive days or more than one hundred and twenty days (120) in any twelve-month period.

iii. "**Good Reason**" means any of the following events if (A) such event is affected without your consent, (B) you provide written notice to the Company that such event constitutes Good Reason within thirty (30) days of the occurrence thereof, (C) you provide the Company with a period of twenty (20) days to cure such event, and (D) the Company fails to cure such event within that period: (1) a change in your position with the Company which materially and substantially reduces your level of responsibility or duties; provided, however, that if the Company is being acquired and made part of a larger entity, a change in your position shall not constitute Good Reason if such change does not result in a material and substantial reduction in your level of responsibility or duties with respect to the Company's business operations (whether as a subsidiary,

business unit, division or otherwise of the acquirer) following such acquisition; (2) a material reduction in your Base Salary, except for reductions that are comparable to reductions generally applicable to similarly situated executives of the Company; or (3) a relocation of your principal place of employment by more than seventy five (75) miles from the Company's current headquarters.

5. **Representations and Warranties.** You hereby represent and warrant as follows:

   a) Neither your execution and delivery of this letter agreement nor the performance of your duties and other obligations hereunder violate or will violate any statute or law or conflict with or constitute a default or breach of any covenant or obligation, including without limitation any non-competition restrictions, under any prior employment agreement, contract, or other instrument to which you are a party or by which you are bound (whether immediately, upon the giving of notice or lapse of time or both).

   b) You have the full right, power and legal capacity to enter and deliver this letter agreement and to perform your duties and other obligations hereunder. This letter agreement constitutes the legal, valid and binding obligation of you enforceable against you in accordance with its terms. No approvals or consents of any persons or entities are required for you to execute and deliver this letter agreement or perform your duties and other obligations hereunder.

6. **Conditions to Employment**. This offer of employment is contingent upon, and your employment shall be subject to you:

   a) Executing the Company's form of Employee Proprietary Information and Invention Assignment Agreement attached hereto as Exhibit A, which, among other things, prohibits unauthorized use or disclosure of the Company's proprietary information;

   b) Satisfying the requirements of the Immigration Control and Reform Act of 1986, which may be accomplished by showing your proof of right to work in the U.S. within three days of commencing employment (e.g., an original driver's license and social security card, or a passport); and

   c) Satisfactorily completing a background check investigation.

Notwithstanding anything to the contrary, this offer may be withdrawn by the Company at any time by the Company's Chief Executive Officer prior to the execution of this letter agreement by you.

Please indicate your acceptance to the foregoing terms by signing this letter agreement where indicated below and returning it to me not later than September 7, 2019. This letter agreement sets forth our entire agreement and understanding regarding the terms of your employment with the Company and supersedes any prior representations or agreements, whether written or oral. This letter agreement may not be modified in any way except in a writing signed by an officer of the Company and you.

We look forward to you accepting our offer and becoming part of the Company's team.

Best regards,

Adicet Bio, Inc.

By: /s/ Carrie Krehlik
Name: Carrie Krehlik
Title: Sr. Vice President & Chief HR Officer

AGREED TO AND ACCEPTED BY:

By: /s/ Francesco Galimi
Name: Francesco Galimi, M.D. Ph.D.

Date: September 5, 2019

EXHIBIT A

EMPLOYEE PROPRIETARY INFORMATION AND INVENTION ASSIGNMENT AGREEMENT

Exhibit 10.23

AMENDMENT TO
OFFER LETTER

This **AMENDMENT TO OFFER LETTER** (this "**Amendment**") is made as of April 25, 2020 by and between Adicet Bio, Inc., a Delaware corporation (the "**Company**"), and Francesco Galimi ("**Executive**").

RECITALS

WHEREAS, the Company and Executive are parties to that certain Offer Letter, dated as of September 4, 2019, by and between the Company and Executive, as amended, modified or restated from time to time (the "**Offer Letter**"), and believe that it is in the best interests of the parties to amend the Offer Letter as provided herein.

NOW THEREFORE, in consideration of the foregoing recitals and the mutual agreements contained herein, the Company and Executive, intending to be legally bound hereby, agree as follows:

1.1 Definitions; Construction. Capitalized terms not otherwise defined herein shall have the meanings set forth in the Offer Letter. Any direct or indirect references in the Offer Letter to "this letter agreement" shall be deemed to be references to the Offer Letter as amended hereby.

1.2 Amendment to Section 2.f. Section 2.f. of the Offer Letter shall be amended by deleting such section in its entirety and replacing it with the following:

"**f. Commuting and Lodging Expenses; Relocation Reimbursement**. The Company will provide a fully taxable reimbursement for reasonable travel and lodging expense of up to $6,000 per month (for up to two years from your start date), less all required deductions and withholdings, related to your travel back and forth from San Diego, California to the San Francisco Bay Area to provide services under this letter agreement, upon submission of proper vouchers and documentation in accordance with the Company's expense reimbursement policy ("**Commuting Expenses**"). If, during the term of your employment, you choose to relocate permanently to the San Francisco Bay Area (a "**Permanent Relocation**"), the Company will make a fully taxable lump sum payment to you to cover Reasonable Moving Expenses (as defined below) of up to a maximum of $60,000 (the "**Relocation Reimbursement**"); provided, however, that if you are terminated for Cause (as defined below) or resign other than for Good Reason (as defined below) within six (6) months of such Relocation Reimbursement, you shall repay to the Company such Relocation Reimbursement. The Relocation Reimbursement shall be paid within thirty (30) days after you have submitted to the Company such documentation supporting such reimbursement as is required under the Company's generally applicable policies regarding same. Following any Permanent Relocation, you shall no longer be eligible for reimbursement of any Commuting Expenses. For purposes of this letter agreement, "**Reasonable Moving Expenses**" shall mean your actual out of pocket expenses (but not, for the avoidance of doubt, any loss on sale, real

estate-related taxes or attorneys' fees) related to (A) the disposition of your then current principal residence, (B) relocation of your principal residence to a location within seventy-five (75) miles of your then current principal place of work for the Company, (C) house-hunting trips related to such relocation and (D) other moving expenses incurred to relocate your household goods, furnishings, and personal belongings from your then current residence to your new residence."

1.3 Miscellaneous. Except as specifically set forth herein, all of the terms and provisions of the Offer Letter shall remain unchanged, unmodified and in full force and effect, and the Offer Letter shall be read together and construed with this Amendment. This Amendment may be executed in any number of counterparts, all of which taken together shall constitute one and the same amendatory instrument and any of the parties hereto may execute this Amendment by signing one counterpart. Any signature page delivered by facsimile or e-mail transmission of images in Adobe PDF or similar format shall be binding to the same extent as an original signature page, with regard to any agreement subject to the terms hereof or any amendment thereto. This Amendment, together with the Offer Letter as amended hereby and the documents referred to therein, shall supersede and replace any prior agreement between the Company and Executive relating to the subject matter hereof. This Amendment is to be construed in accordance with and governed by the internal laws of the State of California without giving effect to any choice of law rule that would cause the application of the laws of any jurisdiction other than the internal laws of the State of California to the rights and duties of the parties. The parties hereby irrevocably and unconditionally (i) submit to the jurisdiction of the federal and state courts located within the geographical boundaries 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 Amendment, (ii) agree not to commence any suit, action or other proceeding arising out of or based upon this Amendment except in the federal and state courts located within the geographical boundaries of the United States District Court for the Northern District of California, and (iii) 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 Amendment or the subject matter hereof may not be enforced in or by such court.

[*Remainder of Page Intentionally Left Blank*]

IN WITNESS WHEREOF, the parties have executed this Amendment as of the date first above written.

COMPANY:

ADICET BIO, INC.

By: /s/ Anil Singhal
Name: Anil Singhal
Title: CEO

EXECUTIVE:

FRANCESCO GALIMI

By: /s/ Francesco Galimi
Name: Francesco Galimi

Exhibit 10.24

Adicet Bio, Inc.

November 1, 2017

Carrie A. Krehlik,

Re: Employment Offer

Dear Carrie,

Adicet Bio, Inc., a Delaware corporation (the "**Company**"), is pleased to make you an offer of employment on the following terms and conditions:

1. Position and Duties. You will serve as SVP, Chief Human Resource Officer and shall perform such duties as are ordinary, customary and necessary in such role. You will report initially to Company's Chief Executive Officer and thereafter to such person as the Company may designate. Your start date with the Company shall be November 27, 2017, or such earlier date as agreed to by you and the Company's Chief Executive Officer. You shall devote your full business time, skill and attention to the performance of your duties on behalf of the Company. Without the prior written consent of the Company's Chief Executive Officer, you will not engage in other employment or in any activities that could interfere with the performance of your duties or your availability to perform such duties or that will adversely affect, or negatively reflect upon, the Company or that would be detrimental to the interests of the Company.

2. Compensation and Benefits.

a) Salary. The Company agrees to pay you an annual salary of $275,000 ("**Base Salary**"), less all required deductions and withholdings, payable as earned in accordance with the Company's customary payroll practices.

b) Performance Bonus. You will be eligible to earn an annual performance bonus of up to 30% of your Base Salary, based on achievement of performance targets established by the Company. The amount of any such bonus will be determined in the sole discretion of the Company. You must be employed with the Company on the date such bonus is paid in order to be eligible for any bonus payment. Such bonus will be pro-rated for any partial year of employment.

c) Stock Options. Subject to approval of the Company's Board of Directors (the "**Board**"), you will receive an option to purchase 150,000 shares of the Company's common stock (the "**Option**") pursuant to the Company's 2015 Stock Incentive Plan. The per share exercise price of the Option will be equal to the per share fair market value of the Company's common stock on the date of grant, as determined by the Board. The Option will be contingent upon you executing the Company's standard stock option agreement. So long as you continue in service with the Company, the Option will vest and become exercisable with respect to 25% of the shares subject to the Option on the one-year anniversary of your start date, and with respect to the balance, in thirty-six (36) equal monthly installments upon your completion of each additional month of service thereafter.

d) Benefits. You will be eligible to participate in regular health insurance, vacation, and other employee benefit plans established by the Company for its employees from time to time on substantially the same terms as are made available to employees of the Company generally, provided you are eligible under (and subject to all provisions of) the plan documents governing those plans.

e) Other Expenses. The Company will reimburse you for all reasonable and necessary expenses incurred by you in connection with the Company's business, in accordance with any applicable policy established by the Company from time to time.

3. At-Will Employment. You will be an "at-will" employee of the Company, which means that the employment relationship can be terminated by either you or the Company for any reason, at any time , with or without prior notice and with or without cause. Any statements or representations to the contrary should be regarded by you as ineffective. Any modification or change in the at-will employment status may only occur by way of a written agreement signed by you and the Company's Chief Executive Officer.

4. Severance.

a) Severance. Except in situations where your employment is terminated (1) by the Company for Cause (as defined below) or as a result of your death or Disability (as defined below), or (2) by you other than for Good Reason (as defined below), you will be eligible to receive the following severance benefits (collectively, the "**Severance Benefits**"):

(i) An amount equal to six (6) months of your then-current Base Salary, less standard withholdings for tax and social security purposes, payable in 6 (6) equal monthly installments commencing within seventy (70) days following the date of termination of employment on the first payroll date following the date the Release (as defined below) becomes irrevocable (with the first payment including any installments that otherwise would have been paid between the date of termination and the date of such first installment); provided, however, that if the seventy (70) day period described above spans calendar years, the payments will commence in the second calendar year.

(ii) Subject to your timely election under COBRA, payment of your COBRA premiums for six (6) months following the date of the termination of your employment (not to exceed the applicable continuation period) or, if earlier, until such time as you become eligible for similar coverage through another employer. You will thereafter be responsible for the payment of COBRA premiums (including, without limitation, all administrative expenses) for any remaining COBRA period. Notwithstanding the foregoing, in the event that the Company determines, in its sole discretion, that the Company

may be subject to a tax or penalty pursuant to Section 4980D of the Internal Revenue Code of 1986, as amended (the "Code") as a result of providing some or all of the payments described in this section, the Company may reduce or eliminate its obligations under this section to the· extent it deems necessary, with no offset or other consideration required.

(iii) If such termination of employment occurs within twelve months following a Liquidation (as defined in the Company's Amended and Restated Certificate of Incorporation, as amended, modified or restated from time to time), the vesting of all unvested restricted stock, options or other equity incentive awards then held by you shall be accelerated such that all such restricted stock, options or other equity awards shall be deemed vested in full.

b) Eligibility. Your eligibility for the Severance Benefits is conditioned on you having first signed a release agreement in the form attached as Exhibit B (the "**Release**") and such Release becoming effective pursuant to its terms no later than sixty (60) days following the date of termination of your employment (the "**Release Deadline**"). If the Release does not become effective and irrevocable by the Release Deadline, you forfeit any rights to the Severance Benefits described in this Section 4. In no event will any Severance Benefits be paid under this Section 4 until the Release becomes effective and irrevocable and the Severance Benefits will commence or be provided once the Release becomes effective and irrevocable. You agree that the Company shall have a right of offset against all severance payments for amounts owed to the Company by you (unless the amounts owed are subject to a good faith dispute) to the fullest extent not prohibited by law. The Severance Benefits shall be in lieu of any other severance payments, severance benefits and severance protections to which you may be entitled under any severance or termination policy, plan, program, practice or arrangement of the Company and its affiliates. Except as specifically provided in this Section 4 or in another section of this letter agreement, or except as required by law, all benefits provided by the Company to you under this letter agreement or otherwise shall cease as of the date of termination of your employment. You shall not be entitled to any Severance Benefits if your employment is terminated (1) by the Company for Cause or as a result of your death or Disability, or (2) by you other than for Good Reason.

c) Certain Tax Provisions. It is intended that the terms of this offer of employment comply with Section 409A of the Code, and related Treasury regulations ("Section 409 A") or an exemption therefrom, and the terms of this offer of employment will be interpreted accordingly; provided, however, that the Company, its affiliates, and their respective employees, officers, directors, agents and representatives (including, without limitation, legal counsel) will not have any liability to you with respect to any taxes, penalties, interest or other costs or expenses you or any related party may incur with respect to or as a result of Section 409A or for damages for failing to comply with Section 409A. Notwithstanding any provision to the contrary in this offer of employment, with respect to any amounts under this offer of employment that are determined to be

deferred compensation for purposes of Section 409A and payable as a result of the your termination of employment, you shall not be deemed to have terminated employment unless and until you have experienced a "separation from service" (as that term is used in Section 409A). Payments pursuant to this offer of employment are intended to constitute separate payments for purposes of Treasury Regulation Section l.409A-2(b)(2)(i) and payments of continued salary pursuant to Section 4(a)(i) are intended to constitute a series of separate payments for purposes of Treasury Regulation Section 1.409A-2(b)(2)(iii). Any reimbursements or in-kind benefits provided to you or for your benefit that constitute deferred compensation for purposes of Section 409 A shall be provided in a manner that complies with Treasury Regulation Section 1.409A-3(i)(v). Accordingly, (i) all such reimbursements will be made not later than the last day of the calendar year after the calendar year in which the expenses were incurred, (ii) any right to such reimbursements or in-kind benefits will not be subject to liquidation or exchange for another benefit, and (iii) the amount of the expenses eligible for reimbursement, or the amount of any in-kind benefit provided, during any taxable year will not affect the amount of expenses eligible for reimbursement, or the in-kind benefits provided, in any other taxable year.

d) Certain Definitions. For purposes of this letter agreement:

(i) "**Cause**" shall mean: (A) performance of any act or failure to perform any act in bad faith and to the detriment of the Company or its affiliates, including, but not limited to, misappropriation of trade secrets, fraud or embezzlement; (B) material breach of any agreement with the Company or its affiliates; (C) commission of a crime involving dishonesty, breach of trust, or physical or emotional harm to any person, (D) your willful refusal to implement or follow a lawful policy or directive of the Company or its affiliates; or (E) your engagement in misfeasance or malfeasance demonstrated by a pattern of failure to perform job duties diligently and professionally.

(ii) "**Disability**" means disability as defined under the long-term disability policy of the Company regardless of whether you are covered by such policy. If the Company does not have a long-term disability plan in place, "Disability" means that, in the sole opinion of the Company, you are unable to carry out the responsibilities and functions of the position you hold by reason of any medically determinable physical or mental impairment for a period of not less than ninety (90) consecutive days or more than one hundred and twenty days (120) in any twelve-month period.

(iii) "**Good Reason**" means any of the following events if (A) such event is affected without your consent, (B) you provide written notice to the Company that such event constitutes Good Reason within thirty (30) days of the occurrence thereof, (C) you provide the Company with a period of twenty (20) days to cure such event, and (D) the Company fails to cure such event within that period: (1) a change in your position with the Company which materially and substantially reduces your level of responsibility or duties;

provided, however, that if the Company is being acquired and made part of a larger entity, a change in your position shall not constitute Good Reason if such change does not result in a material and substantial reduction in your level of responsibility or duties with respect to the Company's business operations (whether as a subsidiary, business unit, division or otherwise of the acquirer) following such acquisition; (2) a material reduction in your Base Salary, except for reductions that are comparable to reductions generally applicable to similarly situated executives of the Company; or (3) a relocation of your principal place of employment by more than seventy five (75) miles from the Company's current headquarters.

5. **Representations and Warranties**. You hereby represent and warrant as follows:

   a) Neither your execution and delivery of this letter agreement nor the performance of your duties and other obligations hereunder violate or will violate any statute or law or conflict with or constitute a default or breach of any covenant or obligation, including without limitation any non-competition restrictions, under any prior employment agreement, contract , or other instrument to which you are a party or by which you are bound (whether immediately, upon the giving of notice or lapse of time or both).

   b) You have the full right, power and legal capacity to enter and deliver this letter agreement and to perform your duties and other obligations hereunder. This letter agreement constitutes the legal, valid and binding obligation of you enforceable against you in accordance with its terms. No approvals or consents of any persons or entities are required for you to execute and deliver this letter agreement or perform your duties and other obligations hereunder.

6. **Conditions to Employment**. This offer of employment is contingent upon, and your employment shall be subject to you:

   a) Executing the Company's form of Employee Proprietary Information and Invention Assignment Agreement attached hereto as Exhibit A, which, among other things , prohibits unauthorized use or disclosure of the Company's proprietary information;

   b) Satisfying the requirements of the Immigration Control and Reform Act of 1986, which may be accomplished by showing your proof of right to work in the U.S. within three days of commencing employment (e.g. an original driver's license and social security card, or a passport).

   c) Satisfactorily completing a background check investigation.

   d) Notwithstanding anything to the contrary, this offer may be withdrawn by the Company at any time by the Company's Chief Executive Officer prior to the execution of this letter agreement by you.

Please indicate your acceptance to the foregoing terms by signing this letter agreement where indicated below and returning it to me not later than November 7, 2017. This letter

agreement sets forth our entire agreement and understanding regarding the terms of your employment with the Company and supersedes any prior representations or agreements, whether written or oral. This letter agreement may not be modified in any way except in a writing signed by an officer of the Company and you.

We look forward to you accepting our offer and becoming part of the Company's team.

Best regards,

Adicet Bio, Inc.

By: /s/ Brian Hogan
Name: Brian Hogan
Title: CFO

AGREED TO AND ACCEPTED BY:

By: /s/ Carrie A. Krehlik
Name: Carrie A. Krehlik

Date: November 3, 2017

Adicet Bio, Inc.

May 17, 2018

Stewart E. Abbot

Re: Employment Offer

Dear Stewart,

Adicet Bio, Inc., a Delaware corporation (the "**Company**"), is pleased to make you an offer of employment on the following terms and conditions:

1. Position and Duties. You will serve as SVP, Chief Scientific Officer and shall perform such duties as are ordinary, customary and necessary in such role. You will report initially to Company's Chief Executive Officer and thereafter to such person as the Company may designate. Your start date with the Company shall be June 25, 2018, or such earlier date as agreed to by you and the Company's Chief Executive Officer. You shall devote your full business time, skill and attention to the performance of your duties on behalf of the Company. Without the prior written consent of the Company's Chief Executive Officer, you will not engage in other employment or in any activities that could interfere with the performance of your duties or your availability to perform such duties or that will adversely affect, or negatively reflect upon, the Company or that would be detrimental to the interests of the Company.

2. Compensation and Benefits.

a) Salary. The Company agrees to pay you an annual salary of $365,000 ("**Base Salary**"), less all required deductions and withholdings, payable as earned in accordance with the Company's customary payroll practices.

b) Performance Bonus. You will be eligible to earn an annual performance bonus of up to 35% of your Base Salary, based on achievement of performance targets established by the Company. The amount of any such bonus will be determined in the sole discretion of the Company. You must be employed with the Company on the date such bonus is paid in order to be eligible for any bonus payment. Such bonus will be pro-rated for any partial year of employment.

c) Sign-On Bonus. The Company agrees to pay you a sign-on bonus of $275,000 in the aggregate, less all required deductions and withholdings (the "Sign-On Bonus"), which Sign-On Bonus shall be payable in two tranches and subject to the following terms:

The initial tranche of the Sign-On bonus shall be for $137,500, less all required deductions and withholdings, and shall be payable upon your first payroll in accordance with the Company's customary payroll practices.

The final tranche of the Sign-On Bonus shall be the remaining sum of $137,500, less all required deductions and withholdings, and shall be payable within 45 days of the six (6) month anniversary of your start date in accordance with the Company's customary payroll practices.

To receive the final tranche of the Sign-On bonus, you must be employed with the Company on the six (6) month anniversary of your start date. You agree to repay (i) the full amount of your Sign-On Bonus to the Company if you voluntarily terminate your employment prior to the twelve (12) month anniversary of your start date and (ii) 50% of your Sign-On Bonus to the Company if you voluntarily terminate your employment on or after the twelve (12) month anniversary of your start date and prior to the twenty-four (24) month anniversary of your start date.

d) Stock Options. Subject to approval of the Company's Board of Directors (the "Board"), you will receive an option to purchase 683,800 shares of the Company's common stock (the "Option") pursuant to the Company's 2015 Stock Incentive Plan. The per share exercise price of the Option will be equal to the per share fair market value of the Company's common stock on the date of grant, as determined by the Board. The Option will be contingent upon you executing the Company's standard stock option agreement. So long as you continue in service with the Company, the Option will vest and become exercisable with respect to 25% of the shares subject to the Option on the one-year anniversary of your start date, and with respect to the balance, in thirty-six (36) equal monthly installments upon your completion of each additional month of service thereafter.

e) Benefits. You will be eligible to participate in regular health insurance, vacation, and other employee benefit plans established by the Company for its employees from time to time on substantially the same terms as are made available to employees of the Company generally, provided you are eligible under (and subject to all provisions of) the plan documents governing those plans. You will be eligible to participate in retention, change in control or similar plans or programs (if any), as are made available to similarly situated executives of the Company, provided you are eligible under (and subject to all provisions of) the terms governing those plans or programs.

f) Commuting and Lodging Expenses. The Company will provide reimbursement for reasonable travel and lodging expense of up to $6,000 per month (for up to two years from your start date) related to your travel back and forth from San Diego, California to the San Francisco Bay Area to provide services under this Agreement, upon submission of proper vouchers and documentation in accordance with the Company's expense reimbursement policy ("**Commuting Expenses**"). If you choose to relocate permanently (a "**Permanent Relocation**"), the Company will make a lump sum payment to you to cover Reasonable Moving Expenses (as defined below) of up to a maximum of $60,000 (the "Relocation Reimbursement"); provided, however, that if you are terminated for Cause (as defined below) or resign other than for Good Reason (as defined below) within

six (6) months of such Relocation Reimbursement, you shall repay to the Company such Relocation Reimbursement. The Relocation Reimbursement shall be paid within thirty (30) days after you have submitted to the Company such documentation supporting such reimbursement as is required under the Company's generally applicable policies regarding same. Following any Permanent Relocation, you shall no longer be eligible for reimbursement of any Commuting Expenses. For purposes of this Agreement, "**Reasonable Moving Expenses**" shall mean your actual out of pocket expenses (but not, for the avoidance of doubt, any loss on sale, real estate-related taxes or attorneys' fees) related to (A) the disposition of your then current principal residence, (B) relocation of your principal residence to a location within seventy-five (75) miles of your then current principal place of work for the Company, (C) house-hunting trips related to such relocation and (D) other moving expenses incurred to relocate your household goods, furnishings, and personal belongings from your then current residence to your new residence.

g) Other Expenses. The Company will reimburse you for all reasonable and necessary expenses incurred by you in connection with the Company's business, in accordance with any applicable policy established by the Company from time to time.

3. At-Will Employment. You will be an "at-will" employee of the Company, which means that the employment relationship can be terminated by either you or the Company for any reason, at any time, with or without prior notice and with or without cause. Any statements or representations to the contrary should be regarded by you as ineffective. Any modification or change in the at-will employment status may only occur by way of a written agreement signed by you and the Company's Chief Executive Officer.

4. Severance.

a) Severance. Except in situations where your employment is terminated (1) by the Company for Cause (as defined below) or as a result of your death or Disability (as defined below), or (2) by you other than for Good Reason (as defined below), you will be eligible to receive the following severance benefits (collectively, the "**Severance Benefits**"):

(i) An amount equal to six (6) months of your then-current Base Salary, less standard withholdings for tax and social security purposes, payable in six (6) equal monthly installments commencing within seventy (70) days following the date of termination of employment on the first payroll date following the date the Release (as defined below) becomes irrevocable (with the first payment including any installments that otherwise would have been paid between the date of termination and the date of such first installment); provided, however, that if the seventy (70) day period described above spans calendar years, the payments will commence in the second calendar year.

(ii) Subject to your timely election under COBRA, payment of your

COBRA premiums for six (6) months following the date of the termination of your employment (not to exceed the applicable continuation period) or, if earlier, until such time as you become eligible for similar coverage through another employer. You will thereafter be responsible for the payment of COBRA premiums (including, without limitation, all administrative expenses) for any remaining COBRA period. Notwithstanding the foregoing, in the event that the Company determines, in its sole discretion, that the Company may be subject to a tax or penalty pursuant to Section 4980D of the Internal Revenue Code of 1986, as amended (the "Code") as a result of providing some or all of the payments described in this section, the Company may reduce or eliminate its obligations under this section to the· extent it deems necessary, with no offset or other consideration required.

(iii) If such termination of employment occurs within twelve months following a Liquidation (as defined in the Company's Amended and Restated Certificate of Incorporation, as amended, modified or restated from time to time), the vesting of all unvested restricted stock, options or other equity incentive awards then held by you shall be accelerated such that all such restricted stock, options or other equity awards shall be deemed vested in full.

b) Eligibility. Your eligibility for the Severance Benefits is conditioned on you having first signed a release agreement in the form attached as Exhibit B (the "**Release**") and such Release becoming effective pursuant to its terms no later than sixty (60) days following the date of termination of your employment (the "**Release Deadline**"). If the Release does not become effective and irrevocable by the Release Deadline, you forfeit any rights to the Severance Benefits described in this Section 4. ln no event will any Severance Benefits be paid under this Section 4 until the Release becomes effective and irrevocable and the Severance Benefits will commence or be provided once the Release becomes effective and irrevocable. You agree that the Company shall have a right of offset against all severance payments for amounts owed to the Company by you (unless the amounts owed are subject to a good faith dispute) to the fullest extent not prohibited by law. The Severance Benefits shall be in lieu of any other severance payments, severance benefits and severance protections to which you may be entitled under any severance or termination policy, plan, program, practice or arrangement of the Company and its affiliates. Except as specifically provided in this Section 4 or in another section of this letter agreement, or except as required by law, all benefits provided by the Company to you under this letter agreement or otherwise shall cease as of the date of termination of your employment. You shall not be entitled to any Severance Benefits if your employment is terminated (1) by the Company for Cause or as a result of your death or Disability, or (2) by you other than for Good Reason.

c) Certain Tax Provisions. It is intended that the terms of this offer of employment comply with Section 409A of the Code, and related Treasury regulations

("Section 409 A") or an exemption therefrom, and the terms of this offer of employment will be interpreted accordingly; provided, however, that the Company, its affiliates, and their respective employees, officers, directors, agents and representatives (including, without limitation, legal counsel) will not have any liability to you with respect to any taxes, penalties, interest or other costs or expenses you or any related party may incur with respect to or as a result of Section 409A or for damages for failing to comply with Section 409A. Notwithstanding any provision to the contrary in this offer of employment, with respect to any amounts under this offer of employment that are determined to be deferred compensation for purposes of Section 409A and payable as a result of the your termination of employment, you shall not be deemed to have terminated employment unless and until you have experienced a "separation from service" (as that term is used in Section 409A). Payments pursuant to this offer of employment are intended to constitute separate payments for purposes of Treasury Regulation Section l.409A-2(b)(2)(i) and payments of continued salary pursuant to Section 4(a)(i) are intended to constitute a series of separate payments for purposes of Treasury Regulation Section l.409A-2(b)(2)(iii). Any reimbursements or in-kind benefits provided to you or for your benefit that constitute deferred compensation for purposes of Section 409 A shall be provided in a manner that complies with Treasury Regulation Section l.409A-3(i)(v). Accordingly, (i) all such reimbursements will be made not later than the last day of the calendar year after the calendar year in which the expenses were incurred, (ii) any right to such reimbursements or in-kind benefits will not be subject to liquidation or exchange for another benefit, and (iii) the amount of the expenses eligible for reimbursement, or the amount of any in-kind benefit provided, during any taxable year will not affect the amount of expenses eligible for reimbursement, or the in-kind benefits provided, in any other taxable year.

d) Certain Definitions. For purposes of this letter agreement:

(i) "**Cause**" shall mean: (A) performance of any act or failure to perform any act in bad faith and to the detriment of the Company or its affiliates, including, but not limited to, misappropriation of trade secrets, fraud or embezzlement; (B) material breach of any agreement with the Company or its affiliates; (C) commission of a crime involving dishonesty, breach of trust, or physical or emotional harm to any person, (D) your willful refusal to implement or follow a lawful policy or directive of the Company or its affiliates; or (E) your engagement in misfeasance or malfeasance demonstrated by a pattern of failure to perform job duties diligently and professionally.

(ii) "**Disability**" means disability as defined under the long-term disability policy of the Company regardless of whether you are covered by such policy. lf the Company does not have a long-term disability plan in place, "Disability" means that, in the sole opinion of the Company, you are unable to carry out the responsibilities and functions of the position you hold by reason of any medically determinable physical or mental impairment for a period of not less than ninety (90) consecutive days or more than one hundred and twenty days (120) in any twelve-month period.

(iii) "**Good Reason**" means any of the following events if (A) such event is affected without your consent, (B) you provide written notice to the Company that such event constitutes Good Reason within thirty (30) days of the occurrence thereof, (C) you provide the Company with a period of twenty (20) days to cure such event, and (D) the Company fails to cure such event within that period: (1) a change in your position with the Company which materially and substantially reduces your level of responsibility or duties; provided, however, that if the Company is being acquired and made part of a larger entity, a change in your position shall not constitute Good Reason if such change does not result in a material and substantial reduction in your level of responsibility or duties with respect to the Company's business operations (whether as a subsidiary, business unit, division or otherwise of the acquirer) following such acquisition; (2) a material reduction in your Base Salary, except for reductions that are comparable to reductions generally applicable to similarly situated executives of the Company; or (3) a relocation of your principal place of employment by more than seventy five (75) miles from the Company' s current headquarters.

5. **Representations and Warranties.** You hereby represent and warrant as follows:

a) Neither your execution and delivery of this letter agreement nor the performance of your duties and other obligations hereunder violate or will violate any statute or law or conflict with or constitute a default or breach of any covenant or obligation, including without limitation any non-competition restrictions, under any prior employment agreement, contract, or other instrument to which you are a party or by which you are bound (whether immediately, upon the giving of notice or lapse of time or both).

b) You have the full right, power and legal capacity to enter and deliver this letter agreement and to perform your duties and other obligations hereunder. This letter agreement constitutes the legal, valid and binding obligation of you enforceable against you in accordance with its terms. No approvals or consents of any persons or entities are required for you to execute and deliver this letter agreement or perform your duties and other obligations hereunder.

6. **Conditions to Employment**. This offer of employment is contingent upon, and your employment shall be subject to you:

a) Executing the Company's form of Employee Proprietary Information and Invention Assignment Agreement attached hereto as Exhibit A, which, among other things, prohibits unauthorized use or disclosure of the Company's proprietary information;

b) Satisfying the requirements of the Immigration Control and Reform Act of 1986, which may be accomplished by showing your proof of right to work in the U.S. within three days of commencing employment (e.g., an original driver's license and social security card, or a passport).

c) Satisfactorily completing a background check investigation.

d) Notwithstanding anything to the contrary, this offer may be withdrawn by the Company at any time by the Company's Chief Executive Officer prior to the execution of this letter agreement by you.

Please indicate your acceptance to the foregoing terms by signing this letter agreement where indicated below and returning it to me not later than May 23, 2018. This letter agreement sets forth our entire agreement and understanding regarding the terms of your employment with the Company and supersedes any prior representations or agreements, whether written or oral. This letter agreement may not be modified in any way except in a writing signed by an officer of the Company and you.

We look forward to you accepting our offer and becoming part of the Company's team.

Best regards,

Adicet Bio, Inc.

By: /s/ Carrie Krehlik
Name: Carrie Krehlik
Title: SVP and Chief Human Resource Officer

AGREED TO AND ACCEPTED BY:

By: /s/ Stewart E. Abbot
Name: Stewart E. Abbot

Date: May 23, 2018

EXHIBIT A

EMPLOYEE PROPRIETARY INFORMATION AND INVENTIONS ASSIGNMENT AGREEMENT

Exhibit 10.26

AMENDMENT TO
OFFER LETTER

This **AMENDMENT TO OFFER LETTER** (this "**Amendment**") is made as of June 18, 2020 by and between Adicet Bio, Inc., a Delaware corporation (the "**Company**"), and Stewart Abbot ("**Executive**").

RECITALS

WHEREAS, the Company and Executive are parties to that certain Offer Letter, dated as of May 17, 2018, by and between the Company and Executive, as amended, modified or restated from time to time (the "**Offer Letter**"), and believe that it is in the best interests of the parties to amend the Offer Letter as provided herein.

NOW THEREFORE, in consideration of the foregoing recitals and the mutual agreements contained herein, the Company and Executive, intending to be legally bound hereby, agree as follows:

1.1 Definitions; Construction. Capitalized terms not otherwise defined herein shall have the meanings set forth in the Offer Letter. Any direct or indirect references in the Offer Letter to "this letter agreement" shall be deemed to be references to the Offer Letter as amended hereby.

1.2 Amendment to Section 2.f. The first sentence of Section 2.f. of the Offer Letter shall be amended by deleting such sentence in its entirety and replacing it with the following:

"**f. Commuting and Lodging Expenses; Relocation Reimbursement**. The Company will provide a fully taxable reimbursement for reasonable travel and lodging expense of up to $6,000 per month (for up to three years from your start date), less all required deductions and withholdings, related to your travel back and forth from San Diego, California to the San Francisco Bay Area to provide services under this letter agreement, upon submission of proper vouchers and documentation in accordance with the Company's expense reimbursement policy ("**Commuting Expenses**")."

1.3 Miscellaneous. Except as specifically set forth herein, all of the terms and provisions of the Offer Letter shall remain unchanged, unmodified and in full force and effect, and the Offer Letter shall be read together and construed with this Amendment. This Amendment may be executed in any number of counterparts, all of which taken together shall constitute one and the same amendatory instrument and any of the parties hereto may execute this Amendment by signing one counterpart. Any signature page delivered by facsimile or e-mail transmission of images in Adobe PDF or similar format shall be binding to the same extent as an original signature page, with regard to any agreement subject to the terms hereof or any amendment thereto. This Amendment, together with the Offer Letter as amended hereby and the documents referred to therein, shall supersede and replace any prior agreement between the Company and Executive relating to the subject matter hereof. This Amendment is to be construed in accordance with and governed by the internal laws of the State of California without giving effect to any choice of law rule that would cause the application of the laws of any

jurisdiction other than the internal laws of the State of California to the rights and duties of the parties. The parties hereby irrevocably and unconditionally (i) submit to the jurisdiction of the federal and state courts located within the geographical boundaries 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 Amendment, (ii) agree not to commence any suit, action or other proceeding arising out of or based upon this Amendment except in the federal and state courts located within the geographical boundaries of the United States District Court for the Northern District of California, and (iii) 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 Amendment or the subject matter hereof may not be enforced in or by such court.

[*Remainder of Page Intentionally Left Blank*]

IN WITNESS WHEREOF, the parties have executed this Amendment as of the date first above written.

COMPANY:

ADICET BIO, INC.

By: /s/ Carrie Krehlik
Name: Carrie Krehlik
Title: SVP and Chief HR Officer

EXECUTIVE:

STEWART ABBOT

By: /s/ Stewart Abbot
Name: Stewart Abbot

SIGNATURE PAGE TO AMENDMENT TO
OFFER LETTER

ADICET BIO, INC.

2015 STOCK INCENTIVE PLAN

1. Purposes of the Plan. The purposes of this Plan are to attract and retain the best available personnel, to provide additional incentives to Employees, Directors and Consultants and to promote the success of the Company's business.

2. Definitions. The following definitions shall apply as used herein and in the individual Award Agreements except as defined otherwise in an individual Award Agreement. In the event a term is separately defined in an individual Award Agreement, such definition shall supersede the definition contained in this Section 2.

(a) "Administrator" means the Board or any of the Committees appointed to administer the Plan.

(b) "Applicable Laws" means the legal requirements relating to the Plan and the Awards under applicable provisions of federal and state securities laws, the corporate laws of California and, to the extent other than California, the corporate law of the state of the Company's incorporation, the Code, the rules of any applicable stock exchange or national market system, and the rules of any non-U.S. jurisdiction applicable to Awards granted to residents therein.

(c) "Assumed" means that pursuant to a Corporate Transaction either (i) the Award is expressly affirmed by the Company or (ii) the contractual obligations represented by the Award are expressly assumed (and not simply by operation of law) by the successor entity or its Parent in connection with the Corporate Transaction with appropriate adjustments to the number and type of securities of the successor entity or its Parent subject to the Award and the exercise or purchase price thereof which at least preserves the compensation element of the Award existing at the time of the Corporate Transaction as determined in accordance with the instruments evidencing the agreement to assume the Award.

(d) "Award" means the grant of an Option, SAR, Dividend Equivalent Right, Restricted Stock, Restricted Stock Unit or other right or benefit under the Plan.

(e) "Award Agreement" means the written agreement evidencing the grant of an Award executed by the Company and the Grantee, including any amendments thereto.

(f) "Board" means the Board of Directors of the Company.

(g) "Cause" means, with respect to the termination by the Company or a Related Entity of the Grantee's Continuous Service, that such termination is for "Cause" as such term (or word of like import) is expressly defined in a then-effective written agreement between the Grantee and the Company or such Related Entity, or in the absence of such then-effective written agreement and definition, is based on, in the determination of the Administrator, the Grantee's: (i) performance of any act or failure to perform any act in bad faith and to the detriment of the Company or a Related Entity; (ii) dishonesty, intentional misconduct or material breach of any agreement with the Company or a Related Entity; or (iii) commission of a crime

involving dishonesty, breach of trust, or physical or emotional harm to any person; provided, however, that with regard to any agreement that defines "Cause" on the occurrence of or in connection with a Corporate Transaction, such definition of "Cause" shall not apply until a Corporate Transaction actually occurs.

(h) "Code" means the Internal Revenue Code of 1986, as amended.

(i) "Committee" means any committee composed of members of the Board appointed by the Board to administer the Plan.

(j) "Common Stock" means the common stock of the Company.

(k) "Company" means Adicet Bio, Inc., a Delaware corporation, or any successor entity that adopts the Plan in connection with a Corporate Transaction.

(l) "Consultant" means any person (other than an Employee or a Director, solely with respect to rendering services in such person's capacity as a Director) who is engaged by the Company or any Related Entity to render consulting or advisory services to the Company or such Related Entity.

(m) "Continuous Service" means that the provision of services to the Company or a Related Entity in any capacity of Employee, Director or Consultant is not interrupted or terminated. In jurisdictions requiring notice in advance of an effective termination as an Employee, Director or Consultant, Continuous Service shall be deemed terminated upon the actual cessation of providing services to the Company or a Related Entity notwithstanding any required notice period that must be fulfilled before a termination as an Employee, Director or Consultant can be effective under Applicable Laws. A Grantee's Continuous Service shall be deemed to have terminated either upon an actual termination of Continuous Service or upon the entity for which the Grantee provides services ceasing to be a Related Entity. Continuous Service shall not be considered interrupted in the case of (i) any approved leave of absence, (ii) transfers among the Company, any Related Entity, or any successor, in any capacity of Employee, Director or Consultant, or (iii) any change in status as long as the individual remains in the service of the Company or a Related Entity in any capacity of Employee, Director or Consultant (except as otherwise provided in the Award Agreement). Notwithstanding the foregoing, except as otherwise determined by the Administrator, in the event of any spin-off of a Related Entity, service as an Employee, Director or Consultant for such Related Entity following such spin-off shall be deemed to be Continuous Service for purposes of the Plan and any Award under the Plan. An approved leave of absence shall include sick leave, military leave, or any other authorized personal leave. For purposes of each Incentive Stock Option granted under the Plan, if such leave exceeds three (3) months, and reemployment upon expiration of such leave is not guaranteed by statute or contract, then the Incentive Stock Option shall be treated as a Non-Qualified Stock Option on the day three (3) months and one (1) day following the expiration of such three (3) month period.

(n) "Corporate Transaction" means any of the following transactions, provided, however, that the Administrator shall determine under parts (iv) and (v) whether multiple transactions are related, and its determination shall be final, binding and conclusive:

(i) a merger or consolidation in which the Company is not the surviving entity, except for a transaction the principal purpose of which is to change the state in which the Company is incorporated;

(ii) the sale, transfer or other disposition of all or substantially all of the assets of the Company;

(iii) the complete liquidation or dissolution of the Company;

(iv) any reverse merger or series of related transactions culminating in a reverse merger (including, but not limited to, a tender offer followed by a reverse merger) in which the Company is the surviving entity but (A) the shares of Common Stock outstanding immediately prior to such merger are converted or exchanged by virtue of the merger into other property, whether in the form of securities, cash or otherwise, or (B) in which securities possessing more than fifty percent (50%) of the total combined voting power of the Company's outstanding securities are transferred to a person or persons different from those who held such securities immediately prior to such merger or the initial transaction culminating in such merger, but excluding any such transaction or series of related transactions that the Administrator determines shall not be a Corporate Transaction; or

(v) acquisition in a single or series of related transactions by any person or related group of persons (other than the Company or by a Company-sponsored employee benefit plan) of beneficial ownership (within the meaning of Rule 13d-3 of the Exchange Act) of securities possessing more than fifty percent (50%) of the total combined voting power of the Company's outstanding securities but excluding any such transaction or series of related transactions that the Administrator determines shall not be a Corporate Transaction.

(o) "Covered Employee" means an Employee who is a "covered employee" under Section 162(m)(3) of the Code.

(p) "Director" means a member of the Board or the board of directors of any Related Entity.

(q) "Disability" means as defined under the long-term disability policy of the Company or the Related Entity to which the Grantee provides services regardless of whether the Grantee is covered by such policy. If the Company or the Related Entity to which the Grantee provides service does not have a long-term disability plan in place, "Disability" means that a Grantee is unable to carry out the responsibilities and functions of the position held by the Grantee by reason of any medically determinable physical or mental impairment for a period of not less than ninety (90) consecutive days. A Grantee will not be considered to have incurred a Disability unless he or she furnishes proof of such impairment sufficient to satisfy the Administrator in its discretion.

(r) "Dividend Equivalent Right" means a right entitling the Grantee to compensation measured by dividends paid with respect to Common Stock.

(s) "Employee" means any person, including an Officer or Director, who is in the employ of the Company or any Related Entity, subject to the control and direction of the Company or any Related Entity as to both the work to be performed and the manner and method of performance. The payment of a director's fee by the Company or a Related Entity shall not be sufficient to constitute "employment" by the Company.

(t) "Exchange Act" means the Securities Exchange Act of 1934, as amended.

(u) "Fair Market Value" means, as of any date, the value of Common Stock determined as follows:

(i) If the Common Stock is listed on one or more established stock exchanges or national market systems, including without limitation The NASDAQ Global Select Market, The NASDAQ Global Market or The NASDAQ Capital Market of The NASDAQ Stock Market LLC, its Fair Market Value shall be the closing sales price for such stock (or the closing bid, if no sales were reported) as quoted on the principal exchange or system on which the Common Stock is listed (as determined by the Administrator) on the date of determination (or, if no closing sales price or closing bid was reported on that date, as applicable, on the last trading date such closing sales price or closing bid was reported), as reported in The Wall Street Journal or such other source as the Administrator deems reliable;

(ii) If the Common Stock is regularly quoted on an automated quotation system (including the OTC Bulletin Board) or by a recognized securities dealer, its Fair Market Value shall be the closing sales price for such stock as quoted on such system or by such securities dealer on the date of determination, but if selling prices are not reported, the Fair Market Value of a share of Common Stock shall be the mean between the high bid and low asked prices for the Common Stock on the date of determination (or, if no such prices were reported on that date, on the last date such prices were reported), as reported in The Wall Street Journal or such other source as the Administrator deems reliable; or

(iii) In the absence of an established market for the Common Stock of the type described in (i) and (ii), above, the Fair Market Value thereof shall be determined by the Administrator in good faith and in a manner consistent with Applicable Laws.

(v) "Grantee" means an Employee, Director or Consultant who receives an Award under the Plan.

(w) "Immediate Family" means any child, stepchild, grandchild, parent, stepparent, grandparent, spouse, former spouse, 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 Grantee's household (other than a tenant or employee), a trust in which these persons (or the Grantee) have more than fifty percent (50%) of the beneficial interest, a foundation in which these persons (or the Grantee) control the management of assets, and any other entity in which these persons (or the Grantee) own more than fifty percent (50%) of the voting interests.

(x) "Incentive Stock Option" means an Option intended to qualify as an incentive stock option within the meaning of Section 422 of the Code.

(y) "Non-Qualified Stock Option" means an Option not intended to qualify as an Incentive Stock Option.

(z) "Officer" means a person who is an officer of the Company or a Related Entity within the meaning of Section 16 of the Exchange Act and the rules and regulations promulgated thereunder.

(aa) "Option" means an option to purchase Shares pursuant to an Award Agreement granted under the Plan.

(bb) "Parent" means a "parent corporation", whether now or hereafter existing, as defined in Section 424(e) of the Code.

(cc) "Performance-Based Compensation" means compensation qualifying as "performance-based compensation" under Section 162(m) of the Code.

(dd) "Plan" means this 2015 Stock Incentive Plan.

(ee) "Post-Termination Exercise Period" means the period specified in the Award Agreement of not less than thirty (30) days commencing on the date of termination (other than termination by the Company or any Related Entity for Cause) of the Grantee's Continuous Service, or such longer period as may be applicable upon death or Disability.

(ff) "Registration Date" means the first to occur of: (i) the closing of the first sale to the general public pursuant to a registration statement filed with and declared effective by the Securities and Exchange Commission under the Securities Act of 1933, as amended, of (A) the Common Stock or (B) the same class of securities of a successor corporation (or its Parent) issued pursuant to a Corporate Transaction in exchange for or in substitution of the Common Stock; or (ii) in the event of a Corporate Transaction, the date of the consummation of the Corporate Transaction if the same class of securities of the successor corporation (or its Parent) issuable in such Corporate Transaction shall have been sold to the general public pursuant to a registration statement filed with and declared effective by the Securities and Exchange Commission under the Securities Act of 1933, as amended, on or prior to the date of consummation of such Corporate Transaction.

(gg) "Related Entity" means any Parent or Subsidiary of the Company.

(hh) "Replaced" means that pursuant to a Corporate Transaction the Award is replaced with a comparable stock award or a cash incentive program of the Company, the successor entity (if applicable) or Parent of either of them which preserves the compensation element of such Award existing at the time of the Corporate Transaction and provides for subsequent payout in accordance with the same (or a more favorable) vesting schedule applicable to such Award. The determination of Award comparability shall be made by the Administrator and its determination shall be final, binding and conclusive.

(ii) "Restricted Stock" means Shares issued under the Plan to the Grantee for such consideration, if any, and subject to such restrictions on transfer, rights of first refusal, repurchase provisions, forfeiture provisions, and other terms and conditions as established by the Administrator.

(jj) "Restricted Stock Units" means an Award which may be earned in whole or in part upon the passage of time or the attainment of performance criteria established by the Administrator and which may be settled for cash, Shares or other securities or a combination of cash, Shares or other securities as established by the Administrator.

(kk) "Rule 16b-3" means Rule 16b-3 promulgated under the Exchange Act or any successor thereto.

(ll) "SAR" means a stock appreciation right entitling the Grantee to Shares or cash compensation, as established by the Administrator, measured by appreciation in the value of Common Stock.

(mm) "Share" means a share of the Common Stock.

(nn) "Subsidiary" means a "subsidiary corporation", whether now or hereafter existing, as defined in Section 424(f) of the Code.

3. Stock Subject to the Plan.

(a) Subject to the provisions of Section 10 below, the maximum aggregate number of Shares which may be issued pursuant to all Awards (including Incentive Stock Options) is 21,594,044 Shares. The Shares may be authorized, but unissued, or reacquired Common Stock.

(b) Any Shares covered by an Award (or portion of an Award) which is forfeited, canceled or expires (whether voluntarily or involuntarily) shall be deemed not to have been issued for purposes of determining the maximum aggregate number of Shares which may be issued under the Plan. Shares that actually have been issued under the Plan pursuant to an Award shall not be returned to the Plan and shall not become available for future issuance under the Plan, except that if unvested Shares are forfeited or repurchased by the Company, such Shares shall become available for future grant under the Plan. To the extent not prohibited by the listing requirements of The NASDAQ Stock Market LLC (or other established stock exchange or national market system on which the Common Stock is traded) or Applicable Laws, any Shares covered by an Award which are surrendered: (i) in payment of the Award exercise or purchase price (including pursuant to the "net exercise" of an option pursuant to Section 7(b)(vi)); or (ii) in satisfaction of tax withholding obligations incident to the exercise of an Award shall be deemed not to have been issued for purposes of determining the maximum number of Shares which may be issued pursuant to all Awards under the Plan, unless otherwise determined by the Administrator.

4. Administration of the Plan.

(a) Plan Administrator.

(i) Administration with Respect to Directors and Officers. Prior to the Registration Date, with respect to grants of Awards to Directors or Employees who are also Officers or Directors of the Company, the Plan shall be administered by (A) the Board or (B) a Committee designated by the Board, which Committee shall be constituted in such a manner as to satisfy the Applicable Laws. On or after the Registration Date, with respect to grants of Awards to Directors or Employees who are also Officers or Directors of the Company, the Plan shall be administered by (A) the Board or (B) a Committee designated by the Board, which Committee shall be constituted in such a manner as to satisfy the Applicable Laws and to permit such grants and related transactions under the Plan to be exempt from Section 16(b) of the Exchange Act in accordance with Rule 16b-3. Once appointed, such Committee shall continue to serve in its designated capacity until otherwise directed by the Board.

(ii) Administration With Respect to Consultants and Other Employees. With respect to grants of Awards to Employees or Consultants who are neither Directors nor Officers of the Company, the Plan shall be administered by (A) the Board or (B) a Committee designated by the Board, which Committee shall be constituted in such a manner as to satisfy the Applicable Laws. Once appointed, such Committee shall continue to serve in its designated capacity until otherwise directed by the Board.

(iii) Administration With Respect to Covered Employees. Notwithstanding the foregoing, as of and after the date that the exemption for the Plan under Section 162(m) of the Code expires, as set forth in Section 19 below, grants of Awards to any Covered Employee intended to qualify as Performance-Based Compensation shall be made only by a Committee (or subcommittee of a Committee) which is comprised solely of two or more Directors eligible to serve on a committee making Awards qualifying as Performance-Based Compensation. In the case of such Awards granted to Covered Employees, references to the “Administrator” or to a “Committee” shall be deemed to be references to such Committee or subcommittee.

(b) Multiple Administrative Bodies. The Plan may be administered by different bodies with respect to Directors, Officers, Consultants, and Employees who are neither Directors nor Officers.

(c) Powers of the Administrator. Subject to Applicable Laws and the provisions of the Plan (including any other powers given to the Administrator hereunder), and except as otherwise provided by the Board, the Administrator shall have the authority, in its discretion:

(i) to select the Employees, Directors and Consultants to whom Awards may be granted from time to time hereunder;

(ii) to determine whether and to what extent Awards are granted hereunder;

(iii) to determine the number of Shares or the amount of other consideration to be covered by each Award granted hereunder;

(iv) to approve forms of Award Agreements for use under the Plan;

(v) to determine the terms and conditions of any Award granted hereunder;

(vi) to establish additional terms, conditions, rules or procedures to accommodate the rules or laws of applicable non-U.S. jurisdictions and to afford Grantees favorable treatment under such rules or laws; provided, however, that no Award shall be granted under any such additional terms, conditions, rules or procedures with terms or conditions which are inconsistent with the provisions of the Plan;

(vii) to amend the terms of any outstanding Award granted under the Plan, provided that any amendment that would adversely affect the Grantee's rights under an outstanding Award shall not be made without the Grantee's written consent, provided, however, that an amendment or modification that may cause an Incentive Stock Option to become a Non-Qualified Stock Option shall not be treated as adversely affecting the rights of the Grantee. Notwithstanding the foregoing, (A) the reduction or increase of the exercise price of any Option awarded under the Plan and the base appreciation amount of any SAR awarded under the Plan and (B) canceling an Option or SAR at a time when its exercise price or base appreciation amount (as applicable) exceeds the Fair Market Value of the underlying Shares, in exchange for another Option, SAR, Restricted Stock, or other Award or for cash, in each case, shall not be subject to stockholder approval;

(viii) to construe and interpret the terms of the Plan and Awards, including without limitation, any notice of award or Award Agreement, granted pursuant to the Plan; and

(ix) to take such other action, not inconsistent with the terms of the Plan, as the Administrator deems appropriate.

The express grant in the Plan of any specific power to the Administrator shall not be construed as limiting any power or authority of the Administrator; provided that the Administrator may not exercise any right or power reserved to the Board. Any decision made, or action taken, by the Administrator or in connection with the administration of this Plan shall be final, conclusive and binding on all persons having an interest in the Plan.

(d) Indemnification. In addition to such other rights of indemnification as they may have as members of the Board or as Officers or Employees of the Company or a Related Entity, members of the Board and any Officers or Employees of the Company or a Related Entity to whom authority to act for the Board, the Administrator or the Company is delegated shall be defended and indemnified by the Company to the extent permitted by law on an after-tax basis against all reasonable expenses, including attorneys' fees, actually and necessarily incurred in connection with the defense of any claim, investigation, action, suit or proceeding, or in connection with any appeal therein, to which they or any of them may be a party by reason of any action taken or failure to act under or in connection with the Plan, or any Award granted

hereunder, and against all amounts paid by them in settlement thereof (provided such settlement is approved by the Company) or paid by them in satisfaction of a judgment in any such claim, investigation, action, suit or proceeding, except in relation to matters as to which it shall be adjudged in such claim, investigation, action, suit or proceeding that such person is liable for gross negligence, bad faith or intentional misconduct; provided, however, that within thirty (30) days after the institution of such claim, investigation, action, suit or proceeding, such person shall offer to the Company, in writing, the opportunity at the Company's expense to defend the same.

5. Eligibility. Awards other than Incentive Stock Options may be granted to Employees, Directors and Consultants. Incentive Stock Options may be granted only to Employees of the Company or a Parent or a Subsidiary of the Company. An Employee, Director or Consultant who has been granted an Award may, if otherwise eligible, be granted additional Awards. Awards may be granted to such Employees, Directors or Consultants who are residing in non-U.S. jurisdictions as the Administrator may determine from time to time.

6. Terms and Conditions of Awards.

(a) Types of Awards. The Administrator is authorized under the Plan to award any type of arrangement to an Employee, Director or Consultant that is not inconsistent with the provisions of the Plan and that by its terms involves or might involve the issuance of (i) Shares, (ii) cash or (iii) an Option, a SAR, or similar right with a fixed or variable price related to the Fair Market Value of the Shares and with an exercise or conversion privilege related to the passage of time, the occurrence of one or more events, or the satisfaction of performance criteria or other conditions. Such awards include, without limitation, Options, SARs, sales or bonuses of Restricted Stock, Restricted Stock Units or Dividend Equivalent Rights, and an Award may consist of one such security or benefit, or two (2) or more of them in any combination or alternative.

(b) Designation of Award. Each Award shall be designated in the Award Agreement. In the case of an Option, the Option shall be designated as either an Incentive Stock Option or a Non-Qualified Stock Option. However, notwithstanding such designation, an Option will qualify as an Incentive Stock Option under the Code only to the extent the $100,000 limitation of Section 422(d) of the Code is not exceeded. The $100,000 limitation of Section 422(d) of the Code is calculated based on the aggregate Fair Market Value of the Shares subject to Options designated as Incentive Stock Options which become exercisable for the first time by a Grantee during any calendar year (under all plans of the Company or any Parent or Subsidiary of the Company). For purposes of this calculation, Incentive Stock Options shall be taken into account in the order in which they were granted, and the Fair Market Value of the Shares shall be determined as of the grant date of the relevant Option. In the event that the Code or the regulations promulgated thereunder are amended after the date the Plan becomes effective to provide for a different limit on the Fair Market Value of Shares permitted to be subject to Incentive Stock Options, then such different limit will be automatically incorporated herein and will apply to any Options granted after the effective date of such amendment.

(c) Conditions of Award. Subject to the terms of the Plan, the Administrator shall determine the provisions, terms, and conditions of each Award including, but not limited to,

the Award vesting schedule, repurchase provisions, rights of first refusal, forfeiture provisions, form of payment (cash, Shares, or other consideration) upon settlement of the Award, payment contingencies, and satisfaction of any performance criteria. The performance criteria established by the Administrator may be based on any one of, or combination of, increase in share price, earnings per share, total stockholder return, return on equity, return on assets, return on investment, net operating income, cash flow, revenue, economic value added, personal management objectives, or other measure of performance selected by the Administrator. Partial achievement of the specified criteria may result in a payment or vesting corresponding to the degree of achievement as specified in the Award Agreement. In addition, the performance criteria shall be calculated in accordance with generally accepted accounting principles, but excluding the effect (whether positive or negative) of any change in accounting standards and any extraordinary, unusual or nonrecurring item, as determined by the Administrator, occurring after the establishment of the performance criteria applicable to the Award intended to be performance-based compensation. Each such adjustment, if any, shall be made solely for the purpose of providing a consistent basis from period to period for the calculation of performance criteria in order to prevent the dilution or enlargement of the Grantee's rights with respect to an Award intended to be performance-based compensation.

(d) Acquisitions and Other Transactions. The Administrator may issue Awards under the Plan in settlement, assumption or substitution for, outstanding awards or obligations to grant future awards in connection with the Company or a Related Entity acquiring another entity, an interest in another entity or an additional interest in a Related Entity whether by merger, stock purchase, asset purchase or other form of transaction.

(e) Deferral of Award Payment. The Administrator may establish one or more programs under the Plan to permit selected Grantees the opportunity to elect to defer receipt of consideration upon exercise of an Award, satisfaction of performance criteria, or other event that absent the election would entitle the Grantee to payment or receipt of Shares or other consideration under an Award. The Administrator may establish the election procedures, the timing of such elections, the mechanisms for payments of, and accrual of interest or other earnings, if any, on amounts, Shares or other consideration so deferred, and such other terms, conditions, rules and procedures that the Administrator deems advisable for the administration of any such deferral program.

(f) Separate Programs. The Administrator may establish one or more separate programs under the Plan for the purpose of issuing particular forms of Awards to one or more classes of Grantees on such terms and conditions as determined by the Administrator from time to time.

(g) Individual Limitations on Awards.

(i) Individual Option and SAR Limit. Following the date that the exemption from application of Section 162(m) of the Code described in Section 19 (or any exemption having similar effect) ceases to apply to Awards, the maximum number of Shares with respect to which Options and SARs may be granted to any Grantee in any calendar year shall be 4,000,000 Shares. In connection with a Grantee's commencement of Continuous Service, a Grantee may be granted Options and SARs for up to an additional 100,000 Shares

which shall not count against the limit set forth in the previous sentence. The foregoing limitations shall be adjusted proportionately in connection with any change in the Company's capitalization pursuant to Section 10, below. To the extent required by Section 162(m) of the Code or the regulations thereunder, in applying the foregoing limitations with respect to a Grantee, if any Option or SAR is canceled, the canceled Option or SAR shall continue to count against the maximum number of Shares with respect to which Options and SARs may be granted to the Grantee. For this purpose, the repricing of an Option (or in the case of a SAR, the base amount on which the stock appreciation is calculated is reduced to reflect a reduction in the Fair Market Value of the Common Stock) shall be treated as the cancellation of the existing Option or SAR and the grant of a new Option or SAR.

(ii) Individual Limit for Restricted Stock and Restricted Stock Units. Following the date that the exemption from application of Section 162(m) of the Code described in Section 19 (or any exemption having similar effect) ceases to apply to Awards, for awards of Restricted Stock and Restricted Stock Units that are intended to be Performance-Based Compensation, the maximum number of Shares with respect to which such Awards may be granted to any Grantee in any calendar year shall be 4,000,000 Shares. The foregoing limitation shall be adjusted proportionately in connection with any change in the Company's capitalization pursuant to Section 10, below.

(h) Early Exercise. The Award Agreement may, but need not, include a provision whereby the Grantee may elect at any time while an Employee, Director or Consultant to exercise any part or all of the Award prior to full vesting of the Award. Any unvested Shares received pursuant to such exercise may be subject to a repurchase right in favor of the Company or a Related Entity or to any other restriction the Administrator determines to be appropriate.

(i) Term of Award. The term of each Award shall be the term stated in the Award Agreement, provided, however, that the term shall be no more than ten (10) years from the date of grant thereof. However, in the case of an Incentive Stock Option granted to a Grantee who, at the time the Option is granted, owns stock representing more than ten percent (10%) of the voting power of all classes of stock of the Company or any Parent or Subsidiary of the Company, the term of the Incentive Stock Option shall be five (5) years from the date of grant thereof or such shorter term as may be provided in the Award Agreement. Notwithstanding the foregoing, the specified term of any Award shall not include any period for which the Grantee has elected to defer the receipt of the Shares or cash issuable pursuant to the Award.

(j) Transferability of Awards. Incentive Stock 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 Grantee, only by the Grantee. Other Awards shall be transferable (i) by will and by the laws of descent and distribution and (ii) during the lifetime of the Grantee, to the extent and in the manner authorized by the Administrator by gift or pursuant to a domestic relations order to members of the Grantee's Immediate Family. Notwithstanding the foregoing, the Grantee may designate one or more beneficiaries of the Grantee's Award in the event of the Grantee's death on a beneficiary designation form provided by the Administrator.

(k) Time of Granting Awards. The date of grant of an Award shall for all purposes be the date on which the Administrator makes the determination to grant such Award, or such other later date as is determined by the Administrator.

7. Award Exercise or Purchase Price, Consideration and Taxes.

(a) Exercise or Purchase Price. The exercise or purchase price, if any, for an Award shall be as follows:

(i) In the case of an Incentive Stock Option:

(A) granted to an Employee who, at the time of the grant of such Incentive Stock Option owns stock representing more than ten percent (10%) of the voting power of all classes of stock of the Company or any Parent or Subsidiary of the Company, the per Share exercise price shall be not less than one hundred ten percent (110%) of the Fair Market Value per Share on the date of grant; or

(B) granted to any Employee other than an Employee described in the preceding paragraph, the per Share exercise price shall be not less than one hundred percent (100%) of the Fair Market Value per Share on the date of grant.

(ii) In the case of a Non-Qualified Stock Option, the per Share exercise price shall be not less than one hundred percent (100%) of the Fair Market Value per Share on the date of grant.

(iii) In the case of SARs, the base appreciation amount shall not be less than one hundred percent (100%) of the Fair Market Value per Share on the date of grant.

(iv) In the case of Awards intended to qualify as Performance-Based Compensation, the exercise or purchase price, if any, shall be not less than one hundred percent (100%) of the Fair Market Value per Share on the date of grant.

(v) In the case of the sale of Shares, the per Share purchase price, if any, shall be such price as is determined by the Administrator.

(vi) In the case of other Awards, such price as is determined by the Administrator.

(vii) Notwithstanding the foregoing provisions of this Section 7(a), in the case of an Award issued pursuant to Section 6(d), above, the exercise or purchase price for the Award shall be determined in accordance with the provisions of the relevant instrument evidencing the agreement to issue such Award.

(b) Consideration. Subject to Applicable Laws, the consideration to be paid for the Shares to be issued upon exercise or purchase of an Award including the method of payment, shall be determined by the Administrator. In addition to any other types of consideration the Administrator may determine, the Administrator is authorized to accept as consideration for Shares issued under the Plan the following provided that the portion of the

consideration equal to the par value of the Shares must be paid in cash or other legal consideration permitted by the Delaware General Corporation Law:

(i) cash;

(ii) check;

(iii) delivery of Grantee's promissory note with such recourse, interest, security, and redemption provisions as the Administrator determines as appropriate (but only to the extent that the acceptance or terms of the promissory note would not violate an Applicable Law);

(iv) surrender of Shares held for the requisite period, if any, necessary to avoid a charge to the Company's earnings for financial reporting purposes, or delivery of a properly executed form of attestation of ownership of Shares as the Administrator may require which have a Fair Market Value on the date of surrender or attestation equal to the aggregate exercise price of the Shares as to which said Award shall be exercised;

(v) with respect to Options, if the exercise occurs on or after the Registration Date, payment through a broker-dealer sale and remittance procedure pursuant to which the Grantee (A) shall provide written instructions to a Company designated brokerage firm to effect the immediate sale of some or all of the purchased Shares and remit to the Company sufficient funds to cover the aggregate exercise price payable for the purchased Shares and (B) shall provide written directives to the Company to deliver the certificates for the purchased Shares directly to such brokerage firm in order to complete the sale transaction;

(vi) with respect to Options, payment through a "net exercise" such that, without the payment of any funds, the Grantee may exercise the Option and receive the net number of Shares equal to (i) the number of Shares as to which the Option is being exercised, multiplied by (ii) a fraction, the numerator of which is the Fair Market Value per Share (on such date as is determined by the Administrator) less the exercise price per Share, and the denominator of which is such Fair Market Value per Share (the number of net Shares to be received shall be rounded down to the nearest whole number of Shares); or

(vii) any combination of the foregoing methods of payment.

The Administrator may at any time or from time to time, by adoption of or by amendment to the standard forms of Award Agreement described in Section 4(c)(iv), or by other means, grant Awards which do not permit all of the foregoing forms of consideration to be used in payment for the Shares or which otherwise restrict one or more forms of consideration.

(c) Taxes. No Shares shall be delivered under the Plan to any Grantee or other person until such Grantee or other person has made arrangements acceptable to the Administrator for the satisfaction of any non-U.S., federal, state, or local income and employment tax withholding obligations, including, without limitation, obligations incident to the receipt of Shares. Upon exercise or vesting of an Award the Company shall withhold or collect from the Grantee an amount sufficient to satisfy such tax obligations, including, but not limited to, by surrender of the whole number of Shares covered by the Award sufficient to satisfy

the minimum applicable tax withholding obligations incident to the exercise or vesting of an Award (reduced to the lowest whole number of Shares if such number of Shares withheld would result in withholding a fractional Share with any remaining tax withholding settled in cash).

8. Exercise of Award.

(a) Procedure for Exercise; Rights as a Stockholder.

(i) Any Award granted hereunder shall be exercisable at such times and under such conditions as determined by the Administrator under the terms of the Plan and specified in the Award Agreement.

(ii) An Award shall be deemed to be exercised when written notice of such exercise has been given to the Company in accordance with the terms of the Award by the person entitled to exercise the Award and full payment for the Shares with respect to which the Award is exercised has been made, including, to the extent selected, use of the broker-dealer sale and remittance procedure to pay the purchase price as provided in Section 7(b)(v).

(b) Exercise of Award Following Termination of Continuous Service. In the event of termination of a Grantee's Continuous Service for any reason other than Disability or death (but not in the event of a Grantee's change of status from Employee to Consultant or from Consultant to Employee), such Grantee may, but only during the Post-Termination Exercise Period (but in no event later than the expiration date of the term of such Award as set forth in the Award Agreement), exercise the portion of the Grantee's Award that was vested at the date of such termination or such other portion of the Grantee's Award as may be determined by the Administrator. The Grantee's Award Agreement may provide that upon the termination of the Grantee's Continuous Service for Cause, the Grantee's right to exercise the Award shall terminate concurrently with the termination of Grantee's Continuous Service. In the event of a Grantee's change of status from Employee to Consultant, an Employee's Incentive Stock Option shall convert automatically to a Non-Qualified Stock Option on the day three (3) months and one day following such change of status. To the extent that the Grantee's Award was unvested at the date of termination, or if the Grantee does not exercise the vested portion of the Grantee's Award within the Post-Termination Exercise Period, the Award shall terminate.

(c) Disability of Grantee. In the event of termination of a Grantee's Continuous Service as a result of his or her Disability, such Grantee may, but only within twelve (12) months from the date of such termination (or such longer period as specified in the Award Agreement but in no event later than the expiration date of the term of such Award as set forth in the Award Agreement), exercise the portion of the Grantee's Award that was vested at the date of such termination; provided, however, that if such Disability is not a "disability" as such term is defined in Section 22(e)(3) of the Code, in the case of an Incentive Stock Option such Incentive Stock Option shall automatically convert to a Non-Qualified Stock Option on the day three (3) months and one day following such termination. To the extent that the Grantee's Award was unvested at the date of termination, or if Grantee does not exercise the vested portion of the Grantee's Award within the time specified herein, the Award shall terminate.

(d) Death of Grantee. In the event of a termination of the Grantee's Continuous Service as a result of his or her death, or in the event of the death of the Grantee during the Post-Termination Exercise Period or during the twelve (12) month period following the Grantee's termination of Continuous Service as a result of his or her Disability, the Grantee's estate or a person who acquired the right to exercise the Award by bequest or inheritance may exercise the portion of the Grantee's Award that was vested as of the date of termination, within twelve (12) months from the date of death (or such longer period as specified in the Award Agreement but in no event later than the expiration of the term of such Award as set forth in the Award Agreement). To the extent that, at the time of death, the Grantee's Award was unvested, or if the Grantee's estate or a person who acquired the right to exercise the Award by bequest or inheritance does not exercise the vested portion of the Grantee's Award within the time specified herein, the Award shall terminate.

(e) Extension if Exercise Prevented by Law. Notwithstanding the foregoing, if the exercise of an Award within the applicable time periods set forth in this Section 8 is prevented by the provisions of Section 9 below, the Award shall remain exercisable until one (1) month after the date the Grantee is notified by the Company that the Award is exercisable, but in any event no later than the expiration of the term of such Award as set forth in the Award Agreement and only in a manner and to the extent permitted under Code Section 409A.

9. Conditions Upon Issuance of Shares.

(a) If at any time the Administrator determines that the delivery of Shares pursuant to the exercise, vesting or any other provision of an Award is or may be unlawful under Applicable Laws, the vesting or right to exercise an Award or to otherwise receive Shares pursuant to the terms of an Award shall be suspended until the Administrator determines that such delivery is lawful and shall be further subject to the approval of counsel for the Company with respect to such compliance. The Company shall have no obligation to effect any registration or qualification of the Shares under federal or state laws.

(b) As a condition to the exercise of an Award, the Company may require the person exercising such Award to represent and warrant at the time of any such exercise that the Shares are being purchased only for investment and without any present intention to sell or distribute such Shares if, in the opinion of counsel for the Company, such a representation is required by any Applicable Laws.

10. Adjustments Upon Changes in Capitalization. Subject to any required action by the stockholders of the Company and Section 11 below, the number of Shares covered by each outstanding Award, and the number of Shares which have been authorized for issuance under the Plan but as to which no Awards have yet been granted or which have been returned to the Plan, the exercise or purchase price of each such outstanding Award, the maximum number of Shares with respect to which Awards may be granted to any Grantee in any calendar year, as well as any other terms that the Administrator determines require adjustment shall be proportionately adjusted for: (i) any increase or decrease in the number of issued Shares resulting from a stock split, reverse stock split, stock dividend, recapitalization, combination or reclassification of the Shares, or similar transaction affecting the Shares; (ii) any other increase or decrease in the number of issued Shares effected without receipt of consideration by the Company; or (iii) any

other transaction with respect to Common Stock including a corporate merger, consolidation, acquisition of property or stock, separation (including a spin-off or other distribution of stock or property), reorganization, liquidation (whether partial or complete) or any similar transaction; provided, however that conversion of any convertible securities of the Company shall not be deemed to have been "effected without receipt of consideration." In the event of any distribution of cash or other assets to stockholders other than a normal cash dividend, the Administrator shall also make such adjustments as provided in this Section 10 or substitute, exchange or grant Awards to effect such adjustments (collectively "adjustments"). Any such adjustments to outstanding Awards will be effected in a manner that precludes the enlargement of rights and benefits under such Awards. In connection with the foregoing adjustments, the Administrator may, in its discretion, prohibit the exercise of Awards or other issuance of Shares, cash or other consideration pursuant to Awards during certain periods of time. Except as the Administrator determines, no issuance by the Company of shares of any class, or securities convertible into shares of any class, shall affect, and no adjustment by reason hereof shall be made with respect to, the number or price of Shares subject to an Award.

11. Corporate Transactions.

(a) Termination of Award to Extent Not Assumed in Corporate Transaction. Effective upon the consummation of a Corporate Transaction, all outstanding Awards under the Plan shall terminate. However, all such Awards shall not terminate to the extent they are Assumed in connection with the Corporate Transaction.

(b) Acceleration of Award Upon Corporate Transaction. The Administrator shall have the authority, exercisable either in advance of any actual or anticipated Corporate Transaction or at the time of an actual Corporate Transaction and exercisable at the time of the grant of an Award under the Plan or any time while an Award remains outstanding, to provide for the full or partial automatic vesting and exercisability of one or more outstanding unvested Awards under the Plan and the release from restrictions on transfer and repurchase or forfeiture rights of such Awards in connection with a Corporate Transaction, on such terms and conditions as the Administrator may specify. The Administrator also shall have the authority to condition any such Award vesting and exercisability or release from such limitations upon the subsequent termination of the Continuous Service of the Grantee within a specified period following the effective date of the Corporate Transaction.

(c) Effect of Acceleration on Incentive Stock Options. Any Incentive Stock Option accelerated under this Section 11 in connection with a Corporate Transaction shall remain exercisable as an Incentive Stock Option under the Code only to the extent the $100,000 limitation of Section 422(d) of the Code is not exceeded.

12. Effective Date and Term of Plan. The Plan shall become effective upon the earlier to occur of its adoption by the Board or its approval by the stockholders of the Company. It shall continue in effect for a term of ten (10) years unless sooner terminated. Subject to Section 17 below, and Applicable Laws, Awards may be granted under the Plan upon its becoming effective.

13. Amendment, Suspension or Termination of the Plan.

(a) The Board may at any time amend, suspend or terminate the Plan. To the extent necessary to comply with Applicable Laws, the Company shall obtain stockholder approval of any Plan amendment in such a manner and to such a degree as required.

(b) No Award may be granted during any suspension of the Plan or after termination of the Plan.

(c) No suspension or termination of the Plan (including termination of the Plan under Section 12, above) shall adversely affect any rights under Awards already granted to a Grantee.

14. Reservation of Shares.

(a) The Company, during the term of the Plan, will at all times reserve and keep available such number of Shares as shall be sufficient to satisfy the requirements of the Plan.

(b) The inability of the Company to obtain authority from any regulatory body having jurisdiction, which authority is deemed by the Company's counsel to be necessary to the lawful issuance and sale of any Shares hereunder, shall relieve the Company of any liability in respect of the failure to issue or sell such Shares as to which such requisite authority shall not have been obtained.

15. No Effect on Terms of Employment/Consulting Relationship. The Plan shall not confer upon any Grantee any right with respect to the Grantee's Continuous Service, nor shall it interfere in any way with his or her right or the right of the Company or any Related Entity to terminate the Grantee's Continuous Service at any time, including, but not limited to, for Cause or without Cause, and with or without notice. The ability of the Company or any Related Entity to terminate the employment of a Grantee who is employed at will is in no way affected by its determination that the Grantee's Continuous Service has been terminated for Cause for the purposes of this Plan.

16. No Effect on Retirement and Other Benefit Plans. Except as specifically provided in a retirement or other benefit plan of the Company or a Related Entity, Awards shall not be deemed compensation for purposes of computing benefits or contributions under any retirement plan of the Company or a Related Entity, and shall not affect any benefits under any other benefit plan of any kind or any benefit plan subsequently instituted under which the availability or amount of benefits is related to level of compensation. The Plan is not a "Pension Plan" or "Welfare Plan" under the Employee Retirement Income Security Act of 1974, as amended.

17. Stockholder Approval. Continuance of the Plan shall be subject to approval by the stockholders of the Company within twelve (12) months before or after the date the Plan is adopted. Such stockholder approval shall be obtained in the degree and manner required under Applicable Laws. Any Award exercised before stockholder approval is obtained shall be rescinded if stockholder approval is not obtained within the time prescribed, and Shares issued on the exercise of any such Award shall not be counted in determining whether stockholder approval is obtained.

18. Information to Grantees. To the extent required by Applicable Laws, the Company shall provide to each Grantee, during the period for which such Grantee has one or more Awards outstanding, copies of financial statements at least annually. The Company shall not be required to provide such information to persons whose duties in connection with the Company assure them access to equivalent information.

19. Effect of Section 162(m) of the Code. Section 162(m) of the Code does not apply to the Plan prior to the Registration Date or such earlier time that the Company first becomes subject to the reporting obligations of Section 12 of the Exchange Act. Following the Registration Date or such earlier time that the Company first becomes subject to the reporting obligations of Section 12 of the Exchange Act, the Plan, and all Awards (except Awards of Restricted Stock that vest over time) issued thereunder, are intended to be exempt from the application of Section 162(m) of the Code, which restricts under certain circumstances the Federal income tax deduction for compensation paid by a public company to named executives in excess of $1 million per year. The exemption is based on Treasury Regulation Section 1.162-27(f), in the form existing on the effective date of the Plan, with the understanding that such regulation generally exempts from the application of Section 162(m) of the Code compensation paid pursuant to a plan that existed before a company becomes publicly held. Under such Treasury Regulation, this exemption is available to the Plan for the duration of the period that lasts until the earliest of (i) the expiration of the Plan, (ii) the material modification of the Plan, (iii) the exhaustion of the maximum number of shares of Common Stock available for Awards under the Plan, as set forth in Section 3(a), (iv) the first meeting of stockholders at which directors are to be elected that occurs after the close of the third calendar year following the calendar year in which the Company first becomes subject to the reporting obligations of Section 12 of the Exchange Act, or (v) such other date required by Section 162(m) of the Code and the rules and regulations promulgated thereunder. To the extent that the Administrator determines as of the date of grant of an Award that (i) the Award is intended to qualify as Performance-Based Compensation and (ii) the exemption described above is no longer available with respect to such Award, such Award shall not be effective until any stockholder approval required under Section 162(m) of the Code has been obtained.

20. Unfunded Obligation. Grantees shall have the status of general unsecured creditors of the Company. Any amounts payable to Grantees pursuant to the Plan shall be unfunded and unsecured obligations for all purposes, including, without limitation, Title I of the Employee Retirement Income Security Act of 1974, as amended. Neither the Company nor any Related Entity shall 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 shall 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 Grantee account shall not create or constitute a trust or fiduciary relationship between the Administrator, the Company or any Related Entity and a Grantee, or otherwise create any vested or beneficial interest in any Grantee or the Grantee's creditors in any assets of the Company or a Related Entity. The Grantees shall have no claim against the Company or any Related Entity for any changes in the value of any assets that may be invested or reinvested by the Company with respect to the Plan.

21. Construction. Captions and titles contained herein are for convenience only and shall not affect the meaning or interpretation of any provision of the Plan. Except when otherwise indicated by the context, the singular shall include the plural and the plural shall include the singular. Use of the term “or” is not intended to be exclusive, unless the context clearly requires otherwise.

22. Nonexclusivity of the Plan. Neither the adoption of the Plan by the Board, the submission of the Plan to the stockholders of the Company for approval, nor any provision of the Plan will be construed as creating any limitations on the power of the Board to adopt such additional compensation arrangements as it may deem desirable, including, without limitation, the granting of Awards otherwise than under the Plan, and such arrangements may be either generally applicable or applicable only in specific cases.

ADICET BIO, INC.
ISRAELI SUB-PLAN
TO THE ADICET BIO, INC. 2015 STOCK INCENTIVE PLAN

1. GENERAL.

This Adicet Bio, Inc. Israeli Sub-Plan (this "**Sub-Plan**") is to be read as an integral part of the Adicet Bio, Inc. 2015 Stock Incentive Plan (the "**Company**", and the "**Plan**" respectively), and the Plan together with this Sub-Plan shall be deemed one integrated document. The provisions of the Plan shall apply to Awards (as defined below) granted under this Sub-Plan, subject to the modifications set forth below. In the event of any conflict between the Plan and this Sub-Plan, the terms of this Sub-Plan shall govern with respect to Awards granted to Israeli Grantees (as defined below). This Sub-Plan shall only apply to, and modify Awards granted to, Israeli Grantees so that such Awards will be governed by the terms of this Sub-Plan and comply with the requirements of Israeli law generally, and specifically with the provisions of Section 102 and Section 3(i) of the Ordinance (as defined below). For the avoidance of doubt, this Sub-Plan shall not modify the Plan with respect of any other category of Grantees.

Unless otherwise defined in this Sub-Plan, all capitalized terms used herein shall have the meaning given to them in the Plan. Capitalized terms used herein that are the plural forms or singular forms of defined terms shall have the corresponding plural or singular meanings of the corresponding defined terms. The following terms shall have the meanings set forth below, unless the context clearly requires a different meaning:

(a) "***3(i) Award***" means an Award granted pursuant to Section 3(i) of the Ordinance to any person who is an Israeli Non-Employee Grantee.

(b) "***102 Award***" means an Award granted pursuant to Section 102 of the Ordinance to any person who is an Israeli Employee Grantee.

(c) "***102 Capital Gains Award***" means a Trustee 102 Award elected and designated by the Employing Company to qualify for Capital Gains tax treatment in accordance with the provisions of Section 102(b)(2) of the Ordinance.

(d) "***102 Ordinary Income Award***" means a Trustee 102 Award elected and designated by the Employing Company to qualify for ordinary income tax treatment in accordance with the provisions of Section 102(b)(1) of the Ordinance.

(e) "***Affiliate***" means any "employing company" within the meaning of Section 102(a) of the Ordinance.

(f) "***Approved 102 Award***" means an Award granted pursuant to Section 102(b) of the Ordinance and held in trust by a Trustee for the benefit of an Employee.

(g) "***Award***" means the grant of an Option, SAR, Dividend Equivalent Right, Restricted Stock, Restricted Stock Unit or other right or benefit under the Plan.

(h) "***Award Agreement***" means the written agreement evidencing the grant of an Award executed by the Company and the Grantee, including any amendments thereto.

(i) "***Board***" means the Board of Directors of the Company.

(j) "***Controlling Shareholder***" shall have the meaning ascribed to it in Section 32(9) of the Ordinance.

(k) "***Committee***" means any committee composed of members of the Board appointed by the Board to administer the Plan.

(l) "***Employing Company***" shall have the meaning ascribed to it in Section 102(a) of the Ordinance.

(m) "***Israeli Employee Grantee***" means a person who is a resident of the state of Israel or who is deemed to be a resident of the state of Israel for the payment of tax, and who is an employee or an Office Holder ("*Noseh Missra*") of the Company, or any Affiliate of the Company, in each case excluding a person who is a Controlling Shareholder prior to the issuance of the relevant Award or as a result thereof.

(n) "***Israeli Non-Employee Grantee***" means a person who is a resident of the state of Israel or who is deemed to be a resident of the state of Israel for the payment of tax, and who is (i) a consultant, adviser or service provider of the Company, or any Affiliate of the Company, who is not an Israeli Employee Grantee, or (ii) a Controlling Shareholder (whether or not an employee of the Company or any Affiliate of the Company).

(o) "***Israeli Grantee***" means Israeli Employee Grantees and Israeli Non-Employee Grantees.

(p) "***ITA***" means the Israeli Income Tax Authorities.

(q) "***Lockup Period***" means the requisite period prescribed by the Ordinance and the Rules, or such other period as may be required by the ITA, with respect to 102 Trustee Grants, during which Awards or Shares issued thereunder, and all rights resulting from them, including bonus Shares, must be held by the Trustee.

(r) "***Non-Trustee 102 Award***" means an Award granted to an Israeli Grantee pursuant to Section 102(c) of the Ordinance, which is not required to be held in trust by a Trustee.

(s) "***Ordinance***" means the Income Tax Ordinance [New Version] 5721-1961 or any successor statute, as amended from time to time.

(t) "***Rules***" means the Income Tax Rules (Tax Relief in the Issuance of Shares to Employees), 5763-2003.

(u) "***Section 102***" means Section 102 of the Ordinance and any regulations, rules, orders or procedures promulgated thereunder as now in effect or as amended or replaced from time to time.

(v) "***Tax***" means any tax (including, without limitation, any income tax, capital gains tax, value added tax, sales tax, property tax, gift tax, or estate tax), levy, assessment, tariff, duty (including any customs duty), deficiency, or other fee, and any related charge or amount (including any fine, penalty, interest, linkage differentials or addition to tax), imposed, assessed, or collected by or under the authority of any governmental body.

(w) "***Trustee***" means any person or entity appointed by the Company or any of its Affiliates, as applicable, and approved by the ITA, to serve as a trustee, all in accordance with the provisions of Section 102(a) of the Ordinance.

(x) "***Trustee 102 Award***" means an Award granted pursuant to Section 102(b) of the Ordinance which is held in trust by a Trustee for the benefit of the Grantee.

(y) "***Unapproved 102 Award***" means an Award granted pursuant to Section 102(c) of the Ordinance which is not held in trust by a Trustee.

2. ISSUANCE OF AWARDS.

(a) (i) Israeli Employee Grantees may be granted only 102 Awards; and (ii) Israeli Non-Employee Grantees may be granted only 3(i) Awards. In each case, such Awards shall be subject to the terms and conditions of the Ordinance.

(b) The Employing Company may, pursuant to Section 102, designate 102 Awards granted to Israeli Employee Grantees as Non-Trustee 102 Awards or as Trustee 102 Awards. The Employing Company may seek any tax ruling as it may reasonably consider in connection with the application of Section 102 on any Awards granted by the Company.

(c) The Employing Company shall have the absolute discretion to decide whether Awards granted pursuant to Section 3(i) of the Ordinance shall be held by the Trustee for any period.

(d) Any trustee, including, without limitation, the Trustee, holding Awards or Shares issued upon the exercise thereof, or rights resulting therefrom, including bonus Shares, shall not be liable for any good faith determination, act or omission in connection with the Plan, any Sub-Plan, any Award or any agreement entered into between such Trustee and the Company or any Affiliate.

(e) The grant of Approved 102 Awards shall be made under this Sub-Plan not earlier than 30 days from the date it was submitted to the ITA.

(f) Approved 102 Awards may either be classified as 102 Capital Gains Award or 102 Ordinary Income Award.

(g) No Approved 102 Awards may be granted under this Sub-Plan to any eligible Israeli Employee Grantee, unless and until, the Company's election of the type of Approved 102 Awards as 102 Capital Gains Award or as 102 Ordinary Income Award granted to Israeli Employee Grantee (the "**Election**"), is appropriately filed with the ITA. Such Election shall become effective as of the date of grant of an Approved 102 Award under this Sub-Plan and shall remain in effect until the end of the year following the year during which the Company first granted Approved 102 Awards. The Election shall obligate the Company to grant only the type of Approved 102 Award it has elected, and shall apply to all Israeli Grantees who were granted Approved 102 Awards during the period indicated herein above, all in accordance with the provisions of Section 102(g) of the Ordinance. For the avoidance of doubt, such Election shall not prevent the Company from granting Unapproved 102 Awards or 3(i) Awards simultaneously.

(h) All Approved 102 Awards must be held in trust by a Trustee, as described in Section 3 below.

(i) For the avoidance of doubt, the designation of Unapproved 102 Awards and Approved 102 Awards shall be subject to the terms and conditions set forth in Section 102.

3. TRUSTEE 102 AWARDS.

(a) Awards granted pursuant to this Section are intended to constitute Trustee 102 Awards and are subject to the provisions of Section 102 and the general terms and conditions specified in the Plan, except for such provisions of the Plan applying to Awards under a different tax law or regulation.

(b) Trustee 102 Awards may be granted only to Israeli Employee Grantees.

(c) Trustee 102 Awards shall be classified as either 102 Capital Gains Awards or 102 Ordinary Income Awards, subject to the terms and conditions of Section 102 and the provisions of the Plan and this Sub-Plan.

(d) No Trustee 102 Awards may be granted under this Sub-Plan, unless and until the Election is appropriately filed with the ITA. The Board or the Committee, as the case may be, shall have the right to determine whether the Election of the Trustee 102 Awards be 102 Capital Gains Awards or 102 Ordinary Income Awards. After the Election is made, the Company may grant only the type of Trustee 102 Awards it had elected (i.e., 102 Capital Gains Awards or 102 Ordinary Income Awards), and the Election shall apply to all grants to Israeli Employee Grantees of Trustee 102 Awards until such Election is changed pursuant to the provisions of Section 102(g) of the Ordinance. The Employing Company may change such Election only after the lapse of the minimum time period prescribed by Section 102. For the avoidance of doubt, such Election shall not prevent the Company from granting Non-Trustee 102 Awards or 3(i) Awards.

(e) The grant of Trustee 102 Awards shall be conditioned upon the approval (or the deemed approval pursuant to the provisions of Section 102(a) of the Ordinance) of the Plan, this Sub-Plan and the Trustee by the ITA.

(f) Trustee 102 Awards may be granted only after the passage of thirty days (or a shorter period as, and if, approved by the ITA) following the delivery by the appropriate Employing Company to the ITA of a request for approval of the Plan (including this Sub-Plan) and the Trustee in accordance with Section 102. Notwithstanding the foregoing paragraph and pursuant to any applicable law, if within ninety (90) days of delivery of the abovementioned request, the appropriate ITA officer notifies the Employing Company of his or her decision not to approve the Plan (including this Sub-Plan) or the Trustee, then the Awards that were intended to be granted as a Trustee 102 Awards shall be deemed to be Non-Trustee 102 Awards, unless (i) otherwise determined by the ITA officer or (ii) pursuant to applicable law, elected otherwise by the Company.

(g) Anything herein to the contrary notwithstanding, all Trustee 102 Awards granted under this Plan shall be granted or issued to a Trustee. The Trustee shall hold each such Trustee 102 Award, all Shares issued upon exercise thereof, and all other rights resulting from such Trustee 102 Award or Shares, including bonus Shares, in trust for the benefit of the Israeli Employee Grantee to which such Award was granted. All certificates representing Awards or Shares issued to the Trustee under the Plan shall be issued in the Trustee's name, deposited with the Trustee, and shall be held by the Trustee until such time that such Awards or Shares are released from the trust.

(h) With respect to 102 Capital Gains Awards and 102 Ordinary Income Awards, such Awards or any Shares issued upon the exercise thereof and all rights resulting from such Awards or Shares, including bonus Shares, will be held by the Trustee, from the date such Awards or Shares were deposited with the Trustee until the end of the applicable Lockup Period (currently at least 24 months in case of 102 Capital Gains Awards and 12 months in case of 102 Ordinary Income Awards) or such shorter period as approved by the ITA, under the terms set forth in Section 102.

(i) Notwithstanding anything to the contrary, the Trustee shall not release any Shares allocated or issued upon exercise or vesting of Approved 102 Awards prior to the full payment of the Israeli Employee Grantee's tax liabilities, if any, or to the full satisfaction of the trustee that such applicable tax payments will be made, arising from Approved 102 Awards which were granted to him or her and/or any Shares allocated or issued upon exercise or vesting of such Awards.

(j) In accordance with Section 102, the Israeli Employee Grantee shall not sell, cause the release from trust, or otherwise dispose of, any Trustee 102 Award, any Share issued upon the exercise thereof, or any rights resulting from such Award or Share, including bonus Shares, until the end of the applicable Lockup Period. Notwithstanding the foregoing but without derogating from the provisions of the Plan and the terms and conditions set forth in the Award Agreement, if any such sale, release, or disposition occurs during the Lockup Period, then the provisions of Section 102 relating to non-compliance with the Lockup Period will apply and all sanctions and liability under Section 102 shall be borne by the Israeli Employee Grantee. The Israeli Employee Grantee will indemnify the Company, the Trustee and any other party which incurs any liability as a result of such sale, release or disposition.

(k) In the event that the requirements for the Trustee 102 Awards are not met, then the Trustee 102 Awards shall be deemed Non-Trustee 102 Awards.

(l) Upon receipt of a Trustee 102 Award, the Israeli Employee Grantee will sign an Award Agreement under which such Grantee will agree to be subject to the trust agreement between the Company or its Affiliate and the Trustee, stating, inter alia, that the Trustee will be released from any liability in respect of any action or decision taken or executed in good faith with respect to this Sub-Plan, or any Trustee 102 Award or Share issued to him or her thereunder, or right resulting therefrom, including bonus Shares.

(m) The validity of any order given to the Trustee by an Israeli Employee Grantee shall be subject to the approval of the Employing Company. The Employing Company shall render its decision regarding whether to approve orders given by any Israeli Employee Grantee to the Trustee within a reasonable period of time. The Employing Company shall not be required to approve any order which is incomplete, is not in accordance with the provisions of the Plan, this Sub-Plan and the applicable Award Agreement or which the Employing Company believes should not be executed for any reasonable reason. The Employing Company shall notify the Israeli Employee Grantee of the reason for not approving his order. Approval by the Employing Company of any order given to the Trustee by an Israeli Employee Grantee shall not constitute proof of the Employing Company's recognition of any right of such Israeli Employee Grantee.

(n) Without derogating from the above, the Employing Company shall have the authority to determine the specific procedures and conditions of the trusteeship with the Trustee in a separate agreement between the Employing Company and the Trustee.

(o) In the case of 102 Awards, the Trustee shall have no rights as a Shareholder of the Company with respect to the Shares covered by such Award until the Trustee becomes the record holder of such Shares for the Israeli Employee Grantee's benefit, and the Israeli Employee Grantee shall have no rights as a Shareholder of the Company with respect to the Shares covered by the Award until the date of the release of such Shares from the Trustee to the Israeli Employee Grantee and the transfer of record ownership of such Shares to the Israeli Employee Grantee.

4. NON-TRUSTEE 102 AWARDS.

(a) Awards granted pursuant to this Section are intended to constitute Non-Trustee 102 Awards and are subject to the provisions of Section 102 and the general terms and conditions specified in the Plan, except for such provisions of the Plan applying to Awards granted under a different tax law or regulations.

(b) Non-Trustee 102 Awards may be granted only to Israeli Employee Grantees.

(c) Non-Trustee 102 Awards that shall be granted pursuant to the Plan and may be issued directly to the Israeli Employee Grantee or to a trustee appointed by the Board or the Committee, as the case may be, in the Board or the Committee, as the case may be, at their sole discretion. In the event that the Board or the Committee, as the case may be, determines that Non-Trustee 102 Awards, or Shares issued upon the exercise thereof, or rights resulting therefore, including bonus Shares, shall be deposited with a trustee, the provisions of Section (f) of this Sub-Plan shall apply, *mutatis mutandis*.

(d) In the event that an Israeli Employee Grantee was granted a Non-Trustee 102 Award and thereafter such Israeli Employee Grantee's employment by the Company, or any Affiliate thereof, terminates for any reason, such Israeli Employee Grantee will be obligated to provide his or her employer, upon the termination of employment, with a security or guarantee to cover any future tax obligation resulting from the grant, exercise or disposition of the Award, the Shares issuable upon the exercise thereof, or any rights resulting therefrom, in a form satisfactory to such employer in such employer's sole discretion.

5. 3(I) AWARDS.

(a) Awards granted pursuant to this Section are intended to constitute 3(i) Awards and are subject to the provisions of Section 3(i) of the Ordinance and the general terms and conditions specified the Plan, except for provisions of the Plan applying to Awards granted under a different tax law or regulations.

(b) 3(i) Awards may be granted only to Israeli Non-Employee Grantees.

(c) 3(i) Awards that shall be granted pursuant to the Plan and may be issued directly to the Israeli Non-Employee Grantee or to a trustee appointed by the Board or the Committee, as the case may be, in their sole discretion. In the event that the Board or the Committee, as the case may be, determines that 3(i) Awards or Shares issued upon the exercise thereof, or rights resulting therefrom, including bonus Shares, shall be deposited with a trustee, the provisions of Section 3 of this Sub-Plan shall apply, *mutatis mutandis*.

(d) In the event that an Israeli Non-Employee Grantee was granted a 3(i) Award and thereafter such Israeli Non-Employee Grantee's employment by the Company, or any Affiliate thereof, terminates for any reason, such Israeli Non-Employee Grantee will be obligated to

provide his or her employer, upon the termination of his or her employment, with a security or guarantee to cover any future tax obligation resulting from the grant, exercise or disposition of the Award, the Shares issuable upon the exercise thereof, or any rights resulting therefrom, in a form satisfactory to such employer in such employer's sole discretion.

6. THE AWARD AGREEMENT.

The terms and conditions upon which the Awards shall be issued and exercised shall be as specified in an Award Agreement to be executed pursuant to the Plan and this Sub-Plan. Each Award Agreement shall state, inter alia, the number of Shares granted under the Award, the type of Award granted thereunder (whether such Award is a Trustee 102 Award, and if so, whether it is a 102 Capital Gains Award or 102 Ordinary Income Award, or a Non-Trustee 102 Award, or a 3(i) Award), the vesting provisions, the term of the Award, and the exercise price. Any grant of Awards shall be conditioned upon the Israeli Grantee's undertaking to be subject to the provisions of Section 102 or Section 3(i) of the Ordinance, as applicable.

7. FAIR MARKET VALUE FOR ISRAELI TAX PURPOSES.

Without derogating from Section 1(u) of the Plan and solely for the purpose of determining the tax liability pursuant to Section 102(b)(3) of the Ordinance, if at the date of grant of a 102 Capital Gains Award the Company's Shares are listed on any established stock exchange or anational market system, or if the Company's Shares are registered for trading within ninety (90) days following the date of grant of the 102 Capital Gains Award, the fair market value of the Shares at the date of grant shall be determined in accordance with the average value of theCompany's Shares on the thirty (30) trading days preceding the date of grant or on the thirty (30) trading days following the date of registration for trading, as the case may be.

8. EXERCISE OF AWARDS.

Awards that represent options to purchase Shares shall be exercised by the Israeli Grantee by giving a written or electronic notice to the Company and/or to any third party designated by the Company (the "Representative"), in such form and method as may be determined by the Company and, when applicable, by the Trustee, in accordance with the requirements of Section 102 or Section 3(i), which exercise shall be effective upon receipt of such notice by the Company and/or the Representative and the payment of the exercise price for the number of Shares with respect to which the Award is being exercised and the payment of the tax, at the Company's or the Representative's principal office. The notice shall specify the number of Shares with respect to which the Award is being exercised.

Other Awards shall be exercised in such form and method as may be determined by the Company and, when applicable, by the Trustee, in accordance with the requirements of Section 102 or Section 3(i), which exercise shall be effective upon receipt of the payment of the tax in case of exercise of 3(i) Awards.

For the avoidance of doubt it is hereby clarified that no exercise of 3(i) Awards shall be affective if the applicable tax was not paid to the Company or its Representative.

9. INTEGRATION OF SECTION 102 AND TAX ASSESSING OFFICER'S PERMIT.

(a) With respect to Trustee 102 Awards, the provisions of the Plan, this Sub-Plan and the Award Agreement shall be subject to the provisions of Section 102 and the Tax Assessing Officer's permit (to the extent that such permit is issued) and/or any pre-ruling obtained by the ITA (the "**Permit**"), and the provisions of the Permit shall be deemed integrated with, and a part of, the Plan, this Sub-Plan and the Award Agreement.

(b) Any provision of Section 102 or the Permit which is necessary in order to obtain or preserve any tax benefit pursuant to Section 102, which is not expressly specified in the Plan, this Sub-Plan, or the Award Agreement, shall be deemed to have been automatically incorporated into this Sub-Plan and binding upon the Company and the Grantees who are Israeli Grantees.

10. DIVIDENDS.

Without derogating from the provisions of the Plan, an Israeli Grantee shall be entitled to receive dividends with respect to Shares issued upon the exercise of his or her Awards, whether such Shares are held by the Israeli Grantee or by the Trustee (entitled dividends with respect to Shares held by the Trustee, shall be received by the Trustee) for his or her benefit, in accordance with the provisions of the Company's Certificate of Incorporation (including all amendments thereto), subject to any applicable taxation on distribution of dividends and, when applicable, subject to the provisions of Section 102.

11. TAX CONSEQUENCES.

(a) Any liability for any Tax arising with respect to the Awards and the Shares, including, but not limited to, as a result of the grant of Awards, the exercise of an Award for Shares, the receipt of cash, the transfer, waiver, or expiration of Awards or Shares or the disposal of Shares, shall be borne solely by the Israeli Grantees, and in the event of their death, by their estates or heirs. Neither the Company nor any Affiliate nor the Trustee shall be required to pay such Taxes, directly or indirectly, nor shall they be required to gross up such Taxes in the Israeli Grantees' salaries or remuneration. The applicable Tax may be deducted from any cash to be provided to the Israeli Grantee or from the proceeds of the disposal of the Shares or shall be paid to the Trustee or to the Company or its Affiliates by the Israeli Grantees at their request, or may be provided via any combination of the above.

(b) The Company, its Affiliates and the Trustee shall be entitled to withhold Taxes according to the requirements of any applicable laws, rules, and regulations, including by withholding Taxes at source and specifically under Rule 7(b) of the Rules.

(c) The Israeli Grantees undertake to indemnify the Company, its Affiliates and the Trustee, immediately upon their request, for any Tax for which the Israeli Grantee is liable under any applicable law, under the Plan or this Sub-Plan, and which was paid by the Company or the Trustee, or which the Company or the Trustee are required to pay and hold them harmless against and from any and all liability for any such tax or interest or penalty or indexation thereon, including without limitation, liabilities relating to the necessity to withhold, or to have withhold any such tax from payments made to the Israeli Grantee. The Company may exercise its right to such indemnification by deducting the Tax subject to indemnification from Grantee's salary or remuneration.

(d) The Board (or the Committee, as the case may be), or when applicable, the Trustee shall not be required to release any Awards, Shares, rights resulting therefrom, including bonus Shares, or share certificates, to an Israeli Grantee until all required Tax payments and other payments to be borne by such Israeli Grantee have been fully made.

(e) Notwithstanding any other provision no Israeli Grantee shall have any of the rights of a Shareholder with respect to any Shares until Grantee pays all payments (including Tax) required to be paid under this Section with respect to such Shares.

(f) The ramifications of any future modification of any applicable law with respect to the taxation of Awards or Shares granted to Grantees shall apply to the Israeli Grantees accordingly and the Israeli Grantees shall bear the full cost thereof, unless such laws, as modified, mandatorily provide otherwise. For the avoidance of doubt, should the applicability of such taxing arrangements to the Plan, this Sub-Plan or to securities issued hereunder or thereunder be conditioned on a decision by the Company or by the Trustee that such arrangements shall apply, the Company shall be entitled to decide, at its absolute discretion, whether to apply such taxing arrangements and to instruct the Trustee to act accordingly.

(g) With respect to Unapproved 102 Award, if the Israeli Grantee ceases to be employed by the Company or any Affiliate, the Israeli Grantee shall extend to the Company and/or its Affiliate a security or guarantee for the payment of tax due at the time of sale of Shares, all in accordance with the provisions of Section 102 and the rules, regulation or orders promulgated thereunder.

(h) Each Grantee agrees to, and undertakes to comply with, any ruling, settlement, closing agreement or other similar agreement or arrangement with any tax authority in connection with the foregoing which is approved by the Company.

12. VOTING RIGHTS.

SUBJECT TO THE PROVISIONS OF THE PLAN, FOR AS LONG AS ANY SHARES ARE ISSUED TO THE TRUSTEE ON BEHALF OF AN ISRAELI GRANTEE UNDER THIS SUB-PLAN, SUCH SHARES SHALL BE VOTED BY THE TRUSTEE, UNLESS THE TRUSTEE IS DIRECTED OTHERWISE BY THE BOARD OR THE COMMITTEE, AS THE CASE MAY BE, IN THE SAME PROPORTION AS THE RESULT OF THE SHAREHOLDER VOTE AT THE SHAREHOLDERS MEETING OR WRITTEN CONSENT IN RESPECT OF WHICH THE SHARES HELD BY THE TRUSTEE ARE BEING VOTED. HOWEVER, THE TRUSTEE SHALL NOT BE OBLIGATED TO EXERCISE SUCH VOTING RIGHTS NOR NOTIFY THE ISRAELI GRANTEE OF ANY MEETING OF THE COMPANY'S SHAREHOLDERS.

13. GOVERNING LAW & JURISDICTION.

THIS SUB-PLAN SHALL BE GOVERNED BY AND CONSTRUED AND ENFORCED IN ACCORDANCE WITH THE LAWS OF THE STATE OF ISRAEL, WITHOUT GIVING EFFECT TO THE PRINCIPLES OF CONFLICT OF LAWS. THE COMPETENT COURTS IN TEL-AVIV SHALL HAVE SOLE JURISDICTION IN ANY MATTERS PERTAINING TO THIS SUB-PLAN.

* * *

ADICET BIO, INC. 2015 STOCK INCENTIVE PLAN

NOTICE OF STOCK OPTION AWARD

Grantee's Name and Address: _____

_____

_____

You (the "**Grantee**") have been granted an option to purchase shares of Common Stock, subject to the terms and conditions of this Notice of Stock Option Award (the "**Notice**"), the Adicet Bio, Inc. 2015 Stock Incentive Plan, as amended from time to time (the "**Plan**") and the Stock Option Award Agreement (the "**Option Agreement**") attached hereto, as follows. Unless otherwise defined herein, the terms defined in the Plan shall have the same defined meanings in this Notice.

Award Number	_____
Date of Award	_____
Vesting Commencement Date	_____
Exercise Price per Share	$_____
Total Number of Shares Subject to the Option (the "**Shares**")	_____
Total Exercise Price	$_____
Type of Option:	_____ Incentive Stock Option
	_____ Non-Qualified Stock Option
Expiration Date:	_____
Post-Termination Exercise Period:	Three (3) Months

Vesting Schedule:

This Option is immediately exercisable although the Shares issued upon exercise of the Option will be subject to the restrictions on transfer and a right of repurchase at the Exercise Price per Share, in favor of the Company, as described in Section 16 of the Option Agreement (the "**Repurchase Right**"). For purposes of this Notice and the Option Agreement, the term "**vest**" shall mean, with respect to any Shares, that such Shares (whether subject to the Option or acquired upon exercise of the Option) are no longer subject to the Repurchase Right, provided, however, that such Shares shall remain subject to other restrictions on transfer set forth in the Option Agreement or the Plan. Shares that have not vested are deemed "**Restricted Shares**. If the Grantee would become vested in a fraction of a Share, such Share shall not vest until the Grantee becomes vested in the entire Share.

Subject to the Grantee's Continuous Service and the other limitations set forth in this Notice, the Plan and the Option Agreement, the Repurchase Right shall lapse in accordance with the following schedule:

[25% of the Shares subject to the Option shall vest twelve (12) months after the Vesting Commencement Date, and 1/36th of the remaining unvested Shares subject to the Option shall vest on each of the next thirty-six (36) monthly anniversaries of the Vesting Commencement Date thereafter.][1]

[1/48th of the Shares subject to the Option shall vest on each monthly anniversary of the Vesting Commencement Date.][2]

During any authorized leave of absence, the vesting of the Shares shall be suspended after the leave of absence exceeds a period of three (3) months. Vesting of the Shares shall resume upon the Grantee's termination of the leave of absence and return to Continuous Service. The Vesting Schedule of the Shares shall be extended by the length of the suspension.

In the event of termination of the Grantee's Continuous Service for Cause, the Grantee's right to exercise the Option shall terminate concurrently with the termination of the Grantee's Continuous Service, except as otherwise determined by the Administrator.

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1 Insert for new-hire grants.
2 Insert for refresh grants.

IN WITNESS WHEREOF, the Company and the Grantee have executed this Notice and agree that the Option is to be governed by the terms and conditions of this Notice, the Plan, and the Option Agreement.

ADICET BIO, INC.,
a Delaware corporation

By: _____

Name: _____

Title: _____

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THE GRANTEE ACKNOWLEDGES AND AGREES THAT THE SHARES SUBJECT TO THE OPTION SHALL VEST, IF AT ALL, ONLY DURING THE PERIOD OF THE GRANTEE'S CONTINUOUS SERVICE (NOT THROUGH THE ACT OF BEING HIRED, BEING GRANTED THE OPTION OR ACQUIRING SHARES HEREUNDER). THE GRANTEE FURTHER ACKNOWLEDGES AND AGREES THAT NOTHING IN THIS NOTICE, THE OPTION AGREEMENT, OR THE PLAN SHALL CONFER UPON THE GRANTEE ANY RIGHT WITH RESPECT TO FUTURE AWARDS OR CONTINUATION OF THE GRANTEE'S CONTINUOUS SERVICE, NOR SHALL IT INTERFERE IN ANY WAY WITH THE GRANTEE'S RIGHT OR THE RIGHT OF THE COMPANY OR RELATED ENTITY TO WHICH THE GRANTEE PROVIDES SERVICES TO TERMINATE THE GRANTEE'S CONTINUOUS SERVICE, WITH OR WITHOUT CAUSE, AND WITH OR WITHOUT NOTICE. THE GRANTEE ACKNOWLEDGES THAT UNLESS THE GRANTEE HAS A WRITTEN EMPLOYMENT AGREEMENT WITH THE COMPANY TO THE CONTRARY, THE GRANTEE'S STATUS IS AT WILL.

The Grantee acknowledges receipt of a copy of the Plan and the Option Agreement, and represents that he or she is familiar with the terms and provisions thereof, and hereby accepts the Option subject to all of the terms and provisions hereof and thereof. The Grantee has reviewed this Notice, the Plan, and the Option Agreement in their entirety, has had an opportunity to obtain the advice of counsel prior to executing this Notice, and fully understands all provisions of this Notice, the Plan and the Option Agreement. The Grantee hereby agrees that all questions of interpretation and administration relating to this Notice, the Plan and the Option Agreement shall be resolved by the Administrator in accordance with Section 23 of the Option Agreement. The Grantee further agrees to the venue selection in accordance with Section 24 of the Option Agreement. The Grantee further agrees to notify the Company upon any change in the residence address indicated in this Notice.

Dated: _____ Signed: _____

Grantee

Award Number:

ADICET BIO, INC. 2015 STOCK INCENTIVE PLAN

IMMEDIATELY EXERCISABLE STOCK OPTION AWARD AGREEMENT

1. Grant of Option. Adicet Bio, Inc., a Delaware corporation (the "**Company**"), hereby grants to the Grantee (the "**Grantee**") named in the Notice of Stock Option Award (the "**Notice**"), an option (the "**Option**") to purchase the Total Number of Shares of Common Stock subject to the Option (the "**Shares**") set forth in the Notice, at the Exercise Price per Share set forth in the Notice (the "**Exercise Price**") subject to the terms and provisions of the Notice, this Stock Option Award Agreement (the "**Option Agreement**") and the Company's 2015 Stock Incentive Plan, as amended from time to time (the "**Plan**"), which are incorporated herein by reference. Unless otherwise defined herein, the terms defined in the Plan shall have the same defined meanings in this Option Agreement.

If designated in the Notice as an Incentive Stock Option, the Option is intended to qualify as an Incentive Stock Option as defined in Section 422 of the Code. However, notwithstanding such designation, the Option will qualify as an Incentive Stock Option under the Code only to the extent the $100,000 dollar limitation of Section 422(d) of the Code is not exceeded. The $100,000 limitation of Section 422(d) of the Code is calculated based on the aggregate Fair Market Value of the Shares subject to options designated as Incentive Stock Options which become exercisable for the first time by the Grantee during any calendar year (under all plans of the Company or any Parent or Subsidiary of the Company). For purposes of this calculation, Incentive Stock Options shall be taken into account in the order in which they were granted, and the Fair Market Value of the shares subject to such options shall be determined as of the grant date of the relevant option.

2. Exercise of Option.

(a) Right to Exercise. The Option shall be immediately exercisable during its term in accordance with the applicable provisions of the Plan and this Option Agreement. The Option shall be subject to the provisions of Section 11 of the Plan relating to the exercisability or termination of the Option in the event of a Corporate Transaction. The Grantee shall be subject to reasonable limitations on the number of requested exercises during any monthly or weekly period as determined by the Administrator. In no event shall the Company issue fractional Shares.

(b) Method of Exercise. The Option shall be exercisable by delivery of an exercise notice (a form of which is attached as Exhibit A) or by such other procedure as specified from time to time by the Administrator which shall state the election to exercise the Option, the whole number of Shares in respect of which the Option is being exercised, and such other provisions as may be required by the Administrator. The exercise notice shall be delivered in person, by certified mail, or by such other method (including electronic transmission) as determined from time to time by the Administrator to the Company accompanied by payment of the Exercise Price and all applicable income and employment taxes required to be withheld. The

Option shall be deemed to be exercised upon receipt by the Company of such notice accompanied by the Exercise Price and all applicable withholding taxes, which, to the extent selected, shall be deemed to be satisfied by use of the broker-dealer sale and remittance procedure to pay the Exercise Price provided in Section 4(d), below, to the extent such procedure is available to the Grantee at the time of exercise and such an exercise would not violate any Applicable Law.

(c) Taxes. No Shares will be delivered to the Grantee or other person pursuant to the exercise of the Option until the Grantee or other person has made arrangements acceptable to the Administrator for the satisfaction of applicable income tax and employment tax withholding obligations, including, without limitation, such other tax obligations of the Grantee incident to the receipt of Shares. Upon exercise of the Option, the Company or the Grantee's employer may offset or withhold (from any amount owed by the Company or the Grantee's employer to the Grantee) or collect from the Grantee or other person an amount sufficient to satisfy such tax withholding obligations. Furthermore, in the event of any determination that the Company has failed to withhold a sum sufficient to pay all withholding taxes due in connection with the Option, the Grantee agrees to pay the Company the amount of such deficiency in cash within five (5) days after receiving a written demand from the Company to do so, whether or not the Grantee is an employee of the Company at that time.

3. Grantee's Representations. The Grantee understands that neither the Option nor the Shares exercisable pursuant to the Option have been registered under the Securities Act of 1933, as amended or any United States securities laws. In the event the Shares purchasable pursuant to the exercise of the Option have not been registered under the Securities Act of 1933, as amended, at the time the Option is exercised, the Grantee shall, if requested by the Company, concurrently with the exercise of all or any portion of the Option, deliver to the Company his or her Investment Representation Statement in the form attached hereto as Exhibit B.

4. Method of Payment. Payment of the Exercise Price shall be made by any of the following, or a combination thereof, at the election of the Grantee; provided, however, that such exercise method does not then violate any Applicable Law and, provided further, that the portion of the Exercise Price equal to the par value of the Shares must be paid in cash or other legal consideration permitted by the Delaware General Corporation Law:

(a) cash;

(b) check;

(c) if the exercise occurs on or after the Registration Date, surrender of Shares held for the requisite period, if any, necessary to avoid a charge to the Company's earnings for financial reporting purposes, or delivery of a properly executed form of attestation of ownership of Shares as the Administrator may require which have a Fair Market Value on the date of surrender or attestation equal to the aggregate Exercise Price of the Shares as to which the Option is being exercised; or

(d) if the exercise occurs on or after the Registration Date, payment through a broker-dealer sale and remittance procedure pursuant to which the Grantee (i) shall provide

written instructions to a Company-designated brokerage firm to effect the immediate sale of some or all of the purchased Shares and remit to the Company sufficient funds to cover the aggregate exercise price payable for the purchased Shares and (ii) shall provide written directives to the Company to deliver the certificates for the purchased Shares directly to such brokerage firm in order to complete the sale transaction.

5. Restrictions on Exercise. The Option may not be exercised if the issuance of the Shares subject to the Option upon such exercise would constitute a violation of any Applicable Laws. In addition, the Option may not be exercised until such time as the Plan has been approved by the stockholders of the Company. If the exercise of the Option within the applicable time periods set forth in Sections 6, 7 and 8 of this Option Agreement is prevented by the provisions of this Section 5, the Option shall remain exercisable until one (1) month after the date the Grantee is notified by the Company that the Option is exercisable, but in any event no later than the Expiration Date set forth in the Notice.

6. Termination or Change of Continuous Service. In the event the Grantee's Continuous Service terminates, other than for Cause, the Grantee may, but only during the Post-Termination Exercise Period, exercise the portion of the Option that was vested at the date of such termination (the "**Termination Date**"). The Post-Termination Exercise Period shall commence on the Termination Date. In the event of termination of the Grantee's Continuous Service for Cause, the Grantee's right to exercise the Option shall, except as otherwise determined by the Administrator, terminate concurrently with the termination of the Grantee's Continuous Service (also the "**Termination Date**"). In no event, however, shall the Option be exercised later than the Expiration Date set forth in the Notice. In the event of the Grantee's change in status from Employee, Director or Consultant to any other status of Employee, Director or Consultant, the Option shall remain in effect and the Option shall continue to vest in accordance with the Vesting Schedule set forth in the Notice; provided, however, with respect to any Incentive Stock Option that shall remain in effect after a change in status from Employee to Director or Consultant, such Incentive Stock Option shall cease to be treated as an Incentive Stock Option and shall be treated as a Non-Qualified Stock Option on the day three (3) months and one (1) day following such change in status. Except as provided in Sections 7 and 8 below, to the extent that the Option was unvested on the Termination Date, or if the Grantee does not exercise the vested portion of the Option within the Post-Termination Exercise Period, the Option shall terminate.

7. Disability of Grantee. In the event the Grantee's Continuous Service terminates as a result of his or her Disability, the Grantee may, but only within twelve (12) months commencing on the Termination Date (but in no event later than the Expiration Date), exercise the portion of the Option that was vested on the Termination Date; provided, however, that if such Disability is not a "disability" as such term is defined in Section 22(e)(3) of the Code and the Option is an Incentive Stock Option, such Incentive Stock Option shall cease to be treated as an Incentive Stock Option and shall be treated as a Non-Qualified Stock Option on the day three (3) months and one (1) day following the Termination Date. To the extent that the Option was unvested on the Termination Date, or if the Grantee does not exercise the vested portion of the Option within the time specified herein, the Option shall terminate. Section 22(e)(3) of the Code provides that an individual is permanently and totally disabled if he or she is unable to engage in any substantial gainful activity by reason of any medically determinable physical or mental impairment which can be expected to result in death or which has lasted or can be expected to last for a continuous period of not less than twelve (12) months.

8. Death of Grantee. In the event of the termination of the Grantee's Continuous Service as a result of his or her death, or in the event of the Grantee's death during the Post-Termination Exercise Period or during the twelve (12) month period following the Grantee's termination of Continuous Service as a result of his or her Disability, the person who acquired the right to exercise the Option pursuant to Section 9 may exercise the portion of the Option that was vested at the date of termination within twelve (12) months commencing on the date of death (but in no event later than the Expiration Date). To the extent that the Option was unvested on the date of death, or if the vested portion of the Option is not exercised within the time specified herein, the Option shall terminate.

9. Transferability of Option. The Option, if an Incentive Stock Option, may not be transferred in any manner other than by will or by the laws of descent and distribution and may be exercised during the lifetime of the Grantee only by the Grantee. The Option, if a Non-Qualified Stock Option, may not be transferred in any manner other than by will or by the laws of descent and distribution, provided, however, that a Non-Qualified Stock Option may be transferred during the lifetime of the Grantee by gift or pursuant to a domestic relations order to members of the Grantee's Immediate Family to the extent and in the manner determined by the Administrator. Notwithstanding the foregoing, the Grantee may designate one or more beneficiaries of the Grantee's Incentive Stock Option or Non-Qualified Stock Option in the event of the Grantee's death on a beneficiary designation form provided by the Administrator. Following the death of the Grantee, the Option, to the extent provided in Section 8, may be exercised (a) by the person or persons designated under the deceased Grantee's beneficiary designation or (b) in the absence of an effectively designated beneficiary, by the Grantee's legal representative or by any person empowered to do so under the deceased Grantee's will or under the then applicable laws of descent and distribution. The terms of the Option shall be binding upon the executors, administrators, heirs, successors and transferees of the Grantee.

10. Term of Option. The Option must be exercised no later than the Expiration Date set forth in the Notice or such earlier date as otherwise provided herein. After the Expiration Date or such earlier date, the Option shall be of no further force or effect and may not be exercised.

11. Transfer Restrictions for Unvested Shares. The Shares sold to the Grantee hereunder may not be sold, transferred by gift, pledged, hypothecated, or otherwise transferred or disposed of by the Grantee prior to the date that the Shares become vested pursuant to the Vesting Schedule set forth in the Notice. Any attempt to transfer Shares in violation of this Section 11 will be null and void and will be disregarded. After the Shares vest, the Shares will remain subject to the Company's Right of First Refusal as set forth in Section 12.

12. Company's Right of First Refusal. The Grantee acknowledges and agrees that the Shares are subject to a right of first refusal ("**Right of First Refusal**") as set forth in the Bylaws of the Company, which Right of First Refusal is incorporated herein by reference irrespective of whether the Bylaws are amended at some future date to remove the Right of First Refusal therefrom, and that, except in compliance with such Right of First Refusal, neither the Grantee nor a transferee (either being sometimes referred to herein as the "**Holder**") shall sell, hypothecate, encumber or otherwise transfer any Shares or any right or interest therein.

13. Escrow of Stock. For purposes of facilitating the enforcement of the provisions of this Option Agreement, the Grantee agrees, immediately upon receipt of the certificate(s) for the Shares, to deliver such certificate(s), together with an Assignment Separate from Certificate in the form attached hereto as Exhibit C, executed in blank by the Grantee with respect to each such stock certificate, to the Secretary or Assistant Secretary of the Company, or their designee, to hold in escrow for so long as such Shares have not vested pursuant to the Vesting Schedule set forth in the Notice or are subject to the Company's Right of First Refusal, with the authority to take all such actions and to effectuate all such transfers and/or releases as may be necessary or appropriate to accomplish the objectives of this Option Agreement in accordance with the terms hereof. The Grantee hereby acknowledges that the appointment of the Secretary or Assistant Secretary of the Company (or their designee) as the escrow holder hereunder with the stated authorities is a material inducement to the Company to make this Option Agreement and that such appointment is coupled with an interest and is accordingly irrevocable. The Grantee agrees that the Restricted Shares may be held electronically in a book entry system maintained by the Company's transfer agent or other third-party and that all the terms and conditions of this Section 13 applicable to certificated Restricted Shares will apply with the same force and effect to such electronic method for holding the Restricted Shares. The Grantee agrees that such escrow holder shall not be liable to any party hereto (or to any other party) for any actions or omissions unless such escrow holder is grossly negligent relative thereto. The escrow holder may rely upon any letter, notice or other document executed by any signature purported to be genuine and may resign at any time. Upon the vesting of all Shares and termination of the Company's Right of First Refusal, the escrow holder will, upon request, transmit to the Grantee the certificate evidencing such Shares.

14. Additional Securities. Any securities or cash received (other than a regular cash dividend) as the result of ownership of the Shares (the "**Additional Securities**"), including, but not by way of limitation, warrants, options and securities received as a stock dividend or stock split, or as a result of any transaction described in Section 10 or 11 of the Plan, shall be subject to the same conditions and restrictions as the Shares with respect to which they were issued, including, without limitation, the Vesting Schedule set forth in the Notice, Right of First Refusal and the Repurchase Right and retained in escrow in the same manner as the Shares with respect to which they relate. The Grantee shall be entitled to direct the Company to exercise any warrant or option received as Additional Securities upon supplying the funds necessary to do so, in which event the securities so purchased shall constitute Additional Securities, but the Grantee may not direct the Company to sell any such warrant or option. If Additional Securities consist of a convertible security, the Grantee may exercise any conversion right, and any securities so acquired shall constitute Additional Securities. Appropriate adjustments to reflect the distribution of Additional Securities shall be made to the price per share to be paid upon the exercise of the Repurchase Right in order to reflect the effect of any such transaction upon the Company's capital structure. In the event of any change in certificates evidencing the Shares or the Additional Securities by reason of any recapitalization, reorganization or other transaction that results in the creation of Additional Securities, the escrow holder is authorized to deliver to the issuer the certificates evidencing the Shares or the Additional Securities in exchange for the certificates of the replacement securities.

15. Distributions. Subject to Section 14 and Section 16(e), the Company shall disburse to the Grantee all regular cash dividends with respect to the Shares and Additional Securities (whether vested or not), less any applicable withholding obligations.

16. Company's Repurchase Right.

(a) Grant of Repurchase Right. The Company is hereby granted the right (the "**Repurchase Right**"), exercisable at any time during the nine (9) month period following the Termination Date, to repurchase all or any portion of the Shares that have not vested pursuant to the terms of the Vesting Schedule purchased upon exercise of the Option (the "**Share Repurchase Period**")**.**

(b) Exercise of the Repurchase Right. The Repurchase Right shall be exercisable by written notice delivered to the Grantee prior to the expiration of the Share Repurchase Period. The notice shall indicate the number of Shares to be repurchased and the date on which the repurchase is to be effected, such date to be not later than the last day of the Share Repurchase Period. On the date on which the repurchase is to be effected, the Company and/or its assigns shall pay to the Grantee in cash or cash equivalents (including the cancellation of any purchase-money indebtedness) an amount equal to the lesser of the Exercise Price per Share previously paid by the Grantee to the Company for such Shares and the Fair Market Value per Share on the date on which the repurchase is to be effected. Upon such payment or deposit into escrow for the benefit of the Grantee, the Company and/or its assigns shall become the legal and beneficial owner of the Shares being repurchased and all rights and interest thereon or related thereto, and the Company shall have the right to transfer to its own name or its assigns the number of Shares being repurchased, without further action by the Grantee.

(c) Assignment. Whenever the Company shall have the right to purchase Shares under this Repurchase Right, the Company may designate and assign one or more employees, officers, directors or stockholders of the Company or other persons or organizations, to exercise all or a part of the Company's Repurchase Right.

(d) Termination of the Repurchase Right. The Repurchase Right shall terminate with respect to any Shares for which it is not timely exercised.

(e) Additional Shares or Substituted Securities. In the event of any transaction described in Sections 10 or 11 of the Plan, the Repurchase Right shall apply to the new capital stock or other property (including cash paid other than as a regular cash dividend) received in exchange for the Shares in consummation of any such transaction and such stock or property shall be deemed Additional Securities for purposes of this Option Agreement, but only to the extent the Shares are at the time covered by such Repurchase Right. Appropriate adjustments shall be made to the price per share payable upon exercise of the Repurchase Right to reflect the effect of any such transaction.

17. Stop-Transfer Notices. In order to ensure compliance with the restrictions on transfer set forth in this Option Agreement, the Notice or the Plan, the Company may issue appropriate "stop transfer" instructions to its transfer agent, if any, and, if the Company transfers its own securities, it may make appropriate notations to the same effect in its own records.

18. Refusal to Transfer. The Company shall not be required (i) to transfer on its books any Shares that have been sold or otherwise transferred in violation of any of the provisions of this Option Agreement or (ii) to treat as owner of such Shares or to accord the right to vote or pay dividends to any purchaser or other transferee to whom such Shares shall have been so transferred.

19. Tax Consequences.

(a) The Grantee may incur tax liability as a result of the Grantee's purchase or disposition of the Shares. THE GRANTEE SHOULD CONSULT A TAX ADVISER BEFORE EXERCISING THE OPTION OR DISPOSING OF THE SHARES.

(b) Notwithstanding the Company's good faith determination of the Fair Market Value of the Company's Common Stock for purposes of determining the Exercise Price Per Share of the Option as set forth in the Notice, the taxing authorities may assert that the Fair Market Value of the Common Stock on the Date of Award was greater than the Exercise Price Per Share. If designated in the Notice as an Incentive Stock Option, the Option may fail to qualify as an Incentive Stock Option if the Exercise Price Per Share of the Option is less than the Fair Market Value of the Common Stock on the Date of Award. In addition, under Section 409A of the Code, if the Exercise Price Per Share of the Option is less than the Fair Market Value of the Common Stock on the Date of Award, the Option may be treated as a form of deferred compensation and the Grantee may be subject to an acceleration of income recognition, an additional 20% tax, plus interest and possible penalties. The Company makes no representation that the Option will comply with Section 409A of the Code and makes no undertaking to prevent Section 409A of the Code from applying to the Option or to mitigate its effects on any deferrals or payments made in respect of the Option. The Grantee is encouraged to consult a tax adviser regarding the potential impact of Section 409A of the Code.

20. Lock-Up Agreement.

(a) Agreement. The Grantee, if requested by the Company and the lead underwriter of any public offering of the Common Stock (the "**Lead Underwriter**"), hereby irrevocably agrees not to sell, contract to sell, grant any option to purchase, transfer the economic risk of ownership in, make any short sale of, pledge or otherwise transfer or dispose of any interest in any Common Stock or any securities convertible into or exchangeable or exercisable for or any other rights to purchase or acquire Common Stock (except Common Stock included in such public offering or acquired on the public market after such offering) during the 180-day period following the effective date of a registration statement of the Company filed under the Securities Act of 1933, as amended, or such shorter or longer period of time as the Lead Underwriter shall specify. The Grantee further agrees to sign such documents as may be requested by the Lead Underwriter to effect the foregoing and agrees that the Company may impose stop-transfer instructions with respect to such Common Stock subject to the lock-up period until the end of such period. The Company and the Grantee acknowledge that each Lead Underwriter of a public offering of the Company's stock, during the period of such offering and for the lock-up period thereafter, is an intended beneficiary of this Section 20.

(b) No Amendment Without Consent of Underwriter. During the period from identification of a Lead Underwriter in connection with any public offering of the Company's Common Stock until the earlier of (i) the expiration of the lock-up period specified in Section 20(a) in connection with such offering or (ii) the abandonment of such offering by the Company and the Lead Underwriter, the provisions of this Section 20 may not be amended or waived except with the consent of the Lead Underwriter.

21. Entire Agreement: Governing Law. The Notice, the Plan and this Option Agreement constitute the entire agreement of the parties with respect to the subject matter hereof and supersede in their entirety all prior undertakings and agreements of the Company and the Grantee with respect to the subject matter hereof, and may not be modified adversely to the Grantee's interest except by means of a writing signed by the Company and the Grantee. Nothing in the Notice, the Plan and this Option Agreement (except as expressly provided therein) is intended to confer any rights or remedies on any persons other than the parties. The Notice, the Plan and this Option Agreement are to be construed in accordance with and governed by the internal laws of the State of California without giving effect to any choice of law rule that would cause the application of the laws of any jurisdiction other than the internal laws of the State of California to the rights and duties of the parties. Should any provision of the Notice, the Plan or this Option Agreement be determined to be illegal or unenforceable, such provision shall be enforced to the fullest extent allowed by law and the other provisions shall nevertheless remain effective and shall remain enforceable.

22. Construction. The captions used in the Notice and this Option Agreement are inserted for convenience and shall not be deemed a part of the Option for construction or interpretation. Except when otherwise indicated by the context, the singular shall include the plural and the plural shall include the singular. Use of the term "or" is not intended to be exclusive, unless the context clearly requires otherwise.

23. Administration and Interpretation. Any question or dispute regarding the administration or interpretation of the Notice, the Plan or this Option Agreement shall be submitted by the Grantee or by the Company to the Administrator. The resolution of such question or dispute by the Administrator shall be final and binding on all persons.

24. Venue. The Company, the Grantee, and the Grantee's assignees pursuant to Section 9 (the "**parties**") agree that any suit, action, or proceeding arising out of or relating to the Notice, the Plan or this Option Agreement shall be brought in the United States District Court for the Northern District of California (or should such court lack jurisdiction to hear such action, suit or proceeding, in a California state court in the County of San Francisco) and that the parties shall submit to the jurisdiction of such court. The parties irrevocably waive, to the fullest extent permitted by law, any objection the party may have to the laying of venue for any such suit, action or proceeding brought in such court. If any one or more provisions of this Section 24 shall for any reason be held invalid or unenforceable, it is the specific intent of the parties that such provisions shall be modified to the minimum extent necessary to make it or its application valid and enforceable.

25. Notices. Any notice required or permitted hereunder shall be given in writing and shall be deemed effectively given upon personal delivery, upon deposit for delivery by an

internationally recognized express mail courier service or upon deposit in the United States mail by certified mail (if the parties are within the United States), with postage and fees prepaid, addressed to the other party at its address as shown in these instruments, or to such other address as such party may designate in writing from time to time to the other party.

26. Confidentiality. To the extent required by Applicable Law, the Company shall provide to the Grantee, during the period the Option is outstanding, copies of financial statements of the Company at least annually. The Grantee understands and agrees that such financial statements are confidential and shall not be disclosed by the Grantee, to any entity or person, for any reason, at any time, without the prior written consent of the Company, unless required by law. If disclosure of such financial statements is required by law, whether through subpoena, request for production, deposition, or otherwise, the Grantee promptly shall provide written notice to Company, including copies of the subpoena, request for production, deposition, or otherwise, within five (5) business days of their receipt by the Grantee and prior to any disclosure so as to provide Company an opportunity to move to quash or otherwise to oppose the disclosure. Notwithstanding the foregoing, the Grantee may disclose the terms of such financial statements to his or her spouse or domestic partner, and for legitimate business reasons, to legal, financial, and tax advisors.

END OF AGREEMENT

EXHIBIT A

ADICET BIO, INC. 2015 STOCK INCENTIVE PLAN

EXERCISE NOTICE

[COMPANY ADDRESS]
Attention: Secretary

1. Effective as of today, the undersigned (the "**Grantee**") hereby elects to exercise the Grantee's option to purchase shares of the Common Stock (the "**Shares**") of Adicet Bio, Inc. (the "**Company**") under and pursuant to the Company's 2015 Stock Incentive Plan, as amended from time to time (the "**Plan**") and the [ ] Incentive [ ] Non-Qualified Stock Option Award Agreement (the "**Option Agreement**") and Notice of Stock Option Award (the "**Notice**") dated . Unless otherwise defined herein, the terms defined in the Plan shall have the same defined meanings in this Exercise Notice.

2. Representations of the Grantee. The Grantee acknowledges that the Grantee has received, read and understood the Notice, the Plan and the Option Agreement and agrees to abide by and be bound by their terms and conditions.

3. Rights as Stockholder. Until the stock certificate evidencing such Shares is issued (as evidenced by the appropriate entry on the books of the Company or of a duly authorized transfer agent of the Company), no right to vote or receive dividends or any other rights as a stockholder shall exist with respect to the Shares, notwithstanding the exercise of the Option. The Company shall issue (or cause to be issued) such stock certificate promptly after the Option is exercised. No adjustment will be made for a dividend or other right for which the record date is prior to the date the stock certificate is issued, except as provided in Section 10 of the Plan.

The Grantee shall enjoy rights as a stockholder until such time as the Grantee disposes of the Shares or the Company and/or its assignee(s) exercises the Right of First Refusal or the Repurchase Right. Upon such exercise, the Grantee shall have no further rights as a holder of the Shares so purchased except the right to receive payment for the Shares so purchased in accordance with the provisions of the Option Agreement, and the Grantee shall forthwith cause the certificate(s) evidencing the Shares so purchased to be surrendered to the Company for transfer or cancellation.

4. Delivery of Payment. The Grantee herewith delivers to the Company the full Exercise Price for the Shares, which, to the extent selected, shall be deemed to be satisfied by use of the broker-dealer sale and remittance procedure to pay the Exercise Price provided in Section 4(d) of the Option Agreement.

5. Tax Consultation. The Grantee understands that the Grantee may suffer adverse tax consequences as a result of the Grantee's purchase or disposition of the Shares. The Grantee represents that the Grantee has consulted with any tax consultants the Grantee deems advisable in connection with the purchase or disposition of the Shares and that the Grantee is not relying on the Company for any tax advice.

6. Tax Election; Taxes. The Grantee shall provide the Company with a copy of any timely filed 83(b) Election relating to the purchase of the Shares. If the Grantee makes a timely 83(b) Election, the Grantee shall immediately pay the Company (or the Related Entity that employs the Grantee) the amount necessary to satisfy any applicable federal, state, and local income and employment tax withholding obligations. If the Grantee does not make a timely 83(b) Election, the Grantee shall, either at the time that the restrictions lapse under the Option Agreement and the Plan or at the time withholding is otherwise required by Applicable Law, pay the Company (or the Related Entity that employs the Grantee) the amount necessary to satisfy any applicable federal, state, and local income and employment tax withholding obligations. In addition, the Grantee agrees to satisfy all other applicable federal, state and local income and employment tax withholding obligations and herewith delivers to the Company the full amount of such obligations or has made arrangements acceptable to the Company to satisfy such obligations. In the case of an Incentive Stock Option, the Grantee also agrees, as partial consideration for the designation of the Option as an Incentive Stock Option, to notify the Company in writing within thirty (30) days of any disposition of any shares acquired by exercise of the Option if such disposition occurs within two (2) years from the Date of Award or within one (1) year from the date the Shares were transferred to the Grantee.

7. Restrictive Legends. The Grantee understands and agrees that the Company shall cause the legends set forth below or legends substantially equivalent thereto, to be placed upon any certificate(s) evidencing ownership of the Shares together with any other legends that may be required by the Company or by state or federal securities laws:

> THE SECURITIES REPRESENTED HEREBY HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933 (THE "ACT") OR ANY STATE SECURITIES LAWS AND MAY NOT BE OFFERED, SOLD OR OTHERWISE TRANSFERRED, PLEDGED OR HYPOTHECATED UNLESS AND UNTIL REGISTERED UNDER THE ACT OR, IN THE OPINION OF COUNSEL SATISFACTORY TO THE ISSUER OF THESE SECURITIES, SUCH OFFER, SALE OR TRANSFER, PLEDGE OR HYPOTHECATION IS IN COMPLIANCE THEREWITH.
>
> THE SHARES REPRESENTED BY THIS CERTIFICATE ARE SUBJECT TO CERTAIN RESTRICTIONS ON TRANSFER, A RIGHT OF FIRST REFUSAL AND A REPURCHASE RIGHT HELD BY THE ISSUER OR ITS ASSIGNEE(S) AS SET FORTH IN THE OPTION AGREEMENT BETWEEN THE ISSUER AND THE ORIGINAL HOLDER OF THESE SHARES, A COPY OF WHICH MAY BE OBTAINED AT THE PRINCIPAL OFFICE OF THE ISSUER. SUCH TRANSFER RESTRICTIONS, RIGHT OF FIRST REFUSAL AND REPURCHASE RIGHT ARE BINDING ON TRANSFEREES OF THESE SHARES.

8. Successors and Assigns. The Company may assign any of its rights under this Exercise Notice to single or multiple assignees, and this agreement shall inure to the benefit of

the successors and assigns of the Company. Subject to the restrictions on transfer herein set forth, this Exercise Notice shall be binding upon the Grantee and his or her heirs, executors, administrators, successors and assigns.

9. Construction. The captions used in this Exercise Notice are inserted for convenience and shall not be deemed a part of this agreement for construction or interpretation. Except when otherwise indicated by the context, the singular shall include the plural and the plural shall include the singular. Use of the term "or" is not intended to be exclusive, unless the context clearly requires otherwise.

10. Administration and Interpretation. The Grantee hereby agrees that any question or dispute regarding the administration or interpretation of this Exercise Notice shall be submitted by the Grantee or by the Company to the Administrator. The resolution of such question or dispute by the Administrator shall be final and binding on all persons.

11. Governing Law; Severability. This Exercise Notice is to be construed in accordance with and governed by the internal laws of the State of California without giving effect to any choice of law rule that would cause the application of the laws of any jurisdiction other than the internal laws of the State of California to the rights and duties of the parties. Should any provision of this Exercise Notice be determined by a court of law to be illegal or unenforceable, such provision shall be enforced to the fullest extent allowed by law and the other provisions shall nevertheless remain effective and shall remain enforceable.

12. Notices. Any notice required or permitted hereunder shall be given in writing and shall be deemed effectively given upon personal delivery, upon deposit for delivery by an internationally recognized express mail courier service or upon deposit in the United States mail by certified mail (if the parties are within the United States), with postage and fees prepaid, addressed to the other party at its address as shown below beneath its signature, or to such other address as such party may designate in writing from time to time to the other party.

13. Further Instruments. The parties agree to execute such further instruments and to take such further action as may be reasonably necessary to carry out the purposes and intent of this agreement.

14. Entire Agreement. The Notice, the Plan and the Option Agreement are incorporated herein by reference and together with this Exercise Notice constitute the entire agreement of the parties with respect to the subject matter hereof and supersede in their entirety all prior undertakings and agreements of the Company and the Grantee with respect to the subject matter hereof, and may not be modified adversely to the Grantee's interest except by means of a writing signed by the Company and the Grantee. Nothing in the Notice, the Plan, the Option Agreement and this Exercise Notice (except as expressly provided therein) is intended to confer any rights or remedies on any persons other than the parties.

[*Remainder of Page Left Intentionally Blank*]

Submitted by:

GRANTEE:

By: _____

Name: _____

Address:

_____

_____

_____

Accepted by:

ADICET BIO, INC.

By: _____

Name: _____

Title: _____

Address:

_____

_____

_____

EXHIBIT B

ADICET BIO, INC. 2015 STOCK INCENTIVE PLAN

INVESTMENT REPRESENTATION STATEMENT

GRANTEE:	_____
COMPANY:	ADICET BIO, INC.
SECURITY:	COMMON STOCK
NUMBER OF SHARES:	_____
DATE:	_____

In connection with the purchase of the above-listed Securities, the undersigned Grantee represents to the Company the following:

(a) Grantee is aware of the Company's business affairs and financial condition and has acquired sufficient information about the Company to reach an informed and knowledgeable decision to acquire the Securities. Grantee is acquiring these Securities for investment for Grantee's own account only and not with a view to, or for resale in connection with, any "distribution" thereof within the meaning of the Securities Act of 1933, as amended (the "**Securities Act**").

(b) Grantee acknowledges and understands that the Securities constitute "restricted securities" under the Securities Act and have not been registered under the Securities Act in reliance upon a specific exemption therefrom, which exemption depends upon among other things, the bona fide nature of Grantee's investment intent as expressed herein. Grantee further understands that the Securities must be held indefinitely unless they are subsequently registered under the Securities Act or an exemption from such registration is available. Grantee further acknowledges and understands that the Company is under no obligation to register the Securities. Grantee understands that the certificate evidencing the Securities will be imprinted with a legend which prohibits the transfer of the Securities unless they are registered or such registration is not required in the opinion of counsel satisfactory to the Company.

(c) Grantee is familiar with the provisions of Rule 701 and Rule 144, each promulgated under the Securities Act, which, in substance, permit limited public resale of "restricted securities" acquired, directly or indirectly from the issuer thereof, in a non-public offering subject to the satisfaction of certain conditions. Rule 701 provides that if the issuer qualifies under Rule 701 at the time of the grant of the Option to the Grantee, the exercise will be exempt from registration under the Securities Act. In the event the Company becomes subject to the reporting requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, ninety (90) days thereafter (or such longer period as any market stand-off agreement may require) the Securities exempt under Rule 701 may be resold, except in the case of affiliates, such Securities may be resold subject to the satisfaction of the applicable conditions specified by Rule 144, including: (1) the availability of certain public information about the Company, (2) the amount of Securities being sold during any three month period not exceeding specified limitations, (3) the resale being made in an unsolicited "broker's transaction," in transactions directly with a "market maker" or "riskless principal transactions" (as said terms are defined under the Securities Exchange Act of 1934) and (4) the timely filing of a Form 144, if applicable.

In the event that the Company does not qualify under Rule 701 at the time of the grant of the Option, then the Securities may be resold in certain limited circumstances subject to the provisions of Rule 144, which may require: the availability of current public information about the Company; the resale to occur more than a specified period after the purchase and full payment (within the meaning of Rule 144) for the Securities; and, in the case of the sale of Securities by an affiliate, the satisfaction of the conditions set forth in sections (2), (3) and (4) of the paragraph immediately above.

(d) Grantee further understands that in the event all of the applicable requirements of Rule 701 or 144 are not satisfied, registration under the Securities Act, compliance with Regulation A, or some other registration exemption will be required; and that, notwithstanding the fact that Rules 144 and 701 are not exclusive, the Staff of the Securities and Exchange Commission has expressed its opinion that persons proposing to sell private placement securities other than in a registered offering and otherwise than pursuant to Rules 144 or 701 will have a substantial burden of proof in establishing that an exemption from registration is available for such offers or sales, and that such persons and their respective brokers who participate in such transactions do so at their own risk. Grantee understands that no assurances can be given that any such other registration exemption will be available in such event.

(e) Grantee represents that Grantee is a resident of the state of .

Signature of Grantee:

By: _____

Date: _____

EXHIBIT C

STOCK ASSIGNMENT SEPARATE FROM CERTIFICATE

[Please sign this document but do not date it. The date and information of the transferee will be completed if and when the shares are assigned.]

FOR VALUE RECEIVED, hereby sells, assigns and transfers unto , ( ) shares of the Common Stock of Adicet Bio, Inc., a Delaware corporation (the "**Company**"), standing in his name on the books of, represented by Certificate No. herewith, and does hereby irrevocably constitute and appoint the Secretary of the Company attorney to transfer the said stock in the books of the Company with full power of substitution.

DATED: _____

By: _____
(Signature)

EXHIBIT D

ELECTION UNDER SECTION 83(b)
OF THE INTERNAL REVENUE CODE OF 1986

The undersigned taxpayer hereby elects, pursuant to the Internal Revenue Code, to include in gross income for calendar year the amount of any compensation taxable in connection with the taxpayer's receipt of the property described below:

1. The name, address, taxpayer identification number and taxable year of the undersigned are:

TAXPAYER'S NAME _____

TAXPAYER'S SOCIAL SECURITY NO.: _____

TAXABLE YEAR: Calendar Year _____

ADDRESS: _____

_____

_____

2. The property which is the subject of this election is shares of common stock of Adicet Bio, Inc.

3. The property was transferred to the undersigned on , .

4. The property is subject to the following restrictions: The property is subject to a repurchase right pursuant to which the issuer has the right to acquire the property at the lesser of the original purchase price or the fair market value of the property if for any reason taxpayer's employment or service with the issuer is terminated. The issuer's repurchase right lapses in a series of periodic installments.

5. The fair market value of the property at the time of transfer (determined without regard to any restriction other than a restriction which by its terms will never lapse) is: $ per share x shares = $.

6. The undersigned paid $ per share x shares for the property transferred or a total of $.

The undersigned has submitted a copy of this statement to the person for whom the services were performed in connection with the undersigned's receipt of the above-described property. The undersigned taxpayer is the person performing the services in connection with the transfer of said property.

The undersigned will file this election with the Internal Revenue Service office to which the undersigned files the undersigned's annual income tax return not later than 30 days after the date of transfer of the property. Additionally, the undersigned will include a copy of the election with the undersigned's income tax return for the taxable year in which the property is transferred.

Dated: _____ _____

Taxpayer

The property described in the above Section 83(b) election is comprised of shares of common stock acquired pursuant to the exercise of an incentive stock option under Section 422 of the Internal Revenue Code (the "Code"). Accordingly, the purpose of this election is to have the alternative minimum taxable income attributable to the purchased shares measured by the amount by which the fair market value of such shares at the time of their transfer to the Taxpayer exceeds the purchase price paid for the shares. In the absence of this election, such alternative minimum taxable income would be measured by the spread between the fair market value of the purchased shares and the purchase price which exists on the various lapse dates in effect for the forfeiture restrictions applicable to such shares.

THIS PAGE 2 IS TO BE ATTACHED TO ANY SECTION 83(b) ELECTION FILED IN CONNECTION WITH THE EXERCISE OF AN INCENTIVE STOCK OPTION.

ADICET BIO, INC. 2015 STOCK INCENTIVE PLAN

NOTICE OF STOCK OPTION AWARD

Grantee's Name and Address: _____

_____

_____

You (the "**Grantee**") have been granted an option to purchase shares of Common Stock, subject to the terms and conditions of this Notice of Stock Option Award (the "**Notice**"), the Adicet Bio, Inc. 2015 Stock Incentive Plan, as amended from time to time (the "**Plan**") and the Stock Option Award Agreement (the "**Option Agreement**") attached hereto, as follows. Unless otherwise defined herein, the terms defined in the Plan shall have the same defined meanings in this Notice.

Award Number	_____
Date of Award	_____
Vesting Commencement Date	_____
Exercise Price per Share	$_____
Total Number of Shares Subject to the Option (the "**Shares**")	_____
Total Exercise Price	$_____
Type of Option:	_____ Incentive Stock Option
	_____ Non-Qualified Stock Option
Expiration Date:	_____
Post-Termination Exercise Period:	Three (3) Months

Vesting Schedule:

Subject to the Grantee's Continuous Service and the other limitations set forth in this Notice, the Plan and the Option Agreement, the Option may be exercised, in whole or in part, in accordance with the following schedule:

[25% of the Shares subject to the Option shall vest twelve (12) months after the Vesting Commencement Date, and 1/36th of the remaining unvested Shares subject to the Option shall vest on each of the next thirty-six (36) monthly anniversaries of the Vesting Commencement Date thereafter.][1]

[1/48th of the Shares subject to the Option shall vest on each monthly anniversary of the Vesting Commencement Date.][2]

1 Insert for new-hire grants.

2 Insert for refresh grants.

During any authorized leave of absence, the vesting of the Shares shall be suspended after the leave of absence exceeds a period of three (3) months. Vesting of the Shares shall resume upon the Grantee's termination of the leave of absence and return to Continuous Service. The Vesting Schedule of the Shares shall be extended by the length of the suspension.

In the event of termination of the Grantee's Continuous Service for Cause, the Grantee's right to exercise the Option shall terminate concurrently with the termination of the Grantee's Continuous Service, except as otherwise determined by the Administrator.

[*Remainder of Page Left Intentionally Blank*]

IN WITNESS WHEREOF, the Company and the Grantee have executed this Notice and agree that the Option is to be governed by the terms and conditions of this Notice, the Plan, and the Option Agreement.

ADICET BIO, INC.,
a Delaware corporation

By: _____
Name: _____
Title: _____

[*Remainder of Page Left Intentionally Blank*]

THE GRANTEE ACKNOWLEDGES AND AGREES THAT THE SHARES SUBJECT TO THE OPTION SHALL VEST, IF AT ALL, ONLY DURING THE PERIOD OF THE GRANTEE'S CONTINUOUS SERVICE (NOT THROUGH THE ACT OF BEING HIRED, BEING GRANTED THE OPTION OR ACQUIRING SHARES HEREUNDER). THE GRANTEE FURTHER ACKNOWLEDGES AND AGREES THAT NOTHING IN THIS NOTICE, THE OPTION AGREEMENT, OR THE PLAN SHALL CONFER UPON THE GRANTEE ANY RIGHT WITH RESPECT TO FUTURE AWARDS OR CONTINUATION OF THE GRANTEE'S CONTINUOUS SERVICE, NOR SHALL IT INTERFERE IN ANY WAY WITH THE GRANTEE'S RIGHT OR THE RIGHT OF THE COMPANY OR RELATED ENTITY TO WHICH THE GRANTEE PROVIDES SERVICES TO TERMINATE THE GRANTEE'S CONTINUOUS SERVICE, WITH OR WITHOUT CAUSE, AND WITH OR WITHOUT NOTICE. THE GRANTEE ACKNOWLEDGES THAT UNLESS THE GRANTEE HAS A WRITTEN EMPLOYMENT AGREEMENT WITH THE COMPANY TO THE CONTRARY, THE GRANTEE'S STATUS IS AT WILL.

The Grantee acknowledges receipt of a copy of the Plan and the Option Agreement, and represents that he or she is familiar with the terms and provisions thereof, and hereby accepts the Option subject to all of the terms and provisions hereof and thereof. The Grantee has reviewed this Notice, the Plan, and the Option Agreement in their entirety, has had an opportunity to obtain the advice of counsel prior to executing this Notice, and fully understands all provisions of this Notice, the Plan and the Option Agreement. The Grantee hereby agrees that all questions of interpretation and administration relating to this Notice, the Plan and the Option Agreement shall be resolved by the Administrator in accordance with Section 18 of the Option Agreement. The Grantee further agrees to the venue selection in accordance with Section 19 of the Option Agreement. The Grantee further agrees to notify the Company upon any change in the residence address indicated in this Notice.

Dated: _____ Signed: _____

Grantee

Award Number: _____

ADICET BIO, INC. 2015 STOCK INCENTIVE PLAN

STOCK OPTION AWARD AGREEMENT

1. Grant of Option. Adicet Bio, Inc., a Delaware corporation (the "**Company**"), hereby grants to the Grantee (the "**Grantee**") named in the Notice of Stock Option Award (the "**Notice**"), an option (the "**Option**") to purchase the Total Number of Shares of Common Stock subject to the Option (the "**Shares**") set forth in the Notice, at the Exercise Price per Share set forth in the Notice (the "**Exercise Price**") subject to the terms and provisions of the Notice, this Stock Option Award Agreement (the "**Option Agreement**") and the Company's 2015 Stock Incentive Plan, as amended from time to time (the "**Plan**"), which are incorporated herein by reference. Unless otherwise defined herein, the terms defined in the Plan shall have the same defined meanings in this Option Agreement.

If designated in the Notice as an Incentive Stock Option, the Option is intended to qualify as an Incentive Stock Option as defined in Section 422 of the Code. However, notwithstanding such designation, the Option will qualify as an Incentive Stock Option under the Code only to the extent the $100,000 dollar limitation of Section 422(d) of the Code is not exceeded. The $100,000 limitation of Section 422(d) of the Code is calculated based on the aggregate Fair Market Value of the Shares subject to options designated as Incentive Stock Options which become exercisable for the first time by the Grantee during any calendar year (under all plans of the Company or any Parent or Subsidiary of the Company). For purposes of this calculation, Incentive Stock Options shall be taken into account in the order in which they were granted, and the Fair Market Value of the shares subject to such options shall be determined as of the grant date of the relevant option.

2. Exercise of Option.

(a) Right to Exercise. The Option shall be exercisable during its term in accordance with the Vesting Schedule set out in the Notice and with the applicable provisions of the Plan and this Option Agreement. The Option shall be subject to the provisions of Section 11 of the Plan relating to the exercisability or termination of the Option in the event of a Corporate Transaction. The Grantee shall be subject to reasonable limitations on the number of requested exercises during any monthly or weekly period as determined by the Administrator. In no event shall the Company issue fractional Shares.

(b) Method of Exercise. The Option shall be exercisable by delivery of an exercise notice (a form of which is attached as Exhibit A) or by such other procedure as specified from time to time by the Administrator which shall state the election to exercise the Option, the whole number of Shares in respect of which the Option is being exercised, and such other provisions as may be required by the Administrator. The exercise notice shall be delivered in person, by certified mail, or by such other method (including electronic transmission) as determined from time to time by the Administrator to the Company accompanied by payment of the Exercise Price and all applicable income and employment taxes required to be withheld. The

Option shall be deemed to be exercised upon receipt by the Company of such notice accompanied by the Exercise Price and all applicable withholding taxes, which, to the extent selected, shall be deemed to be satisfied by use of the broker-dealer sale and remittance procedure to pay the Exercise Price provided in Section 4(d) below to the extent such procedure is available to the Grantee at the time of exercise and such an exercise would not violate any Applicable Law.

(c) Taxes. No Shares will be delivered to the Grantee or other person pursuant to the exercise of the Option until the Grantee or other person has made arrangements acceptable to the Administrator for the satisfaction of applicable income tax and employment tax withholding obligations, including, without limitation, such other tax obligations of the Grantee incident to the receipt of Shares. Upon exercise of the Option, the Company or the Grantee's employer may offset or withhold (from any amount owed by the Company or the Grantee's employer to the Grantee) or collect from the Grantee or other person an amount sufficient to satisfy such tax withholding obligations. Furthermore, in the event of any determination that the Company has failed to withhold a sum sufficient to pay all withholding taxes due in connection with the Option, the Grantee agrees to pay the Company the amount of such deficiency in cash within five (5) days after receiving a written demand from the Company to do so, whether or not the Grantee is an employee of the Company at that time.

3. Grantee's Representations. The Grantee understands that neither the Option nor the Shares exercisable pursuant to the Option have been registered under the Securities Act of 1933, as amended or any United States securities laws. In the event the Shares purchasable pursuant to the exercise of the Option have not been registered under the Securities Act of 1933, as amended, at the time the Option is exercised, the Grantee shall, if requested by the Company, concurrently with the exercise of all or any portion of the Option, deliver to the Company his or her Investment Representation Statement in the form attached hereto as Exhibit B.

4. Method of Payment. Payment of the Exercise Price shall be made by any of the following, or a combination thereof, at the election of the Grantee; provided, however, that such exercise method does not then violate any Applicable Law and, provided further, that the portion of the Exercise Price equal to the par value of the Shares must be paid in cash or other legal consideration permitted by the Delaware General Corporation Law:

(a) cash;

(b) check;

(c) if the exercise occurs on or after the Registration Date, surrender of Shares held for the requisite period, if any, necessary to avoid a charge to the Company's earnings for financial reporting purposes, or delivery of a properly executed form of attestation of ownership of Shares as the Administrator may require which have a Fair Market Value on the date of surrender or attestation equal to the aggregate Exercise Price of the Shares as to which the Option is being exercised; or

(d) if the exercise occurs on or after the Registration Date, payment through a broker-dealer sale and remittance procedure pursuant to which the Grantee (i) shall provide

written instructions to a Company-designated brokerage firm to effect the immediate sale of some or all of the purchased Shares and remit to the Company sufficient funds to cover the aggregate exercise price payable for the purchased Shares and (ii) shall provide written directives to the Company to deliver the certificates for the purchased Shares directly to such brokerage firm in order to complete the sale transaction.

5. Restrictions on Exercise. The Option may not be exercised if the issuance of the Shares subject to the Option upon such exercise would constitute a violation of any Applicable Laws. In addition, the Option may not be exercised until such time as the Plan has been approved by the stockholders of the Company. If the exercise of the Option within the applicable time periods set forth in Sections 6, 7 and 8 of this Option Agreement is prevented by the provisions of this Section 5, the Option shall remain exercisable until one (1) month after the date the Grantee is notified by the Company that the Option is exercisable, but in any event no later than the Expiration Date set forth in the Notice.

6. Termination or Change of Continuous Service. In the event the Grantee's Continuous Service terminates, other than for Cause, the Grantee may, but only during the Post-Termination Exercise Period, exercise the portion of the Option that was vested at the date of such termination (the "**Termination Date**"). The Post-Termination Exercise Period shall commence on the Termination Date. In the event of termination of the Grantee's Continuous Service for Cause, the Grantee's right to exercise the Option shall, except as otherwise determined by the Administrator, terminate concurrently with the termination of the Grantee's Continuous Service (also the "**Termination Date**"). In no event, however, shall the Option be exercised later than the Expiration Date set forth in the Notice. In the event of the Grantee's change in status from Employee, Director or Consultant to any other status of Employee, Director or Consultant, the Option shall remain in effect and the Option shall continue to vest in accordance with the Vesting Schedule set forth in the Notice; provided, however, with respect to any Incentive Stock Option that shall remain in effect after a change in status from Employee to Director or Consultant, such Incentive Stock Option shall cease to be treated as an Incentive Stock Option and shall be treated as a Non-Qualified Stock Option on the day three (3) months and one (1) day following such change in status. Except as provided in Sections 7 and 8 below, to the extent that the Option was unvested on the Termination Date, or if the Grantee does not exercise the vested portion of the Option within the Post-Termination Exercise Period, the Option shall terminate.

7. Disability of Grantee. In the event the Grantee's Continuous Service terminates as a result of his or her Disability, the Grantee may, but only within twelve (12) months commencing on the Termination Date (but in no event later than the Expiration Date), exercise the portion of the Option that was vested on the Termination Date; provided, however, that if such Disability is not a "disability" as such term is defined in Section 22(e)(3) of the Code and the Option is an Incentive Stock Option, such Incentive Stock Option shall cease to be treated as an Incentive Stock Option and shall be treated as a Non-Qualified Stock Option on the day three (3) months and one (1) day following the Termination Date. To the extent that the Option was unvested on the Termination Date, or if the Grantee does not exercise the vested portion of the Option within the time specified herein, the Option shall terminate. Section 22(e)(3) of the Code provides that an individual is permanently and totally disabled if he or she is unable to engage in any substantial gainful activity by reason of any medically determinable physical or mental impairment which can be expected to result in death or which has lasted or can be expected to last for a continuous period of not less than twelve (12) months.

8. Death of Grantee. In the event of the termination of the Grantee's Continuous Service as a result of his or her death, or in the event of the Grantee's death during the Post-Termination Exercise Period or during the twelve (12) month period following the Grantee's termination of Continuous Service as a result of his or her Disability, the person who acquired the right to exercise the Option pursuant to Section 9 may exercise the portion of the Option that was vested at the date of termination within twelve (12) months commencing on the date of death (but in no event later than the Expiration Date). To the extent that the Option was unvested on the date of death, or if the vested portion of the Option is not exercised within the time specified herein, the Option shall terminate.

9. Transferability of Option. The Option, if an Incentive Stock Option, may not be transferred in any manner other than by will or by the laws of descent and distribution and may be exercised during the lifetime of the Grantee only by the Grantee. The Option, if a Non-Qualified Stock Option, may not be transferred in any manner other than by will or by the laws of descent and distribution; provided, however, that a Non-Qualified Stock Option may be transferred during the lifetime of the Grantee by gift or pursuant to a domestic relations order to members of the Grantee's Immediate Family to the extent and in the manner determined by the Administrator. Notwithstanding the foregoing, the Grantee may designate one or more beneficiaries of the Grantee's Incentive Stock Option or Non-Qualified Stock Option in the event of the Grantee's death on a beneficiary designation form provided by the Administrator. Following the death of the Grantee, the Option, to the extent provided in Section 8, may be exercised (a) by the person or persons designated under the deceased Grantee's beneficiary designation or (b) in the absence of an effectively designated beneficiary, by the Grantee's legal representative or by any person empowered to do so under the deceased Grantee's will or under the then applicable laws of descent and distribution. The terms of the Option shall be binding upon the executors, administrators, heirs, successors and transferees of the Grantee.

10. Term of Option. The Option must be exercised no later than the Expiration Date set forth in the Notice or such earlier date as otherwise provided herein. After the Expiration Date or such earlier date, the Option shall be of no further force or effect and may not be exercised.

11. Company's Right of First Refusal. The Grantee acknowledges and agrees that the Shares are subject to a right of first refusal ("**Right of First Refusal**") as set forth in the Bylaws of the Company, which Right of First Refusal is incorporated herein by reference irrespective of whether the Bylaws are amended at some future date to remove the Right of First Refusal therefrom, and that, except in compliance with such Right of First Refusal, neither the Grantee nor a transferee (either being sometimes referred to herein as the "**Holder**") shall sell, hypothecate, encumber or otherwise transfer any Shares or any right or interest therein.

12. Stop-Transfer Notices. In order to ensure compliance with the restrictions on transfer set forth in this Option Agreement, the Notice or the Plan, the Company may issue appropriate "stop transfer" instructions to its transfer agent, if any, and, if the Company transfers its own securities, it may make appropriate notations to the same effect in its own records.

13. Refusal to Transfer. The Company shall not be required (i) to transfer on its books any Shares that have been sold or otherwise transferred in violation of any of the provisions of this Option Agreement or (ii) to treat as owner of such Shares or to accord the right to vote or pay dividends to any purchaser or other transferee to whom such Shares shall have been so transferred.

14. Tax Consequences.

(a) The Grantee may incur tax liability as a result of the Grantee's purchase or disposition of the Shares. THE GRANTEE SHOULD CONSULT A TAX ADVISER BEFORE EXERCISING THE OPTION OR DISPOSING OF THE SHARES.

(b) Notwithstanding the Company's good faith determination of the Fair Market Value of the Company's Common Stock for purposes of determining the Exercise Price Per Share of the Option as set forth in the Notice, the taxing authorities may assert that the Fair Market Value of the Common Stock on the Date of Award was greater than the Exercise Price Per Share. If designated in the Notice as an Incentive Stock Option, the Option may fail to qualify as an Incentive Stock Option if the Exercise Price Per Share of the Option is less than the Fair Market Value of the Common Stock on the Date of Award. In addition, under Section 409A of the Code, if the Exercise Price Per Share of the Option is less than the Fair Market Value of the Common Stock on the Date of Award, the Option may be treated as a form of deferred compensation and the Grantee may be subject to an acceleration of income recognition, an additional 20% tax, plus interest and possible penalties. The Company makes no representation that the Option will comply with Section 409A of the Code and makes no undertaking to prevent Section 409A of the Code from applying to the Option or to mitigate its effects on any deferrals or payments made in respect of the Option. The Grantee is encouraged to consult a tax adviser regarding the potential impact of Section 409A of the Code.

15. Lock-Up Agreement.

(a) Agreement. The Grantee, if requested by the Company and the lead underwriter of any public offering of the Common Stock (the "**Lead Underwriter**"), hereby irrevocably agrees not to sell, contract to sell, grant any option to purchase, transfer the economic risk of ownership in, make any short sale of, pledge or otherwise transfer or dispose of any interest in any Common Stock or any securities convertible into or exchangeable or exercisable for or any other rights to purchase or acquire Common Stock (except Common Stock included in such public offering or acquired on the public market after such offering) during the 180-day period following the effective date of a registration statement of the Company filed under the Securities Act of 1933, as amended, or such shorter or longer period of time as the Lead Underwriter shall specify. The Grantee further agrees to sign such documents as may be requested by the Lead Underwriter to effect the foregoing and agrees that the Company may impose stop-transfer instructions with respect to such Common Stock subject to the lock-up period until the end of such period. The Company and the Grantee acknowledge that each Lead Underwriter of a public offering of the Company's stock, during the period of such offering and for the lock-up period thereafter, is an intended beneficiary of this Section 15.

(b) No Amendment Without Consent of Underwriter. During the period from identification of a Lead Underwriter in connection with any public offering of the Company's Common Stock until the earlier of (i) the expiration of the lock-up period specified in Section 15(a) in connection with such offering or (ii) the abandonment of such offering by the Company and the Lead Underwriter, the provisions of this Section 15 may not be amended or waived except with the consent of the Lead Underwriter.

16. Entire Agreement: Governing Law. The Notice, the Plan and this Option Agreement constitute the entire agreement of the parties with respect to the subject matter hereof and supersede in their entirety all prior undertakings and agreements of the Company and the Grantee with respect to the subject matter hereof, and may not be modified adversely to the Grantee's interest except by means of a writing signed by the Company and the Grantee. Nothing in the Notice, the Plan and this Option Agreement (except as expressly provided therein) is intended to confer any rights or remedies on any persons other than the parties. The Notice, the Plan and this Option Agreement are to be construed in accordance with and governed by the internal laws of the State of California without giving effect to any choice of law rule that would cause the application of the laws of any jurisdiction other than the internal laws of the State of California to the rights and duties of the parties. Should any provision of the Notice, the Plan or this Option Agreement be determined to be illegal or unenforceable, such provision shall be enforced to the fullest extent allowed by law and the other provisions shall nevertheless remain effective and shall remain enforceable.

17. Construction. The captions used in the Notice and this Option Agreement are inserted for convenience and shall not be deemed a part of the Option for construction or interpretation. Except when otherwise indicated by the context, the singular shall include the plural and the plural shall include the singular. Use of the term "or" is not intended to be exclusive, unless the context clearly requires otherwise.

18. Administration and Interpretation. Any question or dispute regarding the administration or interpretation of the Notice, the Plan or this Option Agreement shall be submitted by the Grantee or by the Company to the Administrator. The resolution of such question or dispute by the Administrator shall be final and binding on all persons.

19. Venue. The Company, the Grantee, and the Grantee's assignees pursuant to Section 9 (the "**parties**") agree that any suit, action, or proceeding arising out of or relating to the Notice, the Plan or this Option Agreement shall be brought in the United States District Court for the Northern District of California (or should such court lack jurisdiction to hear such action, suit or proceeding, in a California state court in the County of San Francisco) and that the parties shall submit to the jurisdiction of such court. The parties irrevocably waive, to the fullest extent permitted by law, any objection the party may have to the laying of venue for any such suit, action or proceeding brought in such court. If any one or more provisions of this Section 19 shall for any reason be held invalid or unenforceable, it is the specific intent of the parties that such provisions shall be modified to the minimum extent necessary to make it or its application valid and enforceable.

20. Notices. Any notice required or permitted hereunder shall be given in writing and shall be deemed effectively given upon personal delivery, upon deposit for delivery by an

internationally recognized express mail courier service or upon deposit in the United States mail by certified mail (if the parties are within the United States), with postage and fees prepaid, addressed to the other party at its address as shown in these instruments, or to such other address as such party may designate in writing from time to time to the other party.

21. Confidentiality. To the extent required by Applicable Law, the Company shall provide to the Grantee, during the period the Option is outstanding, copies of financial statements of the Company at least annually. The Grantee understands and agrees that such financial statements are confidential and shall not be disclosed by the Grantee, to any entity or person, for any reason, at any time, without the prior written consent of the Company, unless required by law. If disclosure of such financial statements is required by law, whether through subpoena, request for production, deposition, or otherwise, the Grantee promptly shall provide written notice to Company, including copies of the subpoena, request for production, deposition, or otherwise, within five (5) business days of their receipt by the Grantee and prior to any disclosure so as to provide Company an opportunity to move to quash or otherwise to oppose the disclosure. Notwithstanding the foregoing, the Grantee may disclose the terms of such financial statements to his or her spouse or domestic partner, and for legitimate business reasons, to legal, financial, and tax advisors.

END OF AGREEMENT

EXHIBIT A

ADICET BIO, INC. 2015 STOCK INCENTIVE PLAN

EXERCISE NOTICE

[COMPANY ADDRESS]
Attention: Secretary

1. Effective as of today, , the undersigned (the "**Grantee**") hereby elects to exercise the Grantee's option to purchase shares of the Common Stock (the "**Shares**") of Adicet Bio, Inc., (the "**Company**") under and pursuant to the Company's 2015 Stock Incentive Plan, as amended from time to time (the "**Plan**") and the [ ] Incentive [ ] Non-Qualified Stock Option Award Agreement (the "**Option Agreement**") and Notice of Stock Option Award (the "**Notice**") dated . Unless otherwise defined herein, the terms defined in the Plan shall have the same defined meanings in this Exercise Notice.

2. Representations of the Grantee. The Grantee acknowledges that the Grantee has received, read and understood the Notice, the Plan and the Option Agreement and agrees to abide by and be bound by their terms and conditions.

3. Rights as Stockholder. Until the stock certificate evidencing such Shares is issued (as evidenced by the appropriate entry on the books of the Company or of a duly authorized transfer agent of the Company), no right to vote or receive dividends or any other rights as a stockholder shall exist with respect to the Shares, notwithstanding the exercise of the Option. The Company shall issue (or cause to be issued) such stock certificate promptly after the Option is exercised. No adjustment will be made for a dividend or other right for which the record date is prior to the date the stock certificate is issued, except as provided in Section 10 of the Plan.

The Grantee shall enjoy rights as a stockholder until such time as the Grantee disposes of the Shares or the Company and/or its assignee(s) exercises the Right of First Refusal. Upon such exercise, the Grantee shall have no further rights as a holder of the Shares so purchased except the right to receive payment for the Shares so purchased in accordance with the provisions of the Option Agreement, and the Grantee shall forthwith cause the certificate(s) evidencing the Shares so purchased to be surrendered to the Company for transfer or cancellation.

4. Delivery of Payment. The Grantee herewith delivers to the Company the full Exercise Price for the Shares, which, to the extent selected, shall be deemed to be satisfied by use of the broker-dealer sale and remittance procedure to pay the Exercise Price provided in Section 4(d) of the Option Agreement.

5. Tax Consultation. The Grantee understands that the Grantee may suffer adverse tax consequences as a result of the Grantee's purchase or disposition of the Shares. The Grantee represents that the Grantee has consulted with any tax consultants the Grantee deems advisable in connection with the purchase or disposition of the Shares and that the Grantee is not relying on the Company for any tax advice.

6. Taxes. The Grantee agrees to satisfy all applicable federal, state and local income and employment tax withholding obligations and herewith delivers to the Company the full amount of such obligations or has made arrangements acceptable to the Company to satisfy such obligations. In the case of an Incentive Stock Option, the Grantee also agrees, as partial consideration for the designation of the Option as an Incentive Stock Option, to notify the Company in writing within thirty (30) days of any disposition of any shares acquired by exercise of the Option if such disposition occurs within two (2) years from the Date of Award or within one (1) year from the date the Shares were transferred to the Grantee.

7. Restrictive Legends. The Grantee understands and agrees that the Company shall cause the legends set forth below or legends substantially equivalent thereto, to be placed upon any certificate(s) evidencing ownership of the Shares together with any other legends that may be required by the Company or by state or federal securities laws:

> THE SECURITIES REPRESENTED HEREBY HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933 (THE "ACT") OR ANY STATE SECURITIES LAWS AND MAY NOT BE OFFERED, SOLD OR OTHERWISE TRANSFERRED, PLEDGED OR HYPOTHECATED UNLESS AND UNTIL REGISTERED UNDER THE ACT OR, IN THE OPINION OF COUNSEL SATISFACTORY TO THE ISSUER OF THESE SECURITIES, SUCH OFFER, SALE OR TRANSFER, PLEDGE OR HYPOTHECATION IS IN COMPLIANCE THEREWITH.
>
> THE SHARES REPRESENTED BY THIS CERTIFICATE ARE SUBJECT TO CERTAIN RESTRICTIONS ON TRANSFER AND A RIGHT OF FIRST REFUSAL HELD BY THE ISSUER OR ITS ASSIGNEE(S) AS SET FORTH IN THE OPTION AGREEMENT BETWEEN THE ISSUER AND THE ORIGINAL HOLDER OF THESE SHARES, A COPY OF WHICH MAY BE OBTAINED AT THE PRINCIPAL OFFICE OF THE ISSUER. SUCH TRANSFER RESTRICTIONS AND RIGHT OF FIRST REFUSAL ARE BINDING ON TRANSFEREES OF THESE SHARES.

8. Successors and Assigns. The Company may assign any of its rights under this Exercise Notice to single or multiple assignees, and this agreement shall inure to the benefit of the successors and assigns of the Company. Subject to the restrictions on transfer herein set forth, this Exercise Notice shall be binding upon the Grantee and his or her heirs, executors, administrators, successors and assigns.

9. Construction. The captions used in this Exercise Notice are inserted for convenience and shall not be deemed a part of this agreement for construction or interpretation. Except when otherwise indicated by the context, the singular shall include the plural and the plural shall include the singular. Use of the term "or" is not intended to be exclusive, unless the context clearly requires otherwise.

10. Administration and Interpretation. The Grantee hereby agrees that any question or dispute regarding the administration or interpretation of this Exercise Notice shall be submitted by the Grantee or by the Company to the Administrator. The resolution of such question or dispute by the Administrator shall be final and binding on all persons.

11. Governing Law; Severability. This Exercise Notice is to be construed in accordance with and governed by the internal laws of the State of California without giving effect to any choice of law rule that would cause the application of the laws of any jurisdiction other than the internal laws of the State of California to the rights and duties of the parties. Should any provision of this Exercise Notice be determined by a court of law to be illegal or unenforceable, such provision shall be enforced to the fullest extent allowed by law and the other provisions shall nevertheless remain effective and shall remain enforceable.

12. Notices. Any notice required or permitted hereunder shall be given in writing and shall be deemed effectively given upon personal delivery, upon deposit for delivery by an internationally recognized express mail courier service or upon deposit in the United States mail by certified mail (if the parties are within the United States), with postage and fees prepaid, addressed to the other party at its address as shown below beneath its signature, or to such other address as such party may designate in writing from time to time to the other party.

13. Further Instruments. The parties agree to execute such further instruments and to take such further action as may be reasonably necessary to carry out the purposes and intent of this agreement.

14. Entire Agreement. The Notice, the Plan and the Option Agreement are incorporated herein by reference and together with this Exercise Notice constitute the entire agreement of the parties with respect to the subject matter hereof and supersede in their entirety all prior undertakings and agreements of the Company and the Grantee with respect to the subject matter hereof, and may not be modified adversely to the Grantee's interest except by means of a writing signed by the Company and the Grantee. Nothing in the Notice, the Plan, the Option Agreement and this Exercise Notice (except as expressly provided therein) is intended to confer any rights or remedies on any persons other than the parties.

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Submitted by:

GRANTEE:

By: _____
Name: _____

Address:

_____
_____
_____

Accepted by:

ADICET BIO, INC.

By: _____
Name: _____
Title: _____

Address:

_____
_____
_____

EXHIBIT B

ADICET BIO, INC. 2015 STOCK INCENTIVE PLAN

INVESTMENT REPRESENTATION STATEMENT

GRANTEE:	_____
COMPANY:	ADICET BIO, INC.
SECURITY:	COMMON STOCK
NUMBER OF SHARES:	_____
DATE:	_____

In connection with the purchase of the above-listed Securities, the undersigned Grantee represents to the Company the following:

(a) Grantee is aware of the Company's business affairs and financial condition and has acquired sufficient information about the Company to reach an informed and knowledgeable decision to acquire the Securities. Grantee is acquiring these Securities for investment for Grantee's own account only and not with a view to, or for resale in connection with, any "distribution" thereof within the meaning of the Securities Act of 1933, as amended (the "**Securities Act**").

(b) Grantee acknowledges and understands that the Securities constitute "restricted securities" under the Securities Act and have not been registered under the Securities Act in reliance upon a specific exemption therefrom, which exemption depends upon among other things, the bona fide nature of Grantee's investment intent as expressed herein. Grantee further understands that the Securities must be held indefinitely unless they are subsequently registered under the Securities Act or an exemption from such registration is available. Grantee further acknowledges and understands that the Company is under no obligation to register the Securities. Grantee understands that the certificate evidencing the Securities will be imprinted with a legend which prohibits the transfer of the Securities unless they are registered or such registration is not required in the opinion of counsel satisfactory to the Company.

(c) Grantee is familiar with the provisions of Rule 701 and Rule 144, each promulgated under the Securities Act, which, in substance, permit limited public resale of "restricted securities" acquired, directly or indirectly from the issuer thereof, in a non-public offering subject to the satisfaction of certain conditions. Rule 701 provides that if the issuer qualifies under Rule 701 at the time of the grant of the Option to the Grantee, the exercise will be exempt from registration under the Securities Act. In the event the Company becomes subject to the reporting requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, ninety (90) days thereafter (or such longer period as any market stand-off agreement may require) the Securities exempt under Rule 701 may be resold, except in the case of affiliates, such Securities may be resold subject to the satisfaction of the applicable conditions specified by Rule 144, including: (1) the availability of certain public information about the Company, (2) the amount of Securities being sold during any three month period not exceeding specified limitations, (3) the resale being made in an unsolicited "broker's transaction," in transactions directly with a "market maker" or "riskless principal transactions" (as said terms are defined under the Securities Exchange Act of 1934) and (4) the timely filing of a Form 144, if applicable.

In the event that the Company does not qualify under Rule 701 at the time of the grant of the Option, then the Securities may be resold in certain limited circumstances subject to the provisions of Rule 144, which may require: the availability of current public information about the Company; the resale to occur more than a specified period after the purchase and full payment (within the meaning of Rule 144) for the Securities; and, in the case of the sale of Securities by an affiliate, the satisfaction of the conditions set forth in sections (2), (3) and (4) of the paragraph immediately above.

(d) Grantee further understands that in the event all of the applicable requirements of Rule 701 or 144 are not satisfied, registration under the Securities Act, compliance with Regulation A, or some other registration exemption will be required; and that, notwithstanding the fact that Rules 144 and 701 are not exclusive, the Staff of the Securities and Exchange Commission has expressed its opinion that persons proposing to sell private placement securities other than in a registered offering and otherwise than pursuant to Rules 144 or 701 will have a substantial burden of proof in establishing that an exemption from registration is available for such offers or sales, and that such persons and their respective brokers who participate in such transactions do so at their own risk. Grantee understands that no assurances can be given that any such other registration exemption will be available in such event.

(e) Grantee represents that Grantee is a resident of the state of .

Signature of Grantee:

By: _____

Date: _____

ADICET BIO, INC. 2015 STOCK INCENTIVE PLAN

NOTICE OF STOCK OPTION AWARD

Grantee's Name and Address: _____

_____

_____

You (the "**Grantee**") have been granted an option to purchase shares of Common Stock, subject to the terms and conditions of this Notice of Stock Option Award (the "**Notice**"), the Adicet Bio, Inc. 2015 Stock Incentive Plan, as amended from time to time (the "**Plan**"), the Adicet Bio, Inc. Israeli Sub-Plan to the Plan (the "**Israeli Sub-Plan**") and the Stock Option Award Agreement (the "**Option Agreement**") attached hereto, as follows. Unless otherwise defined herein, the terms defined in the Plan or in the Israeli Sub-Plan, as the case may be, shall have the same defined meanings in this Notice.

Award Number	_____
Date of Award	_____
Vesting Commencement Date	_____
Exercise Price per Share	$_____
Total Number of Shares Subject to the Option (the "**Shares**")	_____
Total Exercise Price	$_____
Tax Route:	_____ Section 3(i) of the Ordinance
Expiration Date:	_____
Post-Termination Exercise Period:	Three (3) Months

Vesting Schedule:

Subject to the Grantee's Continuous Service and the other limitations set forth in this Notice, the Plan and the Option Agreement, the Option may be exercised, in whole or in part, in accordance with the following schedule:

[25% of the Shares subject to the Option shall vest twelve (12) months after the Vesting Commencement Date, and 1/36th of the remaining unvested Shares subject to the Option shall vest on each of the next thirty-six (36) monthly anniversaries of the Vesting Commencement Date thereafter.][1]

1 Insert for new-hire grants.

[1/48th of the Shares subject to the Option shall vest on each monthly anniversary of the Vesting Commencement Date.][2]

During any authorized leave of absence, the vesting of the Shares shall be suspended after the leave of absence exceeds a period of three (3) months. Vesting of the Shares shall resume upon the Grantee's termination of the leave of absence and return to Continuous Service. The Vesting Schedule of the Shares shall be extended by the length of the suspension.

In the event of termination of the Grantee's Continuous Service for Cause, the Grantee's right to exercise the Option shall terminate concurrently with the termination of the Grantee's Continuous Service, except as otherwise determined by the Administrator.

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2 Insert for refresh grants.

IN WITNESS WHEREOF, the Company and the Grantee have executed this Notice and agree that the Option is to be governed by the terms and conditions of this Notice, the Plan, the Israeli Sub-Plan and the Option Agreement.

ADICET BIO, INC.,
a Delaware corporation

By: _____
Name: _____
Title: _____

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THE GRANTEE ACKNOWLEDGES AND AGREES THAT THE SHARES SUBJECT TO THE OPTION SHALL VEST, IF AT ALL, ONLY DURING THE PERIOD OF THE GRANTEE'S CONTINUOUS SERVICE (NOT THROUGH THE ACT OF BEING HIRED, BEING GRANTED THE OPTION OR ACQUIRING SHARES HEREUNDER). THE GRANTEE FURTHER ACKNOWLEDGES AND AGREES THAT NOTHING IN THIS NOTICE, THE OPTION AGREEMENT, OR THE PLAN (INCLUDING THE ISRAELI SUB-PLAN) SHALL CONFER UPON THE GRANTEE ANY RIGHT WITH RESPECT TO FUTURE AWARDS OR CONTINUATION OF THE GRANTEE'S CONTINUOUS SERVICE, NOR SHALL IT INTERFERE IN ANY WAY WITH THE GRANTEE'S RIGHT OR THE RIGHT OF THE COMPANY OR RELATED ENTITY TO WHICH THE GRANTEE PROVIDES SERVICES TO TERMINATE THE GRANTEE'S CONTINUOUS SERVICE, WITH OR WITHOUT CAUSE, AND WITH OR WITHOUT NOTICE. THE GRANTEE ACKNOWLEDGES THAT UNLESS THE GRANTEE HAS A WRITTEN EMPLOYMENT AGREEMENT WITH THE COMPANY TO THE CONTRARY, THE GRANTEE'S STATUS IS AT WILL.

The Grantee acknowledges receipt of a copy of the Plan, the Israeli Sub-Plan, the trust agreement between the Company and the Trustee (the "**Trust Agreement**"), the Option Agreement, and represents that he or she is familiar with the terms and provisions thereof, and hereby accepts the Option subject to all of the terms and provisions hereof and thereof. The Grantee has reviewed this Notice, the Plan, the Israeli Sub-Plan and the Option Agreement in their entirety, has had an opportunity to obtain the advice of counsel prior to executing this Notice, and fully understands all provisions of this Notice, the Plan, the Israeli Sub-Plan and the Option Agreement. The Grantee hereby agrees that all questions of interpretation and administration relating to this Notice, the Plan and the Option Agreement shall be resolved by the Administrator in accordance with Section 18 of the Option Agreement. The Grantee further agrees to the venue selection in accordance with Section 19 of the Option Agreement. The Grantee further agrees to notify the Company upon any change in the residence address indicated in this Notice.

Grantee represents that Grantee is a resident of the State of Israel for tax purposes on the date of allocation and agrees to notify the Company upon any change in the residence address indicated above and acknowledges that if Grantee ceases to be an Israeli resident or if Grantee's engagement with the Company is terminated, the Option and/or Shares shall remain subject to Section 3(i) of the Ordinance, the Trust Agreement, the Plan, the Israeli Sub-Plan and this Option Agreement.

Grantee declares that she/he is familiar with Section 3(i) of the Ordinance and the regulations and rules promulgated thereunder, including without limitations the provisions of the applicable tax route, and agrees to comply with such provisions, as amended from time to time. The Grantee authorizes the Company to provide the trustee with any information required for the purpose of executing its obligations under the Ordinance, including without limitation information about the Option and the Shares, income tax rates, salary bank account, contact details and identification number. The Grantee warrants and undertakes that at the time of grant of the Option herein, or as a consequence of the grant, the Grantee is not and will not become a holder of a "controlling interest" in the Company, as such term is defined in Section 32(9) of the Ordinance.

Dated: _____ Signed: _____

Grantee

Award Number: _____

ADICET BIO, INC. 2015 STOCK INCENTIVE PLAN

STOCK OPTION AWARD AGREEMENT

1. Grant of Option. Adicet Bio, Inc., a Delaware corporation (the "**Company**"), hereby grants to the Grantee (the "**Grantee**") named in the Notice of Stock Option Award (the "**Notice**"), an option (the "**Option**") to purchase the Total Number of Shares of Common Stock subject to the Option (the "**Shares**") set forth in the Notice, at the Exercise Price per Share set forth in the Notice (the "**Exercise Price**") subject to the terms and provisions of the Notice, this Stock Option Award Agreement (the "**Option Agreement**") and the Company's 2015 Stock Incentive Plan, as amended from time to time (the "**Plan**") and the Adicet Bio, Inc. Israeli Sub-Plan to the Plan **(the** "**Israeli Sub-Plan**"**),** which are incorporated herein by reference. Unless otherwise defined herein, the terms defined in the Plan and/or in the Israeli Sub-Plan, as the case may be, shall have the same defined meanings in this Option Agreement.

Your Option shall be issued to a trustee. The trustee will hold in trust the Options, the Shares and all other securities received following any exercise or realization of rights, including bonus stock, dividend (whether in cash or in kind), or other rights issued or distributed in connection with the Option or the Shares, until the full payment of all requisite taxes by you, as shall be determined by the Company and the trustee in their sole discretion.

2. Exercise of Option.

(a) Right to Exercise. The Option shall be exercisable during its term in accordance with the Vesting Schedule set out in the Notice and with the applicable provisions of the Plan and this Option Agreement. The Option shall be subject to the provisions of Section 11 of the Plan relating to the exercisability or termination of the Option in the event of a Corporate Transaction. The Grantee shall be subject to reasonable limitations on the number of requested exercises during any monthly or weekly period as determined by the Administrator. In no event shall the Company issue fractional Shares.

(b) Method of Exercise. The Option shall be exercisable by delivery of an exercise notice (a form of which is attached as Exhibit A) or by such other procedure as specified from time to time by the Administrator which shall state the election to exercise the Option, the whole number of Shares in respect of which the Option is being exercised, and such other provisions as may be required by the Administrator. The exercise notice shall be delivered in person, by certified mail, or by such other method (including electronic transmission) as determined from time to time by the Administrator to the Company accompanied by payment of the Exercise Price and all applicable income and employment taxes required to be withheld. The Option shall be deemed to be exercised upon receipt by the Company of such notice accompanied by the Exercise Price and all applicable withholding taxes, which, to the extent selected, shall be deemed to be satisfied by use of the broker-dealer sale and remittance procedure to pay the Exercise Price provided in Section 4(d) below to the extent such procedure is available to the Grantee at the time of exercise and such an exercise would not violate any Applicable Law.

(c) Taxes. Subject to the approval of the Israeli Sub-Plan by the ITA, you shall be taxed in Israel in accordance with the provisions under Section 3(i) of the Ordinance, including the provisions the regulations and any tax ruling or agreement obtained by the Company with regard to the Plan. No Shares will be delivered to the Grantee or other person pursuant to the exercise of the Option until the Grantee or other person has made arrangements acceptable to the Administrator for the satisfaction of applicable income tax and employment tax withholding obligations, including, without limitation, such other tax obligations of the Grantee incident to the receipt of Shares. Upon exercise of the Option, the Company or the Grantee's employer may offset or withhold (from any amount owed by the Company or the Grantee's employer to the Grantee) or collect from the Grantee or other person an amount sufficient to satisfy such tax withholding obligations. Furthermore, in the event of any determination that the Company has failed to withhold a sum sufficient to pay all withholding taxes due in connection with the Option, the Grantee agrees to pay the Company the amount of such deficiency in cash within five (5) days after receiving a written demand from the Company to do so, whether or not the Grantee is an employee of the Company at that time.

3. Grantee's Representations. The Grantee understands that neither the Option nor the Shares exercisable pursuant to the Option have been registered under the Securities Act of 1933, as amended or any United States securities laws. In the event the Shares purchasable pursuant to the exercise of the Option have not been registered under the Securities Act of 1933, as amended, at the time the Option is exercised, the Grantee shall, if requested by the Company, concurrently with the exercise of all or any portion of the Option, deliver to the Company his or her Investment Representation Statement in the form attached hereto as Exhibit B.

4. Method of Payment. Payment of the Exercise Price shall be made by any of the following, or a combination thereof, at the election of the Grantee; provided, however, that such exercise method does not then violate any Applicable Law (including the Ordinance) and, provided further, that the portion of the Exercise Price equal to the par value of the Shares must be paid in cash or other legal consideration permitted by the Delaware General Corporation Law:

(a) cash;

(b) check;

(c) if the exercise occurs on or after the Registration Date, surrender of Shares held for the requisite period, if any, necessary to avoid a charge to the Company's earnings for financial reporting purposes, or delivery of a properly executed form of attestation of ownership of Shares as the Administrator may require which have a Fair Market Value on the date of surrender or attestation equal to the aggregate Exercise Price of the Shares as to which the Option is being exercised; or

(d) if the exercise occurs on or after the Registration Date, payment through a broker-dealer sale and remittance procedure pursuant to which the Grantee (i) shall provide written instructions to a Company-designated brokerage firm to effect the immediate sale of

some or all of the purchased Shares and remit to the Company sufficient funds to cover the aggregate exercise price payable for the purchased Shares and (ii) shall provide written directives to the Company to deliver the certificates for the purchased Shares directly to such brokerage firm in order to complete the sale transaction.

5. Restrictions on Exercise. The Option may not be exercised if the issuance of the Shares subject to the Option upon such exercise would constitute a violation of any Applicable Laws. In addition, the Option may not be exercised until such time as the Plan has been approved by the stockholders of the Company, and the Israeli Sub-Plan has been approved by the ITA. If the exercise of the Option within the applicable time periods set forth in Sections 6, 7 and 8 of this Option Agreement is prevented by the provisions of this Section 5, the Option shall remain exercisable until one (1) month after the date the Grantee is notified by the Company that the Option is exercisable, but in any event no later than the Expiration Date set forth in the Notice.

6. Termination or Change of Continuous Service. In the event the Grantee's Continuous Service terminates, other than for Cause, the Grantee may, but only during the Post-Termination Exercise Period, exercise the portion of the Option that was vested at the date of such termination (the "**Termination Date**"). The Post-Termination Exercise Period shall commence on the Termination Date. In the event of termination of the Grantee's Continuous Service for Cause, the Grantee's right to exercise the Option shall, except as otherwise determined by the Administrator, terminate concurrently with the termination of the Grantee's Continuous Service (also the "**Termination Date**"). In no event, however, shall the Option be exercised later than the Expiration Date set forth in the Notice. In the event of the Grantee's change in status from Employee, Director or Consultant to any other status of Employee, Director or Consultant, the Option shall remain in effect and the Option shall continue to vest in accordance with the Vesting Schedule set forth in the Notice; provided, however, that the Option may be subject to a different tax route, following such change in status. Except as provided in Sections 7 and 8 below, to the extent that the Option was unvested on the Termination Date, or if the Grantee does not exercise the vested portion of the Option within the Post-Termination Exercise Period, the Option shall terminate.

7. Disability of Grantee. In the event the Grantee's Continuous Service terminates as a result of his or her Disability, the Grantee may, but only within twelve (12) months commencing on the Termination Date (but in no event later than the Expiration Date), exercise the portion of the Option that was vested on the Termination Date. To the extent that the Option was unvested on the Termination Date, or if the Grantee does not exercise the vested portion of the Option within the time specified herein, the Option shall terminate. Section 22(e)(3) of the Code provides that an individual is permanently and totally disabled if he or she is unable to engage in any substantial gainful activity by reason of any medically determinable physical or mental impairment which can be expected to result in death or which has lasted or can be expected to last for a continuous period of not less than twelve (12) months.

8. Death of Grantee. In the event of the termination of the Grantee's Continuous Service as a result of his or her death, or in the event of the Grantee's death during the Post-Termination Exercise Period or during the twelve (12) month period following the Grantee's termination of Continuous Service as a result of his or her Disability, the person who acquired the right to exercise the Option pursuant to Section 9 may exercise the portion of the Option that

was vested at the date of termination within twelve (12) months commencing on the date of death (but in no event later than the Expiration Date). To the extent that the Option was unvested on the date of death, or if the vested portion of the Option is not exercised within the time specified herein, the Option shall terminate.

9. Transferability of Option. Prior to the payment of the tax applicable under law, including under Section 3(i) of the Ordinance (the "**Applicable Tax**"), the Options and/or the Shares or rights arising therefrom shall not be transferable or assignable, shall not be subject to any mortgage, liens, attachment or other encumbrance, and no power or attorney or note of transfer shall be issued in respect thereof, whether such instrument enter into force immediately or at future date, excluding transfer by power of a last will or under law and all subject to the terms of the Plan and the Israeli Sub-Plan. Should the Options or Shares have been transferred pursuant to the provisions of a last testamentary instrument or under applicable law, Section 3(i) of the Ordinance shall apply to the heirs or transferees of the deceased Grantee. Notwithstanding the foregoing, the Grantee may designate one or more beneficiaries of the Grantee's Option in the event of the Grantee's death on a beneficiary designation form provided by the Administrator. Following the death of the Grantee, the Option, to the extent provided in Section 8, may be exercised (a) by the person or persons designated under the deceased Grantee's beneficiary designation or (b) in the absence of an effectively designated beneficiary, by the Grantee's legal representative or by any person empowered to do so under the deceased Grantee's will or under the then applicable laws of descent and distribution. Notwithstanding the foregoing, no Option may be transferred in violation of Applicable Law, including any applicable securities exemption. The terms of the Option shall be binding upon the executors, administrators, heirs, successors and transferees of the Grantee.

10. Term of Option. The Option must be exercised no later than the Expiration Date set forth in the Notice or such earlier date as otherwise provided herein. After the Expiration Date or such earlier date, the Option shall be of no further force or effect and may not be exercised.

11. Company's Right of First Refusal. The Grantee acknowledges and agrees that the Shares are subject to a right of first refusal ("**Right of First Refusal**") as set forth in the Bylaws of the Company, which Right of First Refusal is incorporated herein by reference irrespective of whether the Bylaws are amended at some future date to remove the Right of First Refusal therefrom, and that, except in compliance with such Right of First Refusal, neither the Grantee nor a transferee (either being sometimes referred to herein as the "**Holder**") shall sell, hypothecate, encumber or otherwise transfer any Shares or any right or interest therein.

12. Stop-Transfer Notices. In order to ensure compliance with the restrictions on transfer set forth in this Option Agreement, the Notice or the Plan, the Company may issue appropriate "stop transfer" instructions to its transfer agent, if any, and, if the Company transfers its own securities, it may make appropriate notations to the same effect in its own records.

13. Refusal to Transfer. The Company shall not be required (i) to transfer on its books any Shares that have been sold or otherwise transferred in violation of any of the provisions of this Option Agreement or (ii) to treat as owner of such Shares or to accord the right to vote or pay dividends to any purchaser or other transferee to whom such Shares shall have been so transferred.

14. Tax Consequences.

(a) The Grantee may incur tax liability as a result of the Grantee's purchase or disposition of the Shares. THE GRANTEE SHOULD CONSULT A TAX ADVISER BEFORE EXERCISING THE OPTION OR DISPOSING OF THE SHARES.

(b) Notwithstanding the Company's good faith determination of the Fair Market Value of the Company's Common Stock for purposes of determining the Exercise Price Per Share of the Option as set forth in the Notice, the taxing authorities may assert that the Fair Market Value of the Common Stock on the Date of Award was greater than the Exercise Price Per Share. Under Section 409A of the Code, if the Exercise Price Per Share of the Option is less than the Fair Market Value of the Common Stock on the Date of Award, the Option may be treated as a form of deferred compensation and the Grantee, if a U.S. taxpayer, may be subject to an acceleration of income recognition, an additional 20% tax, plus interest and possible penalties. The Company makes no representation that the Option will comply with Section 409A of the Code and makes no undertaking to prevent Section 409A of the Code from applying to the Option or to mitigate its effects on any deferrals or payments made in respect of the Option. The Grantee, if a U.S. taxpayer, is encouraged to consult a tax adviser regarding the potential impact of Section 409A of the Code.

15. Lock-Up Agreement.

(a) Agreement. The Grantee, if requested by the Company and the lead underwriter of any public offering of the Common Stock (the "**Lead Underwriter**"), hereby irrevocably agrees not to sell, contract to sell, grant any option to purchase, transfer the economic risk of ownership in, make any short sale of, pledge or otherwise transfer or dispose of any interest in any Common Stock or any securities convertible into or exchangeable or exercisable for or any other rights to purchase or acquire Common Stock (except Common Stock included in such public offering or acquired on the public market after such offering) during the 180-day period following the effective date of a registration statement of the Company filed under the Securities Act of 1933, as amended, or such shorter or longer period of time as the Lead Underwriter shall specify. The Grantee further agrees to sign such documents as may be requested by the Lead Underwriter to effect the foregoing and agrees that the Company may impose stop-transfer instructions with respect to such Common Stock subject to the lock-up period until the end of such period. The Company and the Grantee acknowledge that each Lead Underwriter of a public offering of the Company's stock, during the period of such offering and for the lock-up period thereafter, is an intended beneficiary of this Section 15.

(b) No Amendment Without Consent of Underwriter. During the period from identification of a Lead Underwriter in connection with any public offering of the Company's Common Stock until the earlier of (i) the expiration of the lock-up period specified in Section 15(a) in connection with such offering or (ii) the abandonment of such offering by the Company and the Lead Underwriter, the provisions of this Section 15 may not be amended or waived except with the consent of the Lead Underwriter.

16. Entire Agreement: Governing Law. The Notice, the Plan, the Israeli Sub-Plan and this Option Agreement constitute the entire agreement of the parties with respect to the subject matter hereof and supersede in their entirety all prior undertakings and agreements of the Company and the Grantee with respect to the subject matter hereof, and may not be modified adversely to the Grantee's interest except by means of a writing signed by the Company and the Grantee. Nothing in the Notice, the Plan, the Israeli Sub-Plan and this Option Agreement (except as expressly provided therein) is intended to confer any rights or remedies on any persons other than the parties. The Notice, the Plan and this Option Agreement are to be construed in accordance with and governed by the internal laws of the State of California without giving effect to any choice of law rule that would cause the application of the laws of any jurisdiction other than the internal laws of the State of California to the rights and duties of the parties. The Israeli Sub-Plan is to be construed in accordance with and governed by the internal laws of the State of Israel, in all tax related matters. Should any provision of the Notice, the Plan, the Israeli Sub-Plan or this Option Agreement be determined to be illegal or unenforceable, such provision shall be enforced to the fullest extent allowed by law and the other provisions shall nevertheless remain effective and shall remain enforceable.

17. Construction. The captions used in the Notice and this Option Agreement are inserted for convenience and shall not be deemed a part of the Option for construction or interpretation. Except when otherwise indicated by the context, the singular shall include the plural and the plural shall include the singular. Use of the term "or" is not intended to be exclusive, unless the context clearly requires otherwise.

18. Administration and Interpretation. Any question or dispute regarding the administration or interpretation of the Notice, the Plan, the Israeli Sub-Plan or this Option Agreement shall be submitted by the Grantee or by the Company to the Administrator. The resolution of such question or dispute by the Administrator shall be final and binding on all persons.

19. Venue. The Company, the Grantee, and the Grantee's assignees pursuant to Section 9 (the "**parties**") agree that any suit, action, or proceeding arising out of or relating to the Notice, the Plan or this Option Agreement shall be brought in the United States District Court for the Northern District of California (or should such court lack jurisdiction to hear such action, suit or proceeding, in a California state court in the County of San Francisco) and that the parties shall submit to the jurisdiction of such court. The parties irrevocably waive, to the fullest extent permitted by law, any objection the party may have to the laying of venue for any such suit, action or proceeding brought in such court. If any one or more provisions of this Section 19 shall for any reason be held invalid or unenforceable, it is the specific intent of the parties that such provisions shall be modified to the minimum extent necessary to make it or its application valid and enforceable. Notwithstanding, any suit, action, or proceeding arising out of or relating directly and specifically to the Israeli Sub-Plan shall be brought in the competent Israeli District Court and that the parties shall submit to the jurisdiction of such court.

20. Notices. Any notice required or permitted hereunder shall be given in writing and shall be deemed effectively given upon personal delivery, upon deposit for delivery by an internationally recognized express mail courier service or upon deposit in the United States mail by certified mail (if the parties are within the United States), with postage and fees prepaid, addressed to the other party at its address as shown in these instruments, or to such other address as such party may designate in writing from time to time to the other party.

21. Confidentiality. To the extent required by Applicable Law, the Company shall provide to the Grantee, during the period the Option is outstanding, copies of financial statements of the Company at least annually. The Grantee understands and agrees that such financial statements are confidential and shall not be disclosed by the Grantee, to any entity or person, for any reason, at any time, without the prior written consent of the Company, unless required by law. If disclosure of such financial statements is required by law, whether through subpoena, request for production, deposition, or otherwise, the Grantee promptly shall provide written notice to Company, including copies of the subpoena, request for production, deposition, or otherwise, within five (5) business days of their receipt by the Grantee and prior to any disclosure so as to provide Company an opportunity to move to quash or otherwise to oppose the disclosure. Notwithstanding the foregoing, the Grantee may disclose the terms of such financial statements to his or her spouse or domestic partner, and for legitimate business reasons, to legal, financial, and tax advisors.

END OF AGREEMENT

EXHIBIT A

ADICET BIO, INC. 2015 STOCK INCENTIVE PLAN

EXERCISE NOTICE

[COMPANY ADDRESS]
Attention: Secretary

1. Effective as of today, , the undersigned (the "**Grantee**") hereby elects to exercise the Grantee's option to purchase shares of the Common Stock (the "**Shares**") of Adicet Bio, Inc., (the "**Company**") under and pursuant to the Company's 2015 Stock Incentive Plan, as amended from time to time (the "**Plan**"), the Adicet Bio, Inc. Israeli Sub-Plan to the Plan **(the** "**Israeli Sub-Plan**"**)** and the Stock Option Award Agreement (the "**Option Agreement**") and Notice of Stock Option Award (the "**Notice**") dated . Unless otherwise defined herein, the terms defined in the Plan shall have the same defined meanings in this Exercise Notice.

2. Representations of the Grantee. The Grantee acknowledges that the Grantee has received, read and understood the Notice, the Plan and the Option Agreement and agrees to abide by and be bound by their terms and conditions.

3. Rights as Stockholder. Until the stock certificate evidencing such Shares is issued (as evidenced by the appropriate entry on the books of the Company or of a duly authorized transfer agent of the Company), no right to vote or receive dividends or any other rights as a stockholder shall exist with respect to the Shares, notwithstanding the exercise of the Option. The Company shall issue (or cause to be issued) such stock certificate promptly after the Option is exercised. No adjustment will be made for a dividend or other right for which the record date is prior to the date the stock certificate is issued, except as provided in Section 10 of the Plan.

The Grantee shall enjoy rights as a stockholder until such time as the Grantee disposes of the Shares or the Company and/or its assignee(s) exercises the Right of First Refusal. Upon such exercise, the Grantee shall have no further rights as a holder of the Shares so purchased except the right to receive payment for the Shares so purchased in accordance with the provisions of the Option Agreement, and the Grantee shall forthwith cause the certificate(s) evidencing the Shares so purchased to be surrendered to the Company for transfer or cancellation.

4. Delivery of Payment. The Grantee herewith delivers to the Company the full Exercise Price for the Shares, which, to the extent selected, shall be deemed to be satisfied by use of the broker-dealer sale and remittance procedure to pay the Exercise Price provided in Section 4(d) of the Option Agreement.

5. Tax Consultation. The Grantee understands that the Grantee may suffer adverse tax consequences as a result of the Grantee's purchase or disposition of the Shares. The Grantee represents that the Grantee has consulted with any tax consultants the Grantee deems advisable in connection with the purchase or disposition of the Shares and that the Grantee is not relying on the Company for any tax advice.

6. Taxes. The Grantee agrees to satisfy all applicable federal, state and local income and employment tax withholding obligations and herewith delivers to the Company the full amount of such obligations or has made arrangements acceptable to the Company to satisfy such obligations. Restrictive Legends. The Grantee understands and agrees that the Company shall cause the legends set forth below or legends substantially equivalent thereto, to be placed upon any certificate(s) evidencing ownership of the Shares together with any other legends that may be required by the Company or by state or federal securities laws:

> THE SECURITIES REPRESENTED HEREBY HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933 (THE "ACT") OR ANY STATE SECURITIES LAWS AND MAY NOT BE OFFERED, SOLD OR OTHERWISE TRANSFERRED, PLEDGED OR HYPOTHECATED UNLESS AND UNTIL REGISTERED UNDER THE ACT OR, IN THE OPINION OF COUNSEL SATISFACTORY TO THE ISSUER OF THESE SECURITIES, SUCH OFFER, SALE OR TRANSFER, PLEDGE OR HYPOTHECATION IS IN COMPLIANCE THEREWITH.
>
> THE SHARES REPRESENTED BY THIS CERTIFICATE ARE SUBJECT TO CERTAIN RESTRICTIONS ON TRANSFER AND A RIGHT OF FIRST REFUSAL HELD BY THE ISSUER OR ITS ASSIGNEE(S) AS SET FORTH IN THE OPTION AGREEMENT BETWEEN THE ISSUER AND THE ORIGINAL HOLDER OF THESE SHARES, A COPY OF WHICH MAY BE OBTAINED AT THE PRINCIPAL OFFICE OF THE ISSUER. SUCH TRANSFER RESTRICTIONS AND RIGHT OF FIRST REFUSAL ARE BINDING ON TRANSFEREES OF THESE SHARES.

7. Successors and Assigns. The Company may assign any of its rights under this Exercise Notice to single or multiple assignees, and this agreement shall inure to the benefit of the successors and assigns of the Company. Subject to the restrictions on transfer herein set forth, this Exercise Notice shall be binding upon the Grantee and his or her heirs, executors, administrators, successors and assigns.

8. Construction. The captions used in this Exercise Notice are inserted for convenience and shall not be deemed a part of this agreement for construction or interpretation. Except when otherwise indicated by the context, the singular shall include the plural and the plural shall include the singular. Use of the term "or" is not intended to be exclusive, unless the context clearly requires otherwise.

9. Administration and Interpretation. The Grantee hereby agrees that any question or dispute regarding the administration or interpretation of this Exercise Notice shall be submitted by the Grantee or by the Company to the Administrator. The resolution of such question or dispute by the Administrator shall be final and binding on all persons.

10. Governing Law; Severability. This Exercise Notice is to be construed in accordance with and governed by the Applicable Laws. Should any provision of this Exercise Notice be determined by a court of law to be illegal or unenforceable, such provision shall be enforced to the fullest extent allowed by law and the other provisions shall nevertheless remain effective and shall remain enforceable.

11. Notices. Any notice required or permitted hereunder shall be given in writing and shall be deemed effectively given upon personal delivery, upon deposit for delivery by an internationally recognized express mail courier service or upon deposit in the United States mail by certified mail (if the parties are within the United States), with postage and fees prepaid, addressed to the other party at its address as shown below beneath its signature, or to such other address as such party may designate in writing from time to time to the other party.

12. Further Instruments. The parties agree to execute such further instruments and to take such further action as may be reasonably necessary to carry out the purposes and intent of this agreement.

13. Entire Agreement. The Notice, the Plan and the Option Agreement are incorporated herein by reference and together with this Exercise Notice constitute the entire agreement of the parties with respect to the subject matter hereof and supersede in their entirety all prior undertakings and agreements of the Company and the Grantee with respect to the subject matter hereof, and may not be modified adversely to the Grantee's interest except by means of a writing signed by the Company and the Grantee. Nothing in the Notice, the Plan, the Option Agreement and this Exercise Notice (except as expressly provided therein) is intended to confer any rights or remedies on any persons other than the parties.

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Submitted by:	Accepted by:
GRANTEE:	**ADICET BIO, INC.**
By: _____	By: _____
Name: _____	Name: _____
	Title: _____
Address:	Address:
_____	_____
_____	_____
_____	_____

EXHIBIT B

ADICET BIO, INC. 2015 STOCK INCENTIVE PLAN

INVESTMENT REPRESENTATION STATEMENT

GRANTEE:	_____
COMPANY:	ADICET BIO, INC.
SECURITY:	COMMON STOCK
NUMBER OF SHARES:	_____
DATE:	_____

In connection with the purchase of the above-listed Securities, the undersigned Grantee represents to the Company the following:

(a) Grantee is aware of the Company's business affairs and financial condition and has acquired sufficient information about the Company to reach an informed and knowledgeable decision to acquire the Securities. Grantee is acquiring these Securities for investment for Grantee's own account only and not with a view to, or for resale in connection with, any "distribution" thereof within the meaning of the Securities Act of 1933, as amended (the "**Securities Act**").

(b) Grantee acknowledges and understands that the Securities constitute "restricted securities" under the Securities Act and have not been registered under the Securities Act in reliance upon a specific exemption therefrom, which exemption depends upon among other things, the bona fide nature of Grantee's investment intent as expressed herein. Grantee further understands that the Securities must be held indefinitely unless they are subsequently registered under the Securities Act or an exemption from such registration is available. Grantee further acknowledges and understands that the Company is under no obligation to register the Securities. Grantee understands that the certificate evidencing the Securities will be imprinted with a legend which prohibits the transfer of the Securities unless they are registered or such registration is not required in the opinion of counsel satisfactory to the Company.

(c) Grantee is familiar with the provisions of Rule 701 and Rule 144, each promulgated under the Securities Act, which, in substance, permit limited public resale of "restricted securities" acquired, directly or indirectly from the issuer thereof, in a non-public offering subject to the satisfaction of certain conditions. Rule 701 provides that if the issuer qualifies under Rule 701 at the time of the grant of the Option to the Grantee, the exercise will be exempt from registration under the Securities Act. In the event the Company becomes subject to the reporting requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, ninety (90) days thereafter (or such longer period as any market stand-off agreement may require) the Securities exempt under Rule 701 may be resold, except in the case of affiliates, such Securities may be resold subject to the satisfaction of the applicable conditions specified by Rule 144, including: (1) the availability of certain public information about the Company, (2) the amount of Securities being sold during any three month period not exceeding specified limitations, (3) the resale being made in an unsolicited "broker's transaction," in transactions directly with a "market maker" or "riskless principal transactions" (as said terms are defined under the Securities Exchange Act of 1934) and (4) the timely filing of a Form 144, if applicable.

In the event that the Company does not qualify under Rule 701 at the time of the grant of the Option, then the Securities may be resold in certain limited circumstances subject to the provisions of Rule 144, which may require: the availability of current public information about the Company; the resale to occur more than a specified period after the purchase and full payment (within the meaning of Rule 144) for the Securities; and, in the case of the sale of Securities by an affiliate, the satisfaction of the conditions set forth in sections (2), (3) and (4) of the paragraph immediately above.

(d) Grantee further understands that in the event all of the applicable requirements of Rule 701 or 144 are not satisfied, registration under the Securities Act, compliance with Regulation A, or some other registration exemption will be required; and that, notwithstanding the fact that Rules 144 and 701 are not exclusive, the Staff of the Securities and Exchange Commission has expressed its opinion that persons proposing to sell private placement securities other than in a registered offering and otherwise than pursuant to Rules 144 or 701 will have a substantial burden of proof in establishing that an exemption from registration is available for such offers or sales, and that such persons and their respective brokers who participate in such transactions do so at their own risk. Grantee understands that no assurances can be given that any such other registration exemption will be available in such event.

(e) Grantee represents that Grantee is a resident of the state of the State of Israel.

Signature of Grantee:

By: _____

Date: _____

ADICET BIO, INC. 2015 STOCK INCENTIVE PLAN

NOTICE OF STOCK OPTION AWARD

Grantee's Name and Address: _____

_____

_____

You (the "**Grantee**") have been granted an option to purchase shares of Common Stock, subject to the terms and conditions of this Notice of Stock Option Award (the "**Notice**"), the Adicet Bio, Inc. 2015 Stock Incentive Plan, as amended from time to time (the "**Plan**"), the Adicet Bio, Inc. Israeli Sub-Plan to the Plan (the "**Israeli Sub-Plan**") and the Stock Option Award Agreement (the "**Option Agreement**") attached hereto, as follows. Unless otherwise defined herein, the terms defined in the Plan or in the Israeli Sub-Plan, as the case may be, shall have the same defined meanings in this Notice.

Award Number	_____
Date of Award	_____
Vesting Commencement Date	_____
Exercise Price per Share	$ _____
Total Number of Shares Subject to the Option (the "**Shares**")	_____
Total Exercise Price	$ _____
Tax Route:	_____ Capital Gain
Expiration Date:	_____
Post-Termination Exercise Period:	Three (3) Months

Vesting Schedule:

Subject to the Grantee's Continuous Service and the other limitations set forth in this Notice, the Plan**,** the Israeli Sub-Plan and the Option Agreement, the Option may be exercised, in whole or in part, in accordance with the following schedule:

[25% of the Shares subject to the Option shall vest twelve (12) months after the Vesting Commencement Date, and 1/36th of the remaining unvested Shares subject to the Option shall vest on each of the next thirty-six (36) monthly anniversaries of the Vesting Commencement Date thereafter.][1]

1 Insert for new-hire grants.

[1/48th of the Shares subject to the Option shall vest on each monthly anniversary of the Vesting Commencement Date.][2]

During any authorized leave of absence, the vesting of the Shares shall be suspended after the leave of absence exceeds a period of three (3) months. Vesting of the Shares shall resume upon the Grantee's termination of the leave of absence and return to Continuous Service. The Vesting Schedule of the Shares shall be extended by the length of the suspension.

In the event of termination of the Grantee's Continuous Service for Cause, the Grantee's right to exercise the Option shall terminate concurrently with the termination of the Grantee's Continuous Service, except as otherwise determined by the Administrator.

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2 Insert for refresh grants.

IN WITNESS WHEREOF, the Company and the Grantee have executed this Notice and agree that the Option is to be governed by the terms and conditions of this Notice, the Plan, the Israeli Sub-Plan and the Option Agreement.

ADICET BIO, INC.,
a Delaware corporation

By: _____
Name: _____
Title: _____

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THE GRANTEE ACKNOWLEDGES AND AGREES THAT THE SHARES SUBJECT TO THE OPTION SHALL VEST, IF AT ALL, ONLY DURING THE PERIOD OF THE GRANTEE'S CONTINUOUS SERVICE (NOT THROUGH THE ACT OF BEING HIRED, BEING GRANTED THE OPTION OR ACQUIRING SHARES HEREUNDER). THE GRANTEE FURTHER ACKNOWLEDGES AND AGREES THAT NOTHING IN THIS NOTICE, THE OPTION AGREEMENT, OR THE PLAN (INCLUDING THE ISRAELI SUB-PLAN) SHALL CONFER UPON THE GRANTEE ANY RIGHT WITH RESPECT TO FUTURE AWARDS OR CONTINUATION OF THE GRANTEE'S CONTINUOUS SERVICE, NOR SHALL IT INTERFERE IN ANY WAY WITH THE GRANTEE'S RIGHT OR THE RIGHT OF THE COMPANY OR RELATED ENTITY TO WHICH THE GRANTEE PROVIDES SERVICES TO TERMINATE THE GRANTEE'S CONTINUOUS SERVICE, WITH OR WITHOUT CAUSE, AND WITH OR WITHOUT NOTICE. THE GRANTEE ACKNOWLEDGES THAT UNLESS THE GRANTEE HAS A WRITTEN EMPLOYMENT AGREEMENT WITH THE COMPANY TO THE CONTRARY, THE GRANTEE'S STATUS IS AT WILL.

The Grantee acknowledges receipt of a copy of the Plan, the Israeli Sub-Plan, the trust agreement between the Company and the Trustee (the "**Trust Agreement**") the Option Agreement, and represents that he or she is familiar with the terms and provisions thereof, and hereby accepts the Option subject to all of the terms and provisions hereof and thereof. The Grantee has reviewed this Notice, the Plan, the Israeli Sub-Plan and the Option Agreement in their entirety, has had an opportunity to obtain the advice of counsel prior to executing this Notice, and fully understands all provisions of this Notice, the Plan the Israeli Sub-Plan and the Option Agreement. The Grantee hereby agrees that all questions of interpretation and administration relating to this Notice, the Plan, the Israeli Sub-Plan and the Option Agreement shall be resolved by the Administrator in accordance with Section 18 of the Option Agreement. The Grantee further agrees to the venue selection in accordance with Section 19 of the Option Agreement. The Grantee further agrees to notify the Company upon any change in the residence address indicated in this Notice.

Grantee represents that Grantee is a resident of the State of Israel for tax purposes on the date of allocation and agrees to notify the Company upon any change in the residence address indicated above and acknowledges that if Grantee ceases to be an Israeli resident or if Grantee's engagement with the Company is terminated, the Option and/or Shares shall remain subject to Section 102, the Trust Agreement, the Plan, the Israeli Sub-Plan and this Option Agreement.

Grantee declares that she/he is familiar with Section 102 of the Ordinance and the regulations and rules promulgated thereunder, including without limitations the provisions of the applicable tax route, and agrees to comply with such provisions, as amended from time to time. The Grantee authorizes the Company to provide the Trustee with any information required for the purpose of executing its obligations under the Ordinance, including without limitation information about the Option and the Shares, income tax rates, salary bank account, contact details and identification number. The Grantee warrants and undertakes that at the time of grant of the Option herein, or as a consequence of the grant, the Grantee is not and will not become a holder of a "controlling interest" in the Company, as such term is defined in Section 32(9) of the Ordinance.

Dated: _____ Signed: _____

Grantee

Award Number: _____

ADICET BIO, INC. 2015 STOCK INCENTIVE PLAN

STOCK OPTION AWARD AGREEMENT

1. Grant of Option. Adicet Bio, Inc., a Delaware corporation (the "**Company**"), hereby grants to the Grantee (the "**Grantee**") named in the Notice of Stock Option Award (the "**Notice**"), an option (the "**Option**") to purchase the Total Number of Shares of Common Stock subject to the Option (the "**Shares**") set forth in the Notice, at the Exercise Price per Share set forth in the Notice (the "**Exercise Price**") subject to the terms and provisions of the Notice, this Stock Option Award Agreement (the "**Option Agreement**"), the Company's 2015 Stock Incentive Plan, as amended from time to time (the "**Plan**") and the Adicet Bio, Inc. Israeli Sub-Plan to the Plan **(the** "**Israeli Sub-Plan**"**),** and the Trust Agreement, which are incorporated herein by reference. Unless otherwise defined herein, the terms defined in the Plan and/or in the Israeli Sub-Plan, as the case may be, shall have the same defined meanings in this Option Agreement.

The Shares shall be held in trust under the terms and conditions of the "capital gain route" under Section 102 of the Ordinance during the Lock-Up Period.

2. Exercise of Option.

(a) Right to Exercise. The Option shall be exercisable during its term in accordance with the Vesting Schedule set out in the Notice and with the applicable provisions of the Plan, the Israeli Sub-Plan and this Option Agreement. The Option shall be subject to the provisions of Section 11 of the Plan relating to the exercisability or termination of the Option in the event of a Corporate Transaction. The Grantee shall be subject to reasonable limitations on the number of requested exercises during any monthly or weekly period as determined by the Administrator. In no event shall the Company issue fractional Shares.

(b) Method of Exercise. The Option shall be exercisable by delivery of an exercise notice (a form of which is attached as Exhibit A) or by such other procedure as specified from time to time by the Administrator which shall state the election to exercise the Option, the whole number of Shares in respect of which the Option is being exercised, and such other provisions as may be required by the Administrator. The exercise notice shall be delivered in person, by certified mail, or by such other method (including electronic transmission) as determined from time to time by the Administrator to the Company accompanied by payment of the Exercise Price and all applicable income and employment taxes required to be withheld. The Option shall be deemed to be exercised upon receipt by the Company of such notice accompanied by the Exercise Price and all applicable withholding taxes, which, to the extent selected, shall be deemed to be satisfied by use of the broker-dealer sale and remittance procedure to pay the Exercise Price provided in Section 4(d) below to the extent such procedure is available to the Grantee at the time of exercise and such an exercise would not violate any Applicable Law.

(c) Taxes. The Grantee shall be taxed in Israel in accordance with the provisions under Section 102 of the Ordinance, including the provisions the regulations and any tax ruling or agreement obtained by the Company with regard to the Plan. No Shares will be delivered to the Grantee or other person pursuant to the exercise of the Option until the Grantee or other person has made arrangements acceptable to the Administrator for the satisfaction of applicable income tax and employment tax withholding obligations, including, without limitation, such other tax obligations of the Grantee incident to the receipt of Shares. Upon exercise of the Option, the Company or the Grantee's employer may offset or withhold (from any amount owed by the Company or the Grantee's employer to the Grantee) or collect from the Grantee or other person an amount sufficient to satisfy such tax withholding obligations. Furthermore, in the event of any determination that the Company has failed to withhold a sum sufficient to pay all withholding taxes due in connection with the Option, the Grantee agrees to pay the Company the amount of such deficiency in cash within five (5) days after receiving a written demand from the Company to do so, whether or not the Grantee is an employee of the Company at that time.

3. Grantee's Representations. The Grantee understands that neither the Option nor the Shares exercisable pursuant to the Option have been registered under the Securities Act of 1933, as amended or any United States securities laws. In the event the Shares purchasable pursuant to the exercise of the Option have not been registered under the Securities Act of 1933, as amended, at the time the Option is exercised, the Grantee shall, if requested by the Company, concurrently with the exercise of all or any portion of the Option, deliver to the Company his or her Investment Representation Statement in the form attached hereto as Exhibit B.

4. Method of Payment. Payment of the Exercise Price shall be made by any of the following, or a combination thereof, at the election of the Grantee; provided, however, that such exercise method does not then violate any Applicable Law (including the Ordinance) and, provided further, that the portion of the Exercise Price equal to the par value of the Shares must be paid in cash or other legal consideration permitted by the Delaware General Corporation Law:

(a) cash;

(b) check;

(c) if the exercise occurs on or after the Registration Date, surrender of Shares held for the requisite period, if any, necessary to avoid a charge to the Company's earnings for financial reporting purposes, or delivery of a properly executed form of attestation of ownership of Shares as the Administrator may require which have a Fair Market Value on the date of surrender or attestation equal to the aggregate Exercise Price of the Shares as to which the Option is being exercised; or

(d) if the exercise occurs on or after the Registration Date, payment through a broker-dealer sale and remittance procedure pursuant to which the Grantee (i) shall provide written instructions to a Company-designated brokerage firm to effect the immediate sale of some or all of the purchased Shares and remit to the Company sufficient funds to cover the aggregate exercise price payable for the purchased Shares and (ii) shall provide written directives to the Company to deliver the certificates for the purchased Shares directly to such brokerage firm in order to complete the sale transaction.

5. Restrictions on Exercise. The Option may not be exercised if the issuance of the Shares subject to the Option upon such exercise would constitute a violation of any Applicable Laws. In addition, the Option may not be exercised until such time as the Plan has been approved by the stockholders of the Company, and the Israeli Sub-Plan has been approved by the ITA. If the exercise of the Option within the applicable time periods set forth in Sections 6, 7 and 8 of this Option Agreement is prevented by the provisions of this Section 5, the Option shall remain exercisable until one (1) month after the date the Grantee is notified by the Company that the Option is exercisable, but in any event no later than the Expiration Date set forth in the Notice.

6. Termination or Change of Continuous Service. In the event the Grantee's Continuous Service terminates, other than for Cause, the Grantee may, but only during the Post-Termination Exercise Period, exercise the portion of the Option that was vested at the date of such termination (the "**Termination Date**"). The Post-Termination Exercise Period shall commence on the Termination Date. In the event of termination of the Grantee's Continuous Service for Cause, the Grantee's right to exercise the Option shall, except as otherwise determined by the Administrator, terminate concurrently with the termination of the Grantee's Continuous Service (also the "**Termination Date**"). In no event, however, shall the Option be exercised later than the Expiration Date set forth in the Notice. In the event of the Grantee's change in status from Employee, Director or Consultant to any other status of Employee, Director or Consultant, the Option shall remain in effect and the Option shall continue to vest in accordance with the Vesting Schedule set forth in the Notice, provided however, that the Option may be subject to a different tax route, following such change in status. Except as provided in Sections 7 and 8 below, to the extent that the Option was unvested on the Termination Date, or if the Grantee does not exercise the vested portion of the Option within the Post-Termination Exercise Period, the Option shall terminate.

7. Disability of Grantee. In the event the Grantee's Continuous Service terminates as a result of his or her Disability, the Grantee may, but only within twelve (12) months commencing on the Termination Date (but in no event later than the Expiration Date), exercise the portion of the Option that was vested on the Termination Date. To the extent that the Option was unvested on the Termination Date, or if the Grantee does not exercise the vested portion of the Option within the time specified herein, the Option shall terminate. Section 22(e)(3) of the Code provides that an individual is permanently and totally disabled if he or she is unable to engage in any substantial gainful activity by reason of any medically determinable physical or mental impairment which can be expected to result in death or which has lasted or can be expected to last for a continuous period of not less than twelve (12) months.

8. Death of Grantee. In the event of the termination of the Grantee's Continuous Service as a result of his or her death, or in the event of the Grantee's death during the Post-Termination Exercise Period or during the twelve (12) month period following the Grantee's termination of Continuous Service as a result of his or her Disability, the person who acquired the right to exercise the Option pursuant to Section 9 may exercise the portion of the Option that was vested at the date of termination within twelve (12) months commencing on the date of death (but in no event later than the Expiration Date). To the extent that the Option was unvested on the date of death, or if the vested portion of the Option is not exercised within the time specified herein, the Option shall terminate.

9. Transferability of Option. Prior to the payment of the tax applicable under law, including under Section 102 (the "**Applicable Tax**"), the Options and/or the Shares or rights arising therefrom shall not be transferable or assignable, shall not be subject to any mortgage, liens, attachment or other encumbrance, and no power or attorney or note of transfer shall be issued in respect thereof, whether such instrument enter into force immediately or at future date, excluding transfer by power of a last will or under law and all subject to the terms of the Plan and the Israeli Sub-Plan. Should the Options or Shares have been transferred pursuant to the provisions of a last testamentary instrument or under applicable law, Section 102 shall apply to the heirs or transferees of the deceased Grantee. Subject to Section 102, the Trustee shall not transfer the Options and/or the Shares to the Grantee's name, and shall not transfer the consideration received from the sale of the Shares to the Grantee, unless one of the following conditions shall be fulfilled: (a) the Grantee provided the Trustee with a certificate from the Assessing Officer that the Applicable Tax has been paid; or (b) the Grantee paid the Trustee an amount equaling to the amount of tax applicable in accordance with Section 102 (the "**Taxable Consideration**") for such sale, and the Trustee checked the manner of calculating the payable amount, at its sole discretion, and was fully satisfied that the calculation was performed accurately and lawfully; or (c) the Trustee deducted the applicable tax in accordance with Section 102 of the Taxable Consideration, or any other amount as shall be approved by the Assessing Officer, from the consideration it received from the sale of the Option and/or the Shares. Notwithstanding the foregoing, the Grantee may designate one or more beneficiaries of the Grantee's Option in the event of the Grantee's death on a beneficiary designation form provided by the Administrator. Following the death of the Grantee, the Option, to the extent provided in Section 8, may be exercised (a) by the person or persons designated under the deceased Grantee's beneficiary designation or (b) in the absence of an effectively designated beneficiary, by the Grantee's legal representative or by any person empowered to do so under the deceased Grantee's will or under the then applicable laws of descent and distribution. Notwithstanding the foregoing, no Option may be transferred in violation of Applicable Law, including any applicable securities exemption. The terms of the Option shall be binding upon the executors, administrators, heirs, successors and transferees of the Grantee.

10. Term of Option. The Option must be exercised no later than the Expiration Date set forth in the Notice or such earlier date as otherwise provided herein. After the Expiration Date or such earlier date, the Option shall be of no further force or effect and may not be exercised.

11. Company's Right of First Refusal. The Grantee acknowledges and agrees that the Shares are subject to a right of first refusal ("**Right of First Refusal**") as set forth in the Bylaws of the Company, which Right of First Refusal is incorporated herein by reference irrespective of whether the Bylaws are amended at some future date to remove the Right of First Refusal therefrom, and that, except in compliance with such Right of First Refusal, neither the Grantee nor a transferee (either being sometimes referred to herein as the "**Holder**") shall sell, hypothecate, encumber or otherwise transfer any Shares or any right or interest therein.

12. Stop-Transfer Notices. In order to ensure compliance with the restrictions on transfer set forth in this Option Agreement, the Notice the Plan, or the Israeli Sub-Plan, the Company may issue appropriate "stop transfer" instructions to its transfer agent, if any, and, if the Company transfers its own securities, it may make appropriate notations to the same effect in its own records.

13. Refusal to Transfer. The Company shall not be required (i) to transfer on its books any Shares that have been sold or otherwise transferred in violation of any of the provisions of this Option Agreement or (ii) to treat as owner of such Shares or to accord the right to vote or pay dividends to any purchaser or other transferee to whom such Shares shall have been so transferred.

14. Tax Consequences.

(a) The Grantee may incur tax liability as a result of the Grantee's purchase or disposition of the Shares. THE GRANTEE SHOULD CONSULT A TAX ADVISER BEFORE EXERCISING THE OPTION OR DISPOSING OF THE SHARES.

(b) Notwithstanding the Company's good faith determination of the Fair Market Value of the Company's Common Stock for purposes of determining the Exercise Price Per Share of the Option as set forth in the Notice, the taxing authorities may assert that the Fair Market Value of the Common Stock on the Date of Award was greater than the Exercise Price Per Share. Under Section 409A of the Code, if the Exercise Price Per Share of the Option is less than the Fair Market Value of the Common Stock on the Date of Award, the Option may be treated as a form of deferred compensation and the Grantee, if a U.S. taxpayer, may be subject to an acceleration of income recognition, an additional 20% tax, plus interest and possible penalties. The Company makes no representation that the Option will comply with Section 409A of the Code and makes no undertaking to prevent Section 409A of the Code from applying to the Option or to mitigate its effects on any deferrals or payments made in respect of the Option. The Grantee, if a U.S. taxpayer, is encouraged to consult a tax adviser regarding the potential impact of Section 409A of the Code.

15. Lock-Up Agreement.

(a) Agreement. The Grantee, if requested by the Company and the lead underwriter of any public offering of the Common Stock (the "**Lead Underwriter**"), hereby irrevocably agrees not to sell, contract to sell, grant any option to purchase, transfer the economic risk of ownership in, make any short sale of, pledge or otherwise transfer or dispose of any interest in any Common Stock or any securities convertible into or exchangeable or exercisable for or any other rights to purchase or acquire Common Stock (except Common Stock included in such public offering or acquired on the public market after such offering) during the 180-day period following the effective date of a registration statement of the Company filed under the Securities Act of 1933, as amended, or such shorter or longer period of time as the Lead Underwriter shall specify. The Grantee further agrees to sign such documents as may be requested by the Lead Underwriter to effect the foregoing and agrees that the Company may impose stop-transfer instructions with respect to such Common Stock subject to the lock-up period until the end of such period. The Company and the Grantee acknowledge that each Lead Underwriter of a public offering of the Company's stock, during the period of such offering and for the lock-up period thereafter, is an intended beneficiary of this Section 15.

(b) No Amendment Without Consent of Underwriter. During the period from identification of a Lead Underwriter in connection with any public offering of the Company's Common Stock until the earlier of (i) the expiration of the lock-up period specified in Section 15(a) in connection with such offering or (ii) the abandonment of such offering by the Company and the Lead Underwriter, the provisions of this Section 15 may not be amended or waived except with the consent of the Lead Underwriter.

16. Entire Agreement: Governing Law. The Notice, the Plan, the Israeli Sub-Plan and this Option Agreement constitute the entire agreement of the parties with respect to the subject matter hereof and supersede in their entirety all prior undertakings and agreements of the Company and the Grantee with respect to the subject matter hereof, and may not be modified adversely to the Grantee's interest except by means of a writing signed by the Company and the Grantee. Nothing in the Notice, the Plan, the Israeli Sub-Plan and this Option Agreement (except as expressly provided therein) is intended to confer any rights or remedies on any persons other than the parties. The Notice, the Plan and this Option Agreement are to be construed in accordance with and governed by the internal laws of the State of California without giving effect to any choice of law rule that would cause the application of the laws of any jurisdiction other than the internal laws of the State of California to the rights and duties of the parties. The Israeli Sub-Plan is to be construed in accordance with and governed by the laws of the State of Israel, in all tax related matters. Should any provision of the Notice, the Plan, the Israeli Sub-Plan or this Option Agreement be determined to be illegal or unenforceable, such provision shall be enforced to the fullest extent allowed by law and the other provisions shall nevertheless remain effective and shall remain enforceable.

17. Construction. The captions used in the Notice and this Option Agreement are inserted for convenience and shall not be deemed a part of the Option for construction or interpretation. Except when otherwise indicated by the context, the singular shall include the plural and the plural shall include the singular. Use of the term "or" is not intended to be exclusive, unless the context clearly requires otherwise.

18. Administration and Interpretation. Any question or dispute regarding the administration or interpretation of the Notice, the Plan, the Israeli Sub-Plan, or this Option Agreement shall be submitted by the Grantee or by the Company to the Administrator. The resolution of such question or dispute by the Administrator shall be final and binding on all persons.

19. Venue. The Company, the Grantee, and the Grantee's assignees pursuant to Section 9 (the "**parties**") agree that any suit, action, or proceeding arising out of or relating to the Notice, the Plan or this Option Agreement shall be brought in the United States District Court for the Northern District of California (or should such court lack jurisdiction to hear such action, suit or proceeding, in a California state court in the County of San Francisco) and that the parties shall submit to the jurisdiction of such court. The parties irrevocably waive, to the fullest extent permitted by law, any objection the party may have to the laying of venue for any such suit, action or proceeding brought in such court. If any one or more provisions of this Section 19

shall for any reason be held invalid or unenforceable, it is the specific intent of the parties that such provisions shall be modified to the minimum extent necessary to make it or its application valid and enforceable. Notwithstanding, any suit, action, or proceeding arising out of or relating directly and specifically to the Israeli Sub-Plan shall be brought in the competent Israeli District Court and that the parties shall submit to the jurisdiction of such court.

20. Notices. Any notice required or permitted hereunder shall be given in writing and shall be deemed effectively given upon personal delivery, upon deposit for delivery by an internationally recognized express mail courier service or upon deposit in the United States mail by certified mail (if the parties are within the United States), with postage and fees prepaid, addressed to the other party at its address as shown in these instruments, or to such other address as such party may designate in writing from time to time to the other party.

21. Confidentiality. To the extent required by Applicable Law, the Company shall provide to the Grantee, during the period the Option is outstanding, copies of financial statements of the Company at least annually. The Grantee understands and agrees that such financial statements are confidential and shall not be disclosed by the Grantee, to any entity or person, for any reason, at any time, without the prior written consent of the Company, unless required by law. If disclosure of such financial statements is required by law, whether through subpoena, request for production, deposition, or otherwise, the Grantee promptly shall provide written notice to Company, including copies of the subpoena, request for production, deposition, or otherwise, within five (5) business days of their receipt by the Grantee and prior to any disclosure so as to provide Company an opportunity to move to quash or otherwise to oppose the disclosure. Notwithstanding the foregoing, the Grantee may disclose the terms of such financial statements to his or her spouse or domestic partner, and for legitimate business reasons, to legal, financial, and tax advisors.

END OF AGREEMENT

EXHIBIT A

ADICET BIO, INC. 2015 STOCK INCENTIVE PLAN

EXERCISE NOTICE

[COMPANY ADDRESS]
Attention: Secretary

1. Effective as of today, , the undersigned (the "**Grantee**") hereby elects to exercise the Grantee's option to purchase shares of the Common Stock (the "**Shares**") of Adicet Bio, Inc., (the "**Company**") under and pursuant to the Company's 2015 Stock Incentive Plan, as amended from time to time (the "**Plan**"), the Adicet Bio, Inc. Israeli Sub-Plan to the Plan **(the** "**Israeli Sub-Plan**"**)** and the Stock Option Award Agreement (the "**Option Agreement**") and Notice of Stock Option Award (the "**Notice**") dated . Unless otherwise defined herein, the terms defined in the Plan shall have the same defined meanings in this Exercise Notice.

2. Representations of the Grantee. The Grantee acknowledges that the Grantee has received, read and understood the Notice, the Plan and the Option Agreement and agrees to abide by and be bound by their terms and conditions.

3. Rights as Stockholder. Until the stock certificate evidencing such Shares is issued (as evidenced by the appropriate entry on the books of the Company or of a duly authorized transfer agent of the Company), no right to vote or receive dividends or any other rights as a stockholder shall exist with respect to the Shares, notwithstanding the exercise of the Option. The Company shall issue (or cause to be issued) such stock certificate promptly after the Option is exercised. No adjustment will be made for a dividend or other right for which the record date is prior to the date the stock certificate is issued, except as provided in Section 10 of the Plan.

The Grantee shall enjoy rights as a stockholder until such time as the Grantee disposes of the Shares or the Company and/or its assignee(s) exercises the Right of First Refusal. Upon such exercise, the Grantee shall have no further rights as a holder of the Shares so purchased except the right to receive payment for the Shares so purchased in accordance with the provisions of the Option Agreement, and the Grantee shall forthwith cause the certificate(s) evidencing the Shares so purchased to be surrendered to the Company for transfer or cancellation.

4. Delivery of Payment. The Grantee herewith delivers to the Company the full Exercise Price for the Shares, which, to the extent selected, shall be deemed to be satisfied by use of the broker-dealer sale and remittance procedure to pay the Exercise Price provided in Section 4(d) of the Option Agreement.

5. Tax Consultation. The Grantee understands that the Grantee may suffer adverse tax consequences as a result of the Grantee's purchase or disposition of the Shares. The Grantee represents that the Grantee has consulted with any tax consultants the Grantee deems advisable in connection with the purchase or disposition of the Shares and that the Grantee is not relying on the Company for any tax advice.

6. Taxes. The Grantee agrees to satisfy all applicable federal, state and local income and employment tax withholding obligations and herewith delivers to the Company the full amount of such obligations or has made arrangements acceptable to the Company to satisfy such obligations.

7. Restrictive Legends. The Grantee understands and agrees that the Company shall cause the legends set forth below or legends substantially equivalent thereto, to be placed upon any certificate(s) evidencing ownership of the Shares together with any other legends that may be required by the Company or by state or federal securities laws:

> THE SECURITIES REPRESENTED HEREBY HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933 (THE "ACT") OR ANY STATE SECURITIES LAWS AND MAY NOT BE OFFERED, SOLD OR OTHERWISE TRANSFERRED, PLEDGED OR HYPOTHECATED UNLESS AND UNTIL REGISTERED UNDER THE ACT OR, IN THE OPINION OF COUNSEL SATISFACTORY TO THE ISSUER OF THESE SECURITIES, SUCH OFFER, SALE OR TRANSFER, PLEDGE OR HYPOTHECATION IS IN COMPLIANCE THEREWITH.
>
> THE SHARES REPRESENTED BY THIS CERTIFICATE ARE SUBJECT TO CERTAIN RESTRICTIONS ON TRANSFER AND A RIGHT OF FIRST REFUSAL HELD BY THE ISSUER OR ITS ASSIGNEE(S) AS SET FORTH IN THE OPTION AGREEMENT BETWEEN THE ISSUER AND THE ORIGINAL HOLDER OF THESE SHARES, A COPY OF WHICH MAY BE OBTAINED AT THE PRINCIPAL OFFICE OF THE ISSUER. SUCH TRANSFER RESTRICTIONS AND RIGHT OF FIRST REFUSAL ARE BINDING ON TRANSFEREES OF THESE SHARES.

8. Successors and Assigns. The Company may assign any of its rights under this Exercise Notice to single or multiple assignees, and this agreement shall inure to the benefit of the successors and assigns of the Company. Subject to the restrictions on transfer herein set forth, this Exercise Notice shall be binding upon the Grantee and his or her heirs, executors, administrators, successors and assigns.

9. Construction. The captions used in this Exercise Notice are inserted for convenience and shall not be deemed a part of this agreement for construction or interpretation. Except when otherwise indicated by the context, the singular shall include the plural and the plural shall include the singular. Use of the term "or" is not intended to be exclusive, unless the context clearly requires otherwise.

10. Administration and Interpretation. The Grantee hereby agrees that any question or dispute regarding the administration or interpretation of this Exercise Notice shall be submitted by the Grantee or by the Company to the Administrator. The resolution of such question or dispute by the Administrator shall be final and binding on all persons.

11. Governing Law; Severability. This Exercise Notice is to be construed in accordance with and governed by the Applicable Laws. Should any provision of this Exercise Notice be determined by a court of law to be illegal or unenforceable, such provision shall be enforced to the fullest extent allowed by law and the other provisions shall nevertheless remain effective and shall remain enforceable.

12. Notices. Any notice required or permitted hereunder shall be given in writing and shall be deemed effectively given upon personal delivery, upon deposit for delivery by an internationally recognized express mail courier service or upon deposit in the United States mail by certified mail (if the parties are within the United States), with postage and fees prepaid, addressed to the other party at its address as shown below beneath its signature, or to such other address as such party may designate in writing from time to time to the other party.

13. Further Instruments. The parties agree to execute such further instruments and to take such further action as may be reasonably necessary to carry out the purposes and intent of this agreement.

14. Entire Agreement. The Notice, the Plan and the Option Agreement are incorporated herein by reference and together with this Exercise Notice constitute the entire agreement of the parties with respect to the subject matter hereof and supersede in their entirety all prior undertakings and agreements of the Company and the Grantee with respect to the subject matter hereof, and may not be modified adversely to the Grantee's interest except by means of a writing signed by the Company and the Grantee. Nothing in the Notice, the Plan, the Option Agreement and this Exercise Notice (except as expressly provided therein) is intended to confer any rights or remedies on any persons other than the parties.

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Submitted by:

GRANTEE:

By: _____
Name: _____

Address:

_____
_____
_____

Accepted by:

ADICET BIO, INC.

By: _____
Name: _____
Title: _____

Address:

_____
_____
_____

EXHIBIT B

ADICET BIO, INC. 2015 STOCK INCENTIVE PLAN

INVESTMENT REPRESENTATION STATEMENT

GRANTEE:	_____
COMPANY:	ADICET BIO, INC.
SECURITY:	COMMON STOCK
NUMBER OF SHARES:	_____
DATE:	_____

In connection with the purchase of the above-listed Securities, the undersigned Grantee represents to the Company the following:

(a) Grantee is aware of the Company's business affairs and financial condition and has acquired sufficient information about the Company to reach an informed and knowledgeable decision to acquire the Securities. Grantee is acquiring these Securities for investment for Grantee's own account only and not with a view to, or for resale in connection with, any "distribution" thereof within the meaning of the Securities Act of 1933, as amended (the "**Securities Act**").

(b) Grantee acknowledges and understands that the Securities constitute "restricted securities" under the Securities Act and have not been registered under the Securities Act in reliance upon a specific exemption therefrom, which exemption depends upon among other things, the bona fide nature of Grantee's investment intent as expressed herein. Grantee further understands that the Securities must be held indefinitely unless they are subsequently registered under the Securities Act or an exemption from such registration is available. Grantee further acknowledges and understands that the Company is under no obligation to register the Securities. Grantee understands that the certificate evidencing the Securities will be imprinted with a legend which prohibits the transfer of the Securities unless they are registered or such registration is not required in the opinion of counsel satisfactory to the Company.

(c) Grantee is familiar with the provisions of Rule 701 and Rule 144, each promulgated under the Securities Act, which, in substance, permit limited public resale of "restricted securities" acquired, directly or indirectly from the issuer thereof, in a non-public offering subject to the satisfaction of certain conditions. Rule 701 provides that if the issuer qualifies under Rule 701 at the time of the grant of the Option to the Grantee, the exercise will be exempt from registration under the Securities Act. In the event the Company becomes subject to the reporting requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, ninety (90) days thereafter (or such longer period as any market stand-off agreement may require) the Securities exempt under Rule 701 may be resold, except in the case of affiliates, such Securities may be resold subject to the satisfaction of the applicable conditions specified by Rule 144, including: (1) the availability of certain public information about the Company, (2) the amount of Securities being sold during any three month period not exceeding specified limitations, (3) the resale being made in an unsolicited "broker's transaction," in transactions directly with a "market maker" or "riskless principal transactions" (as said terms are defined under the Securities Exchange Act of 1934) and (4) the timely filing of a Form 144, if applicable.

In the event that the Company does not qualify under Rule 701 at the time of the grant of the Option, then the Securities may be resold in certain limited circumstances subject to the provisions of Rule 144, which may require: the availability of current public information about the Company; the resale to occur more than a specified period after the purchase and full payment (within the meaning of Rule 144) for the Securities; and, in the case of the sale of Securities by an affiliate, the satisfaction of the conditions set forth in sections (2), (3) and (4) of the paragraph immediately above.

(d) Grantee further understands that in the event all of the applicable requirements of Rule 701 or 144 are not satisfied, registration under the Securities Act, compliance with Regulation A, or some other registration exemption will be required; and that, notwithstanding the fact that Rules 144 and 701 are not exclusive, the Staff of the Securities and Exchange Commission has expressed its opinion that persons proposing to sell private placement securities other than in a registered offering and otherwise than pursuant to Rules 144 or 701 will have a substantial burden of proof in establishing that an exemption from registration is available for such offers or sales, and that such persons and their respective brokers who participate in such transactions do so at their own risk. Grantee understands that no assurances can be given that any such other registration exemption will be available in such event.

(e) Grantee represents that Grantee is a resident of the State of Israel.

Signature of Grantee:

By: _____

Date: _____

ADICET BIO, INC. 2015 STOCK INCENTIVE PLAN

NOTICE OF RESTRICTED STOCK PURCHASE AWARD

Grantee's Name and Address: _____

_____

_____

You (the "**Grantee**") have been granted the right to purchase shares of Common Stock, subject to the terms and conditions of this Notice of Restricted Stock Purchase Award (the "**Notice**"), the Adicet Bio, Inc. 2015 Stock Incentive Plan, as amended from time to time (the "**Plan**") and the Restricted Stock Purchase Award Agreement (the "**Agreement**") attached hereto, as follows. Unless otherwise defined herein, the terms defined in the Plan shall have the same defined meanings in this Notice.

Award Number	_____
Date of Purchase	_____
Date Award Approved by Board	_____
Vesting Commencement Date	_____
Purchase Price per Share	_____
Total Number of Shares of Common Stock Awarded (the "**Shares**")	_____
Total Purchase Price	_____

Vesting Schedule:

For purposes of this Notice and the Agreement, the term "**vest**" shall mean, with respect to any Shares, that such Shares are no longer subject to repurchase at the Purchase Price per Share, as described in Section 9 of the Agreement (the "**Repurchase Right**"); provided, however, that such Shares shall remain subject to other restrictions on transfer set forth in the Agreement or the Plan. Shares that have not vested are deemed "**Restricted Shares**." If the Grantee would become vested in a fraction of a Share, such Share shall not vest until the Grantee becomes vested in the entire Share.

Subject to the Grantee's Continuous Service and the other limitations set forth in this Notice, the Plan and the Agreement, the Repurchase Right shall lapse in accordance with the following schedule:

[25% of the Shares shall vest twelve (12) months after the Vesting Commencement Date, and 1/36th of the remaining unvested Shares shall vest on each of the next thirty-six (36) monthly anniversaries of the Vesting Commencement Date thereafter.][1]

1 Insert for new-hire grants.

[1/48th of the Shares shall vest on each monthly anniversary of the Vesting Commencement Date.][2]

During any authorized leave of absence, the vesting of the Shares shall be suspended after the leave of absence exceeds a period of three (3) months. Vesting of the Shares shall resume upon the Grantee's termination of the leave of absence and return to Continuous Service. The Vesting Schedule of the Shares shall be extended by the length of the suspension.

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2 Insert for refresh grants.

IN WITNESS WHEREOF, the Company and the Grantee have executed this Notice and agree that the Award is to be governed by the terms and conditions of this Notice, the Plan, and the Agreement.

ADICET BIO, INC.,
a Delaware corporation

By: _____
Name: _____
Title: _____

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THE GRANTEE ACKNOWLEDGES AND AGREES THAT THE SHARES SHALL VEST, IF AT ALL, ONLY DURING THE PERIOD OF THE GRANTEE'S CONTINUOUS SERVICE (NOT THROUGH THE ACT OF BEING HIRED, BEING GRANTED THIS AWARD OR ACQUIRING SHARES HEREUNDER). THE GRANTEE FURTHER ACKNOWLEDGES AND AGREES THAT NOTHING IN THIS NOTICE, THE AGREEMENT, OR THE PLAN, SHALL CONFER UPON THE GRANTEE ANY RIGHT WITH RESPECT TO FUTURE AWARDS OR CONTINUATION OF THE GRANTEE'S CONTINUOUS SERVICE, NOR SHALL IT INTERFERE IN ANY WAY WITH THE GRANTEE'S RIGHT OR THE RIGHT OF THE COMPANY OR RELATED ENTITY TO WHICH THE GRANTEE PROVIDES SERVICES TO TERMINATE THE GRANTEE'S CONTINUOUS SERVICE, WITH OR WITHOUT CAUSE, AND WITH OR WITHOUT NOTICE. THE GRANTEE ACKNOWLEDGES THAT UNLESS THE GRANTEE HAS A WRITTEN EMPLOYMENT AGREEMENT WITH THE COMPANY TO THE CONTRARY, THE GRANTEE'S STATUS IS AT WILL.

The Grantee acknowledges receipt of a copy of the Plan and the Agreement and represents that he or she is familiar with the terms and provisions thereof, and hereby accepts the Award subject to all of the terms and provisions hereof and thereof. The Grantee has reviewed this Notice, the Plan, and the Agreement in their entirety, has had an opportunity to obtain the advice of counsel prior to executing this Notice and fully understands all provisions of this Notice, the Plan, and the Agreement. The Grantee hereby agrees that all questions of interpretation and administration relating to this Notice, the Plan and the Agreement shall be resolved by the Administrator in accordance with Section 17 of the Agreement. The Grantee further agrees to the venue selection in accordance with Section 18 of the Agreement. The Grantee further agrees to notify the Company upon any change in the residence address indicated in this Notice. **TO ACCEPT THIS AWARD AND PURCHASE THE SHARES, THE GRANTEE MUST EXECUTE AND DELIVER THIS SIGNED NOTICE AND AGREEMENT TO THE COMPANY ACCOMPANIED WITH PAYMENT OF THE TOTAL PURCHASE PRICE (PAID IN ACCORDANCE WITH SECTION 2 OF THE AGREEMENT) WITHIN 60 DAYS OF RECEIPT OF THIS NOTICE FROM THE COMPANY. THE DATE OF DELIVERY OF THE SIGNED NOTICE AND AGREEMENT TOGETHER WITH PAYMENT OF THE TOTAL PURCHASE PRICE SHALL CONSTITUTE THE DATE OF PURCHASE OF THE SHARES.**

Dated: _____ Signed: _____

Grantee

Award Number: _____

ADICET BIO, INC. 2015 STOCK INCENTIVE PLAN

RESTRICTED STOCK PURCHASE AWARD AGREEMENT

1. Purchase of Shares. Adicet Bio, Inc., a Delaware corporation (the "**Company**"), agrees to issue and sell to the Grantee (the "**Grantee**") named in the Notice of Restricted Stock Purchase Award (the "**Notice**"), the Total Number of Shares of Common Stock Awarded set forth in the Notice (the "**Shares**") for a Purchase Price per Share set forth in the Notice (the "**Total Purchase Price**"), subject to the Notice, this Restricted Stock Purchase Award Agreement (the "**Agreement**") and the Company's 2015 Stock Incentive Plan, as amended from time to time (the "**Plan**"), which are incorporated herein by reference. Payment for the Shares in the amount of the Total Purchase Price set forth in the Notice shall be made to the Company upon execution of the Notice. Unless otherwise defined herein, the terms defined in the Plan shall have the same defined meanings in this Agreement. All Shares sold hereunder will be deemed issued to the Grantee as fully paid and nonassessable shares, and the Grantee will have the right to vote the Shares at meetings of the Company's stockholders. The Company shall pay any applicable stock transfer taxes imposed upon the issuance of the Shares to the Grantee hereunder.

2. Method of Payment. Payment of the Total Purchase Price shall be by any of the following, or a combination thereof, at the election of the Grantee; provided, however, that such payment method does not then violate any Applicable Law and, provided further, that the portion of the Total Purchase Price equal to the par value of the Shares must be paid in cash or other legal consideration permitted by the Delaware General Corporation Law:

(a) cash; or

(b) check.

3. Transfer Restrictions for Unvested Shares. The Shares sold to the Grantee hereunder may not be sold, transferred by gift, pledged, hypothecated, or otherwise transferred or disposed of by the Grantee prior to the date that the Shares become vested pursuant to the Vesting Schedule set forth in the Notice. Any attempt to transfer Shares in violation of this Section 3 will be null and void and will be disregarded. After the Shares vest, the Shares will remain subject to the Company's Right of First Refusal as set forth in Section 8 below.

4. Escrow of Stock. For purposes of facilitating the enforcement of the provisions of this Agreement, the Grantee agrees, immediately upon receipt of the certificate(s) for the Shares, to deliver such certificate(s), together with an Assignment Separate from Certificate in the form attached hereto as Exhibit A, executed in blank by the Grantee with respect to each such stock certificate, to the Secretary or Assistant Secretary of the Company, or their designee, to hold in escrow for so long as such Shares have not vested pursuant to the Vesting Schedule set forth in the Notice or are subject to the Company's Right of First Refusal, with the authority to take all

such actions and to effectuate all such transfers and/or releases as may be necessary or appropriate to accomplish the objectives of this Agreement in accordance with the terms hereof. The Grantee hereby acknowledges that the appointment of the Secretary or Assistant Secretary of the Company (or their designee) as the escrow holder hereunder with the stated authorities is a material inducement to the Company to make this Agreement and that such appointment is coupled with an interest and is accordingly irrevocable. The Grantee agrees that the Restricted Shares may be held electronically in a book entry system maintained by the Company's transfer agent or other third-party and that all the terms and conditions of this Section 4 applicable to certificated Restricted Shares will apply with the same force and effect to such electronic method for holding the Restricted Shares. The Grantee agrees that such escrow holder shall not be liable to any party hereto (or to any other party) for any actions or omissions unless such escrow holder is grossly negligent relative thereto. The escrow holder may rely upon any letter, notice or other document executed by any signature purported to be genuine and may resign at any time. Upon the vesting of all Shares and termination of the Company's Right of First Refusal, the escrow holder will, upon request, transmit to the Grantee the certificate evidencing such Shares, subject, however, to satisfaction of any withholding obligations provided in Section 6 below.

5. Distributions. Except as set forth in Section 9(e), the Company shall disburse to the Grantee all regular cash dividends with respect to the Shares and Additional Securities (whether vested or not), less any applicable withholding obligations.

6. Section 83(b) Election and Withholding of Taxes. The Grantee shall provide the Administrator with a copy of any timely election made pursuant to Section 83(b) of the Internal Revenue Code or similar provision of state law (collectively, an "**83(b) Election**"), a form of which is attached hereto as Exhibit B. If the Grantee makes a timely 83(b) Election, the Grantee shall immediately pay the Company the amount necessary to satisfy any applicable foreign, federal, state, and local income and employment tax withholding obligations. If the Grantee does not make a timely 83(b) Election, the Grantee shall, as Restricted Shares shall vest or at the time withholding is otherwise required by any Applicable Law, pay the Company the amount necessary to satisfy any applicable foreign, federal, state, and local income and employment tax withholding obligations. The Grantee hereby represents that he or she understands (a) the contents and requirements of the 83(b) Election, (b) the application of Section 83(b) to the receipt of the Shares by the Grantee pursuant to this Agreement, (c) the nature of the election to be made by the Grantee under Section 83(b), and (d) the effect and requirements of the 83(b) Election under relevant state and local tax laws. The Grantee further represents that he or she intends to file an election pursuant to Section 83(b) with the Internal Revenue Service within thirty (30) days following the date of this Agreement, and submit a copy of such election to the Company and with his or her federal tax return for the calendar year in which the date of this Agreement falls.

7. Additional Securities. Any securities or cash received (other than a regular cash dividend) as the result of ownership of the Shares (the "**Additional Securities**"), including, but not by way of limitation, warrants, options and securities received as a stock dividend or stock split, or as a result of any transaction described in Section 10 or 11 of the Plan, shall be subject to the same conditions and restrictions as the Shares with respect to which they were issued, including, without limitation, the Vesting Schedule set forth in the Notice, Right of First Refusal and the Repurchase Right and retained in escrow in the same manner as the Shares with respect

to which they relate. The Grantee shall be entitled to direct the Company to exercise any warrant or option received as Additional Securities upon supplying the funds necessary to do so, in which event the securities so purchased shall constitute Additional Securities, but the Grantee may not direct the Company to sell any such warrant or option. If Additional Securities consist of a convertible security, the Grantee may exercise any conversion right, and any securities so acquired shall constitute Additional Securities. Appropriate adjustments to reflect the distribution of Additional Securities shall be made to the price per share to be paid upon the exercise of the Repurchase Right in order to reflect the effect of any such transaction upon the Company's capital structure. In the event of any change in certificates evidencing the Shares or the Additional Securities by reason of any recapitalization, reorganization or other transaction that results in the creation of Additional Securities, the escrow holder is authorized to deliver to the issuer the certificates evidencing the Shares or the Additional Securities in exchange for the certificates of the replacement securities.

8. Company's Right of First Refusal. The Grantee acknowledges and agrees that the Shares are subject to a right of first refusal ("**Right of First Refusal**") as set forth in the Bylaws of the Company, which Right of First Refusal is incorporated herein by reference irrespective of whether the Bylaws are amended at some future date to remove the Right of First Refusal therefrom, and that, except in compliance with such Right of First Refusal, neither the Grantee nor a transferee shall sell, hypothecate, encumber or otherwise transfer any Shares or any right or interest therein.

9. Company's Repurchase Right.

(a) Grant of Repurchase Right. The Company is hereby granted the right (the "**Repurchase Right**"), exercisable at any time during the nine (9) month period (the "**Share Repurchase Period**") following the date the Grantee's Continuous Service terminates for any reason, with or without cause (including death or disability) (the "**Termination Date**") to repurchase all or any portion of the Shares that are deemed Restricted Shares.

(b) Exercise of the Repurchase Right. The Repurchase Right shall be exercisable by written notice delivered to the Grantee prior to the expiration of the Share Repurchase Period. The notice shall indicate the number of Shares to be repurchased and the date on which the repurchase is to be effected, such date to be not later than the last day of the Share Repurchase Period. On the date on which the repurchase is to be effected, the Company and/or its assigns shall pay to the Grantee in cash or cash equivalents (including the cancellation of any purchase-money indebtedness) an amount equal to the lesser of the Purchase Price per Share previously paid by the Grantee to the Company for such Shares and the Fair Market Value per Share on the date on which the repurchase is to be effected. Upon such payment or deposit into escrow for the benefit of the Grantee, the Company and/or its assigns shall become the legal and beneficial owner of the Shares being repurchased and all rights and interest thereon or related thereto, and the Company shall have the right to transfer to its own name or its assigns the number of Shares being repurchased, without further action by the Grantee.

(c) Assignment. Whenever the Company shall have the right to purchase Shares under this Repurchase Right, the Company may designate and assign one or more employees, officers, directors or stockholders of the Company or other persons or organizations, to exercise all or a part of the Company's Repurchase Right.

(d) Termination of the Repurchase Right. The Repurchase Right shall terminate with respect to any Shares for which it is not timely exercised.

(e) Additional Shares or Substituted Securities. In the event of any transaction described in Sections 10 or 11 of the Plan, the Repurchase Right shall apply to the new capital stock or other property (including cash paid other than as a regular cash dividend) received in exchange for the Shares in consummation of any such transaction and such stock or property shall be deemed Additional Securities for purposes of this Agreement, but only to the extent the Shares are at the time covered by such Repurchase Right. Appropriate adjustments shall be made to the price per share payable upon exercise of the Repurchase Right to reflect the effect of any such transaction.

10. Stop-Transfer Notices. In order to ensure compliance with the restrictions on transfer set forth in this Agreement, the Notice or the Plan, the Company may issue appropriate "stop transfer" instructions to its transfer agent, if any, and, if the Company transfers its own securities, it may make appropriate notations to the same effect in its own records.

11. Refusal to Transfer. The Company shall not be required (i) to transfer on its books any Shares that have been sold or otherwise transferred in violation of any of the provisions of this Agreement or (ii) to treat as owner of such Shares or to accord the right to vote or pay dividends to any purchaser or other transferee to whom such Shares shall have been so transferred.

12. Restrictive Legends. The Grantee understands and agrees that the Company shall cause the legends set forth below or legends substantially equivalent thereto, to be placed upon any certificate(s) evidencing ownership of the Shares together with any other legends that may be required by the Company or by state or federal securities laws:

> THE SECURITIES REPRESENTED HEREBY HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933 (THE "ACT") AND MAY NOT BE OFFERED, SOLD OR OTHERWISE TRANSFERRED, PLEDGED OR HYPOTHECATED UNLESS AND UNTIL REGISTERED UNDER THE ACT OR, IN THE OPINION OF COUNSEL SATISFACTORY TO THE ISSUER OF THESE SECURITIES, SUCH OFFER, SALE OR TRANSFER, PLEDGE OR HYPOTHECATION IS IN COMPLIANCE THEREWITH.
>
> THE SHARES REPRESENTED BY THIS CERTIFICATE ARE SUBJECT TO CERTAIN RESTRICTIONS ON TRANSFER, A RIGHT OF FIRST REFUSAL AND A REPURCHASE RIGHT HELD BY THE ISSUER OR ITS ASSIGNEE(S) AS SET FORTH IN THE RESTRICTED STOCK PURCHASE AGREEMENT BETWEEN THE ISSUER AND THE ORIGINAL HOLDER OF

THESE SHARES, A COPY OF WHICH MAY BE OBTAINED AT THE PRINCIPAL OFFICE OF THE ISSUER. SUCH TRANSFER RESTRICTIONS, RIGHT OF FIRST REFUSAL AND REPURCHASE RIGHT ARE BINDING ON TRANSFEREES OF THESE SHARES.

13. Lock-Up Agreement.

(a) Agreement. The Grantee, if requested by the Company and the lead underwriter of any public offering of the Common Stock (the "**Lead Underwriter**"), hereby irrevocably agrees not to sell, contract to sell, grant any option to purchase, transfer the economic risk of ownership in, make any short sale of, pledge or otherwise transfer or dispose of any interest in any Common Stock or any securities convertible into or exchangeable or exercisable for or any other rights to purchase or acquire Common Stock (except Common Stock included in such public offering or acquired on the public market after such offering) during the 180-day period following the effective date of a registration statement of the Company filed under the Securities Act of 1933, as amended, or such shorter or longer period of time as the Lead Underwriter shall specify. The Grantee further agrees to sign such documents as may be requested by the Lead Underwriter to effect the foregoing and agrees that the Company may impose stop-transfer instructions with respect to such Common Stock subject to the lock-up period until the end of such period. The Company and the Grantee acknowledge that each Lead Underwriter of a public offering of the Company's stock, during the period of such offering and for the lock-up period thereafter, is an intended beneficiary of this Section 13.

(b) No Amendment Without Consent of Underwriter. During the period from identification of a Lead Underwriter in connection with any public offering of the Company's Common Stock until the earlier of (i) the expiration of the lock-up period specified in Section 13(a) in connection with such offering or (ii) the abandonment of such offering by the Company and the Lead Underwriter, the provisions of this Section 13 may not be amended or waived except with the consent of the Lead Underwriter.

14. Grantee's Representations. The Grantee shall, concurrently with the purchase of the Shares, deliver to the Company his or her Investment Representation Statement in the form attached hereto as Exhibit C.

15. Entire Agreement: Governing Law. The Notice, the Plan and this Agreement constitute the entire agreement of the parties with respect to the subject matter hereof and supersede in their entirety all prior undertakings and agreements of the Company and the Grantee with respect to the subject matter hereof, and may not be modified adversely to the Grantee's interest except by means of a writing signed by the Company and the Grantee. Nothing in the Notice, the Plan and this Agreement (except as expressly provided therein) is intended to confer any rights or remedies on any persons other than the parties. The Notice, the Plan and this Agreement are to be construed in accordance with and governed by the internal laws of the State of California without giving effect to any choice of law rule that would cause the application of the laws of any jurisdiction other than the internal laws of the State of California to the rights and duties of the parties. Should any provision of the Notice, the Plan or this Agreement be determined to be illegal or unenforceable, such provision shall be enforced to the fullest extent allowed by law and the other provisions shall nevertheless remain effective and shall remain enforceable.

16. Construction. The captions used in the Notice and this Agreement are inserted for convenience and shall not be deemed a part of the Agreement for construction or interpretation. Except when otherwise indicated by the context, the singular shall include the plural and the plural shall include the singular. Use of the term "or" is not intended to be exclusive, unless the context clearly requires otherwise.

17. Administration and Interpretation. Any question or dispute regarding the administration or interpretation of the Notice, the Plan or this Agreement shall be submitted by the Grantee or by the Company to the Administrator. The resolution of such question or dispute by the Administrator shall be final and binding on all persons.

18. Venue. The Company, the Grantee, and the Grantee's assignees pursuant to Section 3 (the "**parties**") agree that any suit, action, or proceeding arising out of or relating to the Notice, the Plan or this Agreement shall be brought in the United States District Court for the Northern District of California (or should such court lack jurisdiction to hear such action, suit or proceeding, in a California state court in the County of San Francisco) and that the parties shall submit to the jurisdiction of such court. The parties irrevocably waive, to the fullest extent permitted by law, any objection the party may have to the laying of venue for any such suit, action or proceeding brought in such court. If any one or more provisions of this Section 18 shall for any reason be held invalid or unenforceable, it is the specific intent of the parties that such provisions shall be modified to the minimum extent necessary to make it or its application valid and enforceable.

19. Notices. Any notice required or permitted hereunder shall be given in writing and shall be deemed effectively given upon personal delivery, upon deposit for delivery by an internationally recognized express mail courier service or upon deposit in the United States mail by certified mail (if the parties are within the United States), with postage and fees prepaid, addressed to the other party at its address as shown in these instruments, or to such other address as such party may designate in writing from time to time to the other party.

END OF AGREEMENT

EXHIBIT A

STOCK ASSIGNMENT SEPARATE FROM CERTIFICATE

[Please sign this document but do not date it. The date and information of the transferee will be completed if and when the shares are assigned.]

FOR VALUE RECEIVED, hereby sells, assigns and transfers unto , ( ) shares of the Common Stock of Adicet Bio, Inc., a Delaware corporation (the "**Company**"), standing in his name on the books of, represented by Certificate No. herewith, and does hereby irrevocably constitute and appoint the Secretary of the Company attorney to transfer the said stock in the books of the Company with full power of substitution.

DATED: _____

By: _____
(Signature)

EXHIBIT B

ELECTION UNDER SECTION 83(b)
OF THE INTERNAL REVENUE CODE OF 1986

The undersigned taxpayer hereby elects, pursuant to the Internal Revenue Code, to include in gross income for calendar year the amount of any compensation taxable in connection with the taxpayer's receipt of the property described below:

1. The name, address, taxpayer identification number and taxable year of the undersigned are:

TAXPAYER'S NAME _____

TAXPAYER'S SOCIAL SECURITY NO.: _____

TAXABLE YEAR: Calendar Year ____

ADDRESS: _____

_____

_____

2. The property which is the subject of this election is shares of common stock of Adicet Bio, Inc.

3. The property was transferred to the undersigned on , .

4. The property is subject to the following restrictions: The property is subject to a repurchase right pursuant to which the issuer has the right to acquire the property at the lesser of the original purchase price or the fair market value of the property if for any reason taxpayer's employment or service with the issuer is terminated. The issuer's repurchase right lapses in a series of periodic installments.

5. The fair market value of the property at the time of transfer (determined without regard to any restriction other than a restriction which by its terms will never lapse) is: $ per share x shares = $.

6. The undersigned paid $ per share x shares for the property transferred or a total of $.

The undersigned has submitted a copy of this statement to the person for whom the services were performed in connection with the undersigned's receipt of the above-described property. The undersigned taxpayer is the person performing the services in connection with the transfer of said property.

The undersigned will file this election with the Internal Revenue Service office to which the undersigned files the undersigned's annual income tax return not later than 30 days after the date of transfer of the property. Additionally, the undersigned will include a copy of the election with the undersigned's income tax return for the taxable year in which the property is transferred.

Dated: _____

_____
Taxpayer

EXHIBIT C

ADICET BIO, INC. 2015 STOCK INCENTIVE PLAN

INVESTMENT REPRESENTATION STATEMENT

GRANTEE:	_____
COMPANY:	ADICET BIO, INC.
SECURITY:	COMMON STOCK
NUMBER OF SHARES:	_____
DATE:	_____

In connection with the purchase of the above-listed Securities, the undersigned Grantee represents to the Company the following:

(a) Grantee is aware of the Company's business affairs and financial condition and has acquired sufficient information about the Company to reach an informed and knowledgeable decision to acquire the Securities. Grantee is acquiring these Securities for investment for Grantee's own account only and not with a view to, or for resale in connection with, any "distribution" thereof within the meaning of the Securities Act of 1933, as amended (the **"Securities Act**").

(b) Grantee acknowledges and understands that the Securities constitute "restricted securities" under the Securities Act and have not been registered under the Securities Act in reliance upon a specific exemption therefrom, which exemption depends upon among other things, the bona fide nature of Grantee's investment intent as expressed herein. Grantee further understands that the Securities must be held indefinitely unless they are subsequently registered under the Securities Act or an exemption from such registration is available. Grantee further acknowledges and understands that the Company is under no obligation to register the Securities. Grantee understands that the certificate evidencing the Securities will be imprinted with a legend which prohibits the transfer of the Securities unless they are registered or such registration is not required in the opinion of counsel satisfactory to the Company.

(c) Grantee is familiar with the provisions of Rule 701 and Rule 144, each promulgated under the Securities Act, which, in substance, permit limited public resale of "restricted securities" acquired, directly or indirectly from the issuer thereof, in a non-public offering subject to the satisfaction of certain conditions. Rule 701 provides that if the issuer qualifies under Rule 701 at the time of the sale of the Shares to Grantee, the sale will be exempt from registration under the Securities Act. In the event the Company becomes subject to the reporting requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934, ninety (90) days thereafter (or such longer period as any market stand-off agreement may require) the Securities exempt under Rule 701 may be resold, except in the case of affiliates, such Securities may be resold subject to the satisfaction of the applicable conditions specified by Rule 144, including: (1) the availability of certain public information about the Company, (2) the amount of Securities being sold during any three month period not exceeding specified

limitations, (3) the resale being made in an unsolicited "broker's transaction," in transactions directly with a "market maker" or "riskless principal transactions" (as said terms are defined under the Securities Exchange Act of 1934) and (4) the timely filing of a Form 144, if applicable.

In the event that the Company does not qualify under Rule 701 at the time of sale of the Securities, then the Securities may be resold in certain limited circumstances subject to the provisions of Rule 144, which may require: the availability of current public information about the Company; the resale to occur more than a specified period after the purchase and full payment (within the meaning of Rule 144) for the Securities; and, in the case of the sale of Securities by an affiliate, the satisfaction of the conditions set forth in sections (2), (3) and (4) of the paragraph immediately above.

(d) Grantee further understands that in the event all of the applicable requirements of Rule 701 or 144 are not satisfied, registration under the Securities Act, compliance with Regulation A, or some other registration exemption will be required; and that, notwithstanding the fact that Rules 144 and 701 are not exclusive, the Staff of the Securities and Exchange Commission has expressed its opinion that persons proposing to sell private placement securities other than in a registered offering and otherwise than pursuant to Rules 144 or 701 will have a substantial burden of proof in establishing that an exemption from registration is available for such offers or sales, and that such persons and their respective brokers who participate in such transactions do so at their own risk. Grantee understands that no assurances can be given that any such other registration exemption will be available in such event.

(e) Grantee represents that Grantee is a resident of the state of .

Signature of Grantee:

By: _____

Date: _____

APPLIED IMMUNE TECHNOLOGIES LTD.
(the "Company")

SHARE OPTION PLAN (2014)

Adopted by the Board of Directors on 2014

TABLE OF CONTENTS

1. **Preamble**

This plan, as amended from time to time, shall be known as the "Applied Immune Technologies Ltd. Share Option Plan (2014)" (the "**Plan**"). The purpose of the Plan is to provide incentives to certain employees of the Company and others whose identities shall be determined by the Board (the "**Offerees**"), from time to time, by offering one or more of such Offerees the opportunity to purchase ordinary shares in the Company, NIS 0.01 par value each (the "**Ordinary Shares**").

2. **Schedules, Headings and Definitions**

2.1 The Schedules hereto constitute an integral part of the Plan.

2.2 The section headings are intended solely for the reader's convenience and in no event shall they constitute a basis for the interpretation of the Plan.

2.3 In this Plan, the following terms shall have the meanings set forth beside them:

"**102 Provisions**"	The provisions of section 102 of the Ordinance and of the Income Tax Rules (Tax Relief in Allocating Shares to Employees), 5763-2003, as they shall apply from time to time to shares and options issued hereunder;
"**3(i) Option**"	An Option granted under the rules of Section 3(i) of the Ordinance, as amended, or any law or regulations, which shall replace Section 3(i);
"**Applicable Laws**"	The requirements relating to the administration of share option plans under Israeli law, any stock exchange or quotation system on which the Ordinary Shares are listed or quoted and the applicable laws of any other country or jurisdiction where Options are granted under the Plan;
"**Board**"	The Company's Board of Directors, or any committees lawfully empowered by the Board;
"**Cause**"	Any of the following: (i) the Offeree's theft, dishonesty, or falsification of any Company documents or records; (ii) the Offeree's improper use or disclosure of the Company's confidential or proprietary information; (iii) any action by the Offeree which has a detrimental effect on the Company's reputation or business; (iv) any material breach of the Offeree of any agreement between the Offeree and the Company; (v) the Offeree's conviction (including any guilty plea or plea of *nolo contendere*) of any criminal act which impairs the Offeree's ability to perform his or her duties with the Company; (vi) a breach of the non compete commitment. For purposes of the definition of Cause, "Company" shall include the parent or subsidiary employing or engaging the services of the Offeree;

"**Consultant**"	Any person who is engaged by the Company or any Parent or Subsidiary to render consulting or advisory services to such entity, including any employees of such person and including a non-Employee Director of the Company or any Related Company thereof. An Offeree shall not cease to be a Consultant in case of any temporary interruption in such person's availability to provide services to the Company, any Related Company, or any successor, which has been authorized in writing by the engaging company (or by the Parent or Subsidiary) prior to its commencement;
"**Controlling Shareholder**"	Shall have the meaning ascribed to it in Section 32(i) of the Ordinance;
"**Effective Date**"	A date to be determined separately for each offer to each Offeree, from which the Offeree's entitlement to the Options shall begin to vest;
"**Exercise Date**"	As defined in section 5.2 below;
"**Exercise Price**"	A price to be determined separately for each Offeree under section 3.4 below and set out in such Offeree's Notice of Share Option Grant;
"**Exercise Shares**"	As defined in section 3.2 below;
"**IPO**"	Initial public offering of the Company's shares;
"**Lockup Period**"	As defined in section 6.1 below;
"**Notice Of Share Option Grant**"	A Notice setting out each Offeree's separate terms and conditions including but not limited to the Offeree's Options Exercise Price, Vesting Schedule etc.;
"**Number of Vested Options**"	A number to be calculated separately for each Offeree in accordance with such Offeree's vesting schedule determined under section 3.4 below and set out in such Offeree's Notice of Share Option Grant;
"**Options**"	As defined in section 3.2 below;
"**Ordinance**"	The Israeli Income Tax Ordinance [New Version], 5721-1961 as amended, the rules promulgated thereunder, or any law or regulations which shall replace the Ordinance or Sections 3(i) or 102 Provisions;
"**Related Company**"	A company in which the Company is a Controlling Shareholder or a company which is a Controlling Shareholder in the Company;
"**Significant Event**"	Any Deemed Liquidation Event (as defined in the Company's Articles of Association, as amended from time to time), including, without limitation, any of the following: (a) An acquisition of all or substantially all of the Company's assets, or

(b) the registration of the Company's shares for trade on the Stock Exchange, or

(c) a change of the Company's structure and any arrangement between the Company and its shareholders and/or creditors and/or holders of options on the Company's shares, or

(d) a statutory merger or statutory spin-off or an arrangement which economically amounts to a merger or a spin-off, or

(e) a transaction or a series of consecutive transactions within a period of 12 months, in which all or substantially all of the issued and outstanding share capital of the company are sold to a third party;

"**Successor Company**"	Any entity with which the Company is merged, or which acquires the Company, following which the Company is not the surviving entity;
"**Stock Exchange**"	Any established stock exchange or a national market system, including a foreign stock exchange;
"**Termination Date**"	The earlier of the date of notice of dismissal of, or resignation by the Offeree in question and the date the employee-employer relationship between the Offeree and the Company or a subsidiary thereof is terminated, as the case may be;
"**Trustee**"	The trustee specified in the Notice of Share Option Grant of the relevant Offeree and any other trustee who shall replace the same for the purposes of this Plan.

3. **Shares Subject to Plan; Issuance of Options**

3.1 The Company, during the term of this Plan will at all times reserve and keep available such number of Ordinary Shares as shall be sufficient to satisfy the vested portion of Options granted under the Plan and any other share and option plans which may be adopted by the Company in the future, subject to any adjustment provided below. Such Ordinary Shares may consist, in whole or in part, of authorized and unissued shares or treasury shares. Any shares that are subject to Options that, for any reason, expire or are terminated unexercised shall again become available for issuance under the Plan. In the event of any merger, reorganization, consolidation, recapitalization, share dividend, share distribution, stock split, spin off, combination or reclassification of shares or any other change in corporate structure affecting the number of authorized Ordinary Shares, an adjustment in the number of shares to be covered by the Plan shall be made by the Board, consistent with its determinations under section 4, below.

3.2 The Company shall offer the Offerees, for consideration to be determined separately for each Offeree, non-marketable and non transferable (excluding transfer to heirs in the event of death, as provided for in section 4.4 below or in circumstances as provided in section 9.5) options, the exact number of which is to be determined by the Board from time to time, subject to the provisions of section 3.1 above (the "**Options**"), each convertible into one Ordinary Share (the "**Exercise Shares**"), all as provided below. In the event that any Option

granted under the Plan shall expire, terminate or be cancelled for any reason without having been exercised in full, and to such extent not exercised, such Exercise Shares subject thereto shall again be available for the purposes of the Plan.

3.3 Under the Plan, the Options shall be offered to the Offerees, whose identities shall be determined at the Board's sole discretion. The Options shall be offered on an individual and personal basis, at the recommendation of the Company's CEO and subject to the Board's approval in respect of each and every Offeree.

3.4 In respect of each individual Offeree, the Board shall, determine in its sole discretion: (i) the number of Options to be granted to such Offeree under this Plan, (ii) the Exercise Price of each Option, (iii) the Effective Date, (iv) the vesting schedule and conditions in respect of the Options granted to such Offeree, including the acceleration of such vesting schedule and (v) any other matter which is necessary or desirable for, or incidental to, the administration of the Plan.

3.5 With respect to Israeli Offerees, the Options shall be issued under the Trustee's name, and shall be held in trust by the Trustee for the benefit of such Offerees, as provided for in section 6 below.

3.6 The Plan shall be administered by the Board and the Board shall have, in addition to the powers and authorities vested in it under the Plan, all the powers and authorities to efficiently administer the Plan as well as to construe and interpret the terms of the Plan and awards granted pursuant to the Plan.

3.7 Upon or within a reasonable time following the issuance of the Options to an Offeree (or in favour thereof), the Company shall provide such Offeree with a notice of such issuance (the "**Notice of Share Option Grant**"). The Notice of Share Option Grant shall be signed by the Offeree and the Company and shall include, among others, the following details:

(a) The number of Options granted to the Offeree or in favour thereof;

(b) The Exercise Price of each Option;

(c) The Effective Date;

(d) The vesting schedule and conditions in respect of the Options granted to such Offeree;

(e) The applicable tax route chosen by the Company;

(f) The expiration date of the Options; and

(g) Any further provision determined by the Board under the provisions of this Plan.

4. **Terms of the Options**

4.1 Each Option shall entitle the Offeree holding such Option to receive, upon exercise of the Option, one fully paid-up Ordinary Share.

4.2 If the Ordinary Shares of the Company shall at any time be changed or exchanged by declaration of a stock dividend (bonus stock), stock split, combination or exchange of stock, recapitalization, or any other like event by or of the Company, and as often as the same shall occur, then the number and class of the Exercised Shares underlying the Options subject to the Plan and the Exercise Price shall be appropriately and equitably adjusted so as to maintain the proportionate equity portion represented by the Options and the total Exercise

Price of the Options, provided, however, that no adjustment shall be made by reason of the distribution of subscription rights (rights offering) on outstanding Ordinary Shares or other issuance of shares by the Company. Except as expressly provided herein, no issuance by the Company of stock of any class, or securities convertible into stock of any class, shall affect, and no adjustment by reason thereof shall be made with respect to, the number or price of Shares underlying an Option. Any adjustment according to this section shall be subject to the receipt of a tax ruling or approval from the tax authorities, if and as necessary.

4.3 In the event that the employee-employer relationship between an Offeree and the Company or a subsidiary of the Company, as applicable, shall terminate, the following provisions shall apply:

4.3.1 In the event that such employee-employer relationship shall terminate without Cause prior to the Offeree's exercise of an Option granted to him/her in whole or in part, the Offeree shall be entitled to exercise the Option during a period of up to 3 months (unless otherwise determined in each Offeree's Notice of Share Option Grant) commencing on the Termination Date according to the number of Options the right to the exercise of which had vested by the Termination Date. In the event that such Offeree shall not exercise such Option by the end of such period, such Option, and the right to acquire such shares shall terminate, all interests and rights of the Offeree in and to the same shall *ipso facto* expire. Options which the Offeree shall not have been entitled to exercise upon the Termination Date shall expire automatically on the Termination Date and shall have no value whatsoever. It is clarified that during such period of up to 3 month the Offeree's entitlement to exercise Options shall not continue to vest.

The Board, at its sole and absolute discretion and without such act constituting a precedent in respect of any other Offeree, shall be entitled to extend the period during which the Offeree shall be entitled to exercise the Option, by a period to be fixed by the Board.

4.3.2 In case the Offeree will be employed by the Company in a continuous period of less then a full calendar year, the Offeree will be entitled to receive a relative part of the Options which are vested in that same year, according to the number of the continuous month in which the Offeree was employed by the Company in that same calendar year; For the purpose of demonstration only (and under the assumption that the vesting period was defined as one year for each quantum) in case where the Offeree's employment by the Company will terminate after eightteen (18) month from the grant of the Options, then the Offeree will be entitled to exercise the first quantum and half of the second quantum.

4.3.3 Notwithstanding the provisions of sections 4.3.1 and 4.3.2 above, in the event that such employee-employer relationship shall terminate with Cause, all the Options granted to such Offeree, and the right to acquire such Exercise Shares shall terminate, all interests and rights of the Offeree in and to the same shall *ipso facto* expire on the Termination Date. Any Options which were immediately exercisable on the Termination Date shall also expire automatically and such Options shall have no value whatsoever.

4.3.4 For the avoidance of doubt, it is hereby clarified that a dismissed Offeree shall not be entitled to claim against the Company that he/she was prevented from continuing to receive vested Options from the date of his/her dismissal. Such dismissed Offeree shall not be entitled to any compensation in respect of the Options which would have vested in his/her favour had he/she not been dismissed.

4.4 The provisions of Section 4.3 above shall apply, *mutatis mutandis*, to the termination of relationship between Consultant and the Company or a subsidiary of the Company.

4.5 The Options shall not be transferable or marketable in any manner, save for a transfer to an Offeree's heirs in the event of such Offeree's death (provided that upon the demise of such Offeree, such Options shall have been in force), and may be exercised, during the lifetime of the Offeree, only by the Offeree.

Options inherited by heirs shall be exercisable by such heirs or by the Executor of the Offeree's estate, in such portion vested up to the date of Offeree's death. Such exercise shall take place within twelve (12) month of the date of death or until the last date on which the deceased would have been entitled to exercise such Options, whichever is later. For the avoidance of doubt, it is clarified that the Offeree's entitlement to Options shall not continue to vest after his/her death.

Options inherited by heirs which are not exercisable by the heirs within the time specified herein, shall terminate and the Exercise Shares covered by such Options shall revert to the Plan. In addition to the foregoing and without derogating therefrom, any right to acquire Exercise Shares shall terminate all interests and rights in and to the same shall *ipso facto* expire.

4.6 Notwithstanding the provisions of section 4.3.1 above, the provisions of section 4.4 above shall apply, *mutatis mutandis*, to the Offeree if his/her employment or engagement was terminated due to his/her total and permanent disability or retirement after the age of 67.

4.7 Should the Company grant Options to a particular Offeree on several Effective Dates, the Offeree's vesting schedule and entitlement to exercise a portion of the Options granted on a particular Effective Date shall be calculated on the basis of such particular Effective Date and separately from the rest of the Options granted to such Offeree.

4.8 The Board shall have the sole authority to extend the exercise periods detailed in sections 4.3-4.5 above at its sole discretion

5. **Manner of Exercising the Option**

5.1 The options shall be exercisable, at any time, subject to the satisfaction of all vesting terms and conditions, set out in this Plan and in the Offeree's Notice of Share Option Grant.

Without derogating from the above after Termination Date and regarding the relevant Offeree (or his/her heirs) alone – during the period such Offeree may exercise the Options in accordance with the provisions of section 4 above;

5.2 Should an Offeree wish to exercise the Options available to him/her for exercise and to convert such Options to Exercise Shares, the Offeree shall submit to the Company a written request, on a form as attached hereto as **Schedule A** or as otherwise prescribed by the Company, for an issuance of Exercise Shares in respect of the Options, the details of which to be specified in the request (the "**Exercise Notice**"). The Offeree shall attach to the Exercise Notice an amount that equals the Exercise Price multiplied by the Number of Vested Options which the Offeree wishes to exercise (the "**Exercise Amount**"). The Exercise Notice shall be deemed to have been received by the Company following the Offeree's actual payment to the Company of the Exercise Amount, including without limitation, by cash or check, in respect of the Options to be exercised. The date of receipt by the Company of the Exercise Notice shall for all purposes be deemed as the exercise date (the "**Exercise Date**").

In the case of an Israeli Offeree, the Company shall also transfer the Exercise Notice to the Trustee. The Trustee shall be entitled to set additional exercising procedures as the Trustee shall see fit, provided that the Trustee gives the Company prior written notice, of any such procedures.

5.3 Exercise Notices which are submitted after the last date set for exercising the Options, or which were received by the Company under section 5.2 above but not during a period during which the Options may be exercised in accordance with section 5.1 above, or which specify Options which have not yet vested, or which do not contain all of the details which must be included in a Notice of Exercise - shall not be accepted and shall have no force whatsoever.

The Offeree shall execute and deliver any document required under any law or by the Company or the Trustee for the purposes of issuance of the Exercise Shares, including any agreement between the Company and its shareholders setting forth certain obligations of the Company's shareholders and certain restrictions and limitations on the transfer shares of the Company including, without limitation, the terms of a "bring along" provision.

5.4 After the date on which the Exercise Notice, together with the Exercise Amount, has been received by the Company, as provided for in section 5.2 above, the Company shall issue the Exercise Shares in respect of the Options specified in the Exercise Notice and shall register the Offeree as owner of the Exercise Shares in the Company's shareholders registry, and shall then deliver to the Offeree, at his/her express prior written demand, a share certificate in respect of the Exercise Shares.

5.5 Notwithstanding the above, in the case of an Israeli Offeree, the Exercise Shares shall be issued under the Trustee's name and the Company shall register the Trustee as owner of the Exercise Shares in the Company's shareholders registry, and shall then deliver to the Trustee, at the Trustee's express prior written demand, a share certificate in respect of the Exercise Shares. An option issuance certificate exercised in respect of all of the Options specified therein, shall expire and be void and shall not entitle its owner to any right.

Should an option issuance certificate be exercised in respect of part of the Options specified therein - the option issuance certificate shall be void insofar as it concerns the exercised Options. Following the Exercise Date and against receipt of the option issuance certificate the Company shall deliver to the Offeree (and in the case of an Israeli Offeree – to the Trustee) a new amended option note reflecting the number of Options to which the Offeree who had exercised Options and converted same to Exercise Shares is entitled.

5.6 Notwithstanding the provisions of section 5 above:

5.6.1 Exercise Shares shall not be issued pursuant to the exercise of Options unless the exercise of such Options and the issuance and delivery of such Exercise Shares shall comply with any law and shall be further subject to the approval of the Company with respect to such compliance.

5.6.2 As a condition to the exercise of an Option, the Board may require the person exercising such Option to represent and warrant at the time of any such exercise that the Exercise Shares are being purchased only for investment and without any present intention to sell or distribute such Exercise Shares if, in the opinion of the Company, such a representation is required under any Applicable Laws.

5.7 Until the consummation of an IPO, the Exercise Shares shall be voted by an irrevocable proxy, attached hereto as **Schedule B** (the "**Proxy**") pursuant to the directions of the Board, such Proxy to be assigned to the person or persons designated by the Board. Such person or

persons designated by the Board shall be indemnified and held harmless by the Company against any cost or expense (including counsel fees) reasonably incurred by him/her, or any liability (including any sum paid in settlement of a claim with the approval of the Company) arising out of any act or omission to act in connection with the voting of such Proxy unless arising out of such member's own fraud or bad faith, to the extent permitted by applicable law. Such indemnification shall be in addition to any rights of indemnification the person(s) may have as a director or otherwise under the Company's Articles of Association, any agreement, any vote of shareholders or disinterested directors, insurance policy or otherwise

5.8 An Option not exercised within ten (10) years from the issuance of the Options to an Offeree shall expire automatically, and shall have no value whatsoever.

6. **Trust**

The Options and/or Exercise Shares and/or other shares received subsequently following any realization of rights, including without limitation bonus shares, which are granted to an Israeli Offeree under the Plan shall be allocated or issued under the Trustee's name and shall be held by the Trustee for the Offeree's benefit, in accordance with the following terms and conditions:

6.1 Subject to the provisions of sections 9.4 below, the Options and/or Exercise Shares which shall have been issued under the Trustee's name for the Offeree's benefit shall be the Trustee for a period not shorter than the period specified within section 102 for the tax route chosen by the Board or for a different period that shall be specified in accordance with the 102 Provisions from time to time (the "**Lockup Period**").

6.2 Subject to the provisions of section 102, an Offeree shall not transfer or release from the control of the Trustee any Option or any Exercise Share, until the lapse of the Lockup Period. Notwithstanding the above, if any such release or Transfer occurs during the Lockup Period, the sanctions under section 102 shall apply to and shall be borne by such Offeree.

6.3 In the event that a stock split shall be effected or bonus shares shall be issued on account of the Exercise Shares which have been issued for the Offeree's benefit, such new split or bonus shares shall be transferred by the Company to the Trustee to hold for such Offeree's benefit. Such split or bonus shares issued in connection with Exercise Shares that are subject to the 102 Provisions, shall be subject to the 102 Provisions for all purposes.

6.4 In the event that an Offeree is no longer employed or engaged by the Company, as the case may be, then the Company may condition the holding of the Exercise Shares which are subject to such Option by the Trustee for the benefit of such Offeree in the participation of such Offeree in the Trustee fee.

6.5 The execution of any instructions given to the Trustee by an Offeree shall be subject to approval of such order by the Company. The Company shall approve instructions given by an Offeree to the Trustee within a reasonable period of time, provided that such instructions are in full compliance with the terms of the Plan. The approval by the Company of any instructions given to the Trustee by an Offeree shall not constitute proof of the Company's recognition or acknowledgement or acceptance of any right of such Offeree.

6.6 Subject to the provisions of this Plan, Options granted to Israeli Offerees and/or Exercise Shares shall not be released from the control of the Trustee nor shall they be transferred unless the Company and the Trustee are satisfied that the full amounts of Tax due by the applicable Offeree have been paid or will be paid.

6.7 As long as the Options and any Exercise Shares are held by the Trustee for the benefit of the Offeree, all rights of the Offeree over such Options and Exercise Shares cannot be transferred other than by will or laws of descent and distribution.

7. **Taxes**

7.1 Any tax imposed in respect of the Options and/or the exercise of the Options into Exercise Shares and/or the sale and/or the transfer of the Options and/or the Exercise Shares shall be borne solely by the Offerees, and in the event of any Offeree's death, by his/her heirs. The Company shall not be liable for the aforementioned taxes, directly or indirectly, nor shall they be required to pay such taxes indirectly by any increase in the Offerees' salaries or remuneration. To the extent that the Company might be held responsible for such tax, the imposed tax shall be deducted, on the date such tax is payable, from the sale consideration or paid to the Trustee or to the tax authorities by the Offerees, as applicable. The Company may condition the exercise of Options or the transfer or the assignment of Options or Exercise Shares upon a withholding of such tax or upon receiving a confirmation, to the Company's satisfaction, that such tax has been paid by the Offeree. The Company may set procedures to ensure compliance with Applicable Laws.

7.2 Without derogating from the above, the Options and/or Exercise Shares which are granted to Israeli Offeree, who are not a "controlling shareholders" in the Company and/or a Consultant, shall be subject to the 102 Provisions, as shall apply from time to time, and the regulations promulgated thereunder. The Board shall have the absolute discretion to choose between any available tax routes to Employees under Section 102 of the Ordinance. Options allotted to Offerees, who are "controlling shareholders" in the Company, or to Consultants shall be subject to Section 3(i) of the Ordinance, as shall apply from time to time. The Board shall have the absolute discretion to decide whether Options granted pursuant to Section 3(i) of the Ordinance shall be held with the Trustee for any lockup period

7.3 The ramifications of any future modification of the Applicable Laws regarding the taxation of Options and/or shares granted to offerees shall apply to the Offerees accordingly and such Offerees shall bear the full cost thereof, unless such modified laws expressly provide otherwise. For the avoidance of doubt, should the applicability of such taxing arrangements to this Plan or to securities issued in the framework thereof be stipulated by an application by the Company or by the Trustee that same shall apply, the Company shall be entitled to decide, at its absolute discretion, whether to apply such taxing arrangements and to instruct the Trustee to act accordingly.

7.4 The Offerees shall indemnify the Company and the Trustee, immediately upon their so notifying the Offerees, for any tax amount (including interest and/or fines of any type and/or linkage differentials in respect of tax and/or withheld tax) payable by the Offerees under Applicable Laws (including under the 102 Provisions, if such provisions shall apply), and which has been paid by the Company or a subsidiary of the Company or the Trustee or which the Company, a subsidiary of the Company or the Trustee are required to pay to a local or foreign tax authority. The Company and the Trustee (if applicable) may exercise such indemnification by deducting the amount subject to indemnification from the Offerees' salaries or remunerations.

8. **Registration of the Exercise Shares**

8.1 Should a reorganization or certain other arrangements regarding the Company's share capital be necessary prior to the issuance of the Company's shares on a Stock Exchange, Offerees hereby agree that the rights attached to the Options and/or Exercise Shares shall be adjusted accordingly.

8.2 Should the Company's shares be traded on a Stock Exchange, each Offeree shall be entitled to sell the Exercise Shares, subject to the Lockup Period applicable to such Offeree, and to the provisions of sections 6 and 7 above and to any other applicable provision regarding such lockup of shares, as may be required under any applicable law, the rules of the Stock Exchange where the Company's shares are traded or by the underwriters involved in such issuance.

8.3 In the event that the Company's shares shall be registered for trade on a Stock Exchange, the Company does not undertake to register any Exercise Shares for trade on such Stock Exchange, or that such registration, if carried out at all at the Board's discretion, shall take place within a certain period of time following the public trading of the Company's shares. Without derogating from the foregoing however, the Company shall use its reasonable efforts to register the Exercise Shares for trade within a reasonable time following the date the Company's shares shall be traded on a Stock Exchange.

8.4 Subject to the provisions of section 7 above, the Company shall bear all expenses incurred in connection with the issuance and the registration of the Exercise Shares including stamp duty (if applicable).

9. **The Rights Attached to the Exercise Shares**

9.1 The Exercise Shares are Ordinary Shares of the Company, and they shall carry rights equal for all intents and purposes to the Ordinary Shares of the same class already included in the Company's share capital, but subject to (i) the restriction on the voting rights in the General Meetings by virtue of such shares until the consummation of an IPO as provided in section 5.7 above, (ii) the restrictions on sale of the Exercise Shares as provided in section 9.4 below and (iii) the Company's option to purchase the Exercise Shares as provided for in section 9.5 below.

Exercise Shares shall be entitled to any dividend or other distributions of the Company provided that the record date used to determine the persons eligible for participation in such distribution shall occur on or after the Exercise Date. The Exercise Shares shall not be protected against their dilution in the Company's capital in any manner whatsoever.

9.2 For the avoidance of doubt, it is hereby clarified that the Exercise Shares shall not constitute a separate class of shares, but shall be an integral part of the Company's Ordinary Shares.

9.3 Any change to the Company's Memorandum or Articles of Association which affects the rights attached to the Company's shares, shall also apply to the Options and the Exercise Shares. The provisions of the Plan shall remain applicable, with the necessary modifications arising from any such change.

9.4 At the end of the Lockup Period, each Offeree shall be entitled to sell or transfer the Exercise Shares, subject to the provisions of sections 9.5-9.6 below.

9.5 Notwithstanding the provisions of sections 4.4, 6.1 and 9.4 above, the Company shall have the right to purchase from any Offeree all or part of his/her Exercise Shares and all or part of his Options, vested or unvested, at a price determined by the Board in good faith to reflect the fair market value of such shares or options (the "**Purchase Consideration**").

Without derogating from other provisions of this Plan, the Company shall not be entitled to purchase such Exercise Shares under this section 9.5 during any of the following periods:

(a) As long as the Company's shares shall be listed on a Stock Exchange.

(b) The first six months following the exercise of the Options into Exercise Shares – regarding such Exercise Shares only.

The Company shall be entitled to assign its rights under this section 9.5, with regards to any or all of the Exercise Shares or Options, without being required to obtain the consent of any Offeree and such assignee and any of its assignees shall have the right to reassign the said rights.

9.6 Notwithstanding anything to the contrary in the Articles of Association of the Company, none of the Offerees shall have a right of first refusal in relation with any sale of shares in the Company.

9.7 Unless otherwise determined by the Board, until such time as the Company shall complete an IPO, the sale of Shares by the Offeree shall be subject to a right of first refusal on the part of the Repurchaser(s).

Repurchaser(s) means (i) the Company, if permitted by applicable law, (ii) if the Company is not permitted by applicable law, then any affiliate of the Company designated by the Board; or (iii) if no decision is reached by the Board, then the Company's existing shareholders (save, for avoidance of doubt, for other Offerees who received Options under the Plan), pro rata in accordance with their shareholding. The Offeree shall give a notice of sale (hereinafter the "**Notice**") to the Company in order to offer the Shares to the Repurchaser(s).

9.8 The Notice shall specify the name of each proposed purchaser or other transferee (hereinafter the "**Proposed Transferee**"), the number of Exercise Shares offered for sale, the price per Share and the payment terms. The Repurchaser(s) will be entitled for thirty (30) days from the day of receipt of the Notice (hereinafter the "**Notice Period**"), to purchase all or part of the offered Shares on a pro rata basis based upon their respective holdings in the Company.

9.9 If by the end of the Notice Period not all of the offered Shares have been purchased by the Repurchaser(s), the Offeree shall be entitled to sell the remainder of the Exercise Shares at any time during the ninety (90) days following the end of the Notice Period on terms not more favourable than those set out in the Notice, provided that the Proposed Transferee agrees in writing that the provisions of this section shall continue to apply to the Shares in the hands of such Proposed Transferee. Any sale of Shares exercised from Options issued under the Plan by the Offeree that is not made in accordance with the Plan or the Notice of Share Option Grant shall be null and void.

10. **Changes to the Plan and in the Company's Share Capital**

10.1 The Company shall be entitled, from time to time, to update and/or change the terms of this Plan, in whole or in part, at its sole discretion, provided that such change shall not substantially financially derogate from the rights attached to the Options (whether vested or unvested) as of the date of such modification or update or the rights attached to the Exercise Shares issued under this Plan as of such date.

10.2 Notwithstanding the provisions of section 10.1 above, upon the occurrence of a Significant Event:

10.2.1 The Board shall be entitled (but not obliged), at its sole discretion, to adjust the rights of an Offeree under the Plan, including by any of the following (a)

provide an Offeree with substitute securities or rights of the Successor Company as is reasonable in the opinion of the Board; the grant of any such substitute shall be considered as full compliance with the terms of this Plan; (b) provide for an exchange of Options or Shares for a monetary compensation (including both vested and unvested Options and including for avoidance of doubt a cash out of the Option for the net value), as shall be determined in good faith solely by the Board, which shall also have full authority to select the method for determining the payment (and such determination may provide that payment shall be set at zero if the value of Shares is determined to be less than the Exercise price or in respect of Exercised Shares which would not otherwise be exercisable or vested or that payment may be made only in excess of the Exercise price); (c) decide that every unvested Option and unexercised vested Options shall expire automatically, and shall have no value whatsoever; (d) provide for the Optionees to have the right to exercise all vested Options within a set time period and sell all of their Exercise Shares on the same terms and conditions as applicable to the other shareholders selling their Ordinary Shares as part of the Significant Event; (e) provide for the acceleration of vesting of such Options, as to all or part of the Exercised Shares covered by the Options which would not otherwise be exercisable or vested, under such terms and conditions to be determined by the Board.

10.2.2 The Board may determine that any payments made in respect of the Options shall be made or delayed to the same extent that payment of consideration to the holders of the Ordinary Shares in connection with the Significant Event is made or delayed as a result of escrows, indemnification, earn outs, holdbacks or any other contingencies, and the terms and conditions applying to the payment made to the Offeree, including participation in escrow, indemnification, releases, earn-outs, holdbacks or any other contingencies.

10.2.3 Notwithstanding the foregoing, in the event of a Significant Event, the Board may determine, in its sole discretion that the terms of any Option be otherwise amended, modified or terminated, without any liability to the Company or its Affiliates and to their respective its officers, directors, employees and representatives and the respective successors and assigns of any of the foregoing in connection with the method of treatment or chosen course of action permitted hereunder.

10.2.4 Neither the authorities and powers of the Board under this Section 10.2, nor the exercise or implementation thereof, shall (i) be restricted or limited in any way by any adverse consequences (tax or otherwise) that may result to any Offeree, and (ii) as, *inter alia*, being a feature of the Option upon its grant, be deemed to constitute a change or an amendment of the rights of such holder under this Plan, nor shall any such adverse consequence be deemed to constitute a change or an amendment of the rights of such holder under this Plan, and may be effected without consent of any Offeree and without any liability to the Company or its Affiliates and to their respective its officers, directors, employees and representatives and the respective successors and assigns of any of the foregoing.

10.2.5 The Board may determine different treatment of Options within the scope of a Significant Event such that the Board may take different actions with respect to the vested and unvested portions of an Option, may determine an amount or type of consideration to be received or distributed in a Significant Event which may differ as among the Offerees, and as between the Offerees and any other holders of shares of the Company.

10.2.6 The Board's determinations pursuant to this Section 10.2 shall be conclusive and binding on all Participants.

10.2.7 If determined by the Board, the Offerees shall be subject to the definitive agreement(s) in connection with the Significant Event as applying to holders of Shares including such terms, conditions, representations, undertakings, liabilities, limitations, releases, indemnities, participating in transaction expenses and escrow arrangement. Each Participant shall execute such separate agreement(s) or instruments as may be requested by the Company, the Successor Company or the acquirer in connection with such in such Significant Event and in the form required by them. The execution of such separate agreement(s) may be a condition to the receipt of assumed or substituted securities, payment in lieu of the Option or the exercise of any Option. Without de4rogatinf from the above, each Optionee acknowledges and agrees that the Board shall be entitled to authorize any one of its members to sign share transfer deeds in customary form in respect of the Exercise Shares held by such Optionee and that such share transfer deed shall bind the Optionee;

10.3 The Board shall be entitled, from time to time, to determine that the granting of Options to any Offeree or any particular type of Offerees under this Plan shall be carried out subject to any changes, additions and conditions to be determined by the Board at its absolute discretion, including providing for sub-plans for certain types of Offerees, and in respect of such Offerees the Plan shall be deemed to include the provisions of any such determination or sub-plan, as well.

10.4 This Plan (together with the Notice of Share Options Grant signed by the Company and the Offeree) supersedes all of the agreements and/or understandings reached prior to the date of granting of Options to such Offeree between the Company or any subsidiary thereof and any of the Offerees in connection with issuance of shares of the Company or options on shares of the Company. Any representation and/or promise and/or undertaking made and/or given by the Company and/or by any subsidiary thereof or by whomsoever on their behalf, which have not been expressed herein, shall have no force and effect.

10.5 The issuance of the Options and the Exercise Shares under this Plan shall not restrict the Company in any way regarding the future creation of additional and/or other classes of shares, including classes of shares that may in any manner be preferred over the currently existing Ordinary Shares that are offered to the Offerees under this Plan. This issuance of the Options and Exercise Shares under this Plan shall also not grant any of the Offerees the right to any compensation in the event of such creation of an additional class of shares or equalling of rights between classes of shares.

10.6 In the event of the proposed dissolution or liquidation of the Company, any or all outstanding Options will expire immediately prior to the consummation of such proposed action, unless otherwise determined by the Board.

11. **Notices; Documentation**

11.1 Notices and requests regarding this Plan shall be sent in writing to the addresses of the Company and the Offeree as follows: The Company – Applied Immune Technologies Ltd.. (Attn.: CEO, only) Gutwirth Industrial Park, Technion City, Haifa 32000,Israel, PO Box 39; The Offeree - to the Offeree's address as registered in records of the Company or a subsidiary of the Company, as applicable. Such notices shall be deemed received at the addressee as follows: if sent by registered mail - within 5 days of their being deposited for mailing at a post office in Israel, and if hand-delivered - on the day of delivery.

11.2 Until the Company's shares are traded on a Stock Exchange, the Company shall have the right to request from any or all the Offerees, and such Offerees shall provide or execute, any certificate, declaration or other document which in the Company's reasonable opinion shall be necessary or desirable pursuant to Applicable Laws including without limitation any certificate or agreement which the Company shall reasonably require from such Offerees as members of a class of the Company's shareholders, or any certificate, declaration or other document deemed by the Board in its reasonable opinion to be appropriate or necessary or desirable for the purposes of (i) raising capital for the Company, (ii) the reorganization of the Company, including, in the event of a consolidation or merger of the Company (whether or not the Company is the surviving entity pursuant to such merger), or any sale, lease, exchange, transfer, or other dispositions of all or substantially all of the assets or shares of the Company, or (iii) the sale or exchange of any Exercise Shares held by such Offerees as may be deemed necessary or desirable by the Board.

12. **Governing Law**

The Plan and all instruments issued thereunder shall be governed by and construed in accordance with the laws of the State of Israel, without giving effect to the principles of conflict of laws. The competent courts of Tel-Aviv, Israel shall have exclusive jurisdiction in any matters pertaining to the Plan.

Schedule A
SHARE OPTION PLAN (2014)
FORM OF EXERCISE NOTICE

To
[Name and address of the Trustee]

I, the undersigned Offeree, hereby state as follows:

1. I am the beneficial owner of Option(s) to purchase Ordinary Shares of Applied Immune Technologies Ltd. ("**the Company**"), each having a par value of NIS 0.01 (respectively: "**the Options**"; "**the Shares**"). The Option(s) are held in trust by you, in accordance with the Trust Agreement between you and the Company, the Company's Share Option Plan (2014) under which the Options were granted and the Notice of Share Option Grant signed between myself and the Company (the plan and the notice shall be referred to, collectively, as the "**Plan**") and with Applicable Laws (as defined in the Plan).

2. I wish to exercise my Option(s) as follows: number of Option(s) to be exercised for a total of Shares.

3. I acknowledge that I have received, read and understood the Plan and I agree to abide by and be bound by its terms and conditions.

4. Until the issuance of the Shares (as evidenced by the appropriate entry on the books of the Company or of a duly authorized transfer agent of the Company), no right to receive dividends or any other rights as a shareholder shall exist with respect to the Shares, notwithstanding the exercise of the Option. Until the consummation of an IPO, the Exercise Shares shall be voted by an irrevocable proxy attached hereto (the "**Proxy**"), pursuant to the directions of the Board.

5. Offeree understands that Offeree may suffer adverse tax consequences as a result of Offeree's purchase or disposition of the Shares. Offeree represents that Offeree has consulted with any tax consultants Offeree deems advisable in connection with the purchase or disposition of the Shares and that Offeree is not relying on the Company or any subsidiary of the Company for any tax advice.

Submitted by:
OFFEREE:

_____
Signature

Print Name: _____
Address: _____

Social Security/I.D. Number:
_____

Accepted by:
Applied Immune Technologies Ltd.

_____
By:
Title:

Date Received: _____

Schedule B

PROXY

I, the undersigned, as record holder of securities of Applied Immune Technologies Ltd. (the "**Company**") hereby irrevocably appoints the person who holds the office of the chairman of the board of directors of the Company, at any time, or any other person designated for such purpose by the Company's board of directors, as my proxy to attend all shareholders' meetings and to vote, execute consents, and otherwise represent me with respect to the shares received from Options granted pursuant to the Company's Share Option Plan (2014), in the same manner and with the same effect as if the undersigned were personally present at any such meeting or voting such securities or personally acting on any matters submitted to shareholders for approval or consent.

I hereby irrevocably waive any right to receive notice in connection with any such meeting of the Shareholders of the Company, whether Regular or Extraordinary, adjourned or otherwise.

This proxy is made pursuant the Applied Immune Technologies Ltd. Share Option Plan (2014) dated, .

The proxy-holder shall waive any preemptive right, right of first refusal, right of first offer, co-sale right or any other similar participation right or restriction to which I will be entitled by virtue of the securities whether offered by the Company or any shareholder thereof.

The Shares shall be voted by the proxy holder in the same proportion as the votes of the other shareholders of the Company.

This proxy is irrevocable as it may effect rights of third parties.

The irrevocable proxy will remain in full force and effect until the consummation of an IPO, upon which it will terminate automatically.

This proxy shall be signed exactly as the shareholder's name appears on his share certificate.

DATE

NAME

SIGNATURE

NOTICE TO THE ISRAELI EMPLOYEES OF THE COMPANY

Applied Immune Technologies Ltd.
(the "**Company**")

To:

_____

Notice of Share Option Grant

You (the "**Offeree**") have been granted options, pursuant to of the Applied Immune Technologies Ltd. Share Option Plan (2014) attached hereto as **Exhibit A** (the "**Plan**") and this Notice of Share Option Grant, to purchase shares of the Company's Ordinary Shares as follows:

Effective Date _____

Exercise Price per Option: _____

Total Number of Options Granted: _____

The Trustee _____

The Tax route **Capital Gain**

1. All terms not expressly defined herein shall have the meaning assigned to them in the Plan, unless such interpretation does not conform with the circumstances or context of the issue.

2. Your entitlement to the Exercise Shares by virtue of the Options hereby granted shall vest (the "**Number of Vested Options**") at the following rates and dates:

Amount of vested Options	Vesting Date
	Total

Nothing of the foregoing shall be construed so as to derogate from the Lockup Period provided under the 102 Provisions or the restrictions on the exercise of Options provided in the Plan.

For the purpose of calculating your entitlement to the Options, you shall not be deemed to be employed in the Company during periods for which you shall not be entitled to severance pay pursuant to section 10 of the Severance Pay Regulations (Severance Pay Calculation and Resignation that shall be deemed to be Dismissal), 5724-1964.

3. Any exercise of your right to purchase shares according to your Number of Vested Options shall not derogate from your right to purchase the remainder of the Exercise Shares to which you shall be entitled by virtue of the Options granted to you, if and when, such remainder shall vest.

4. Your Options/ Exercise Shares shall be held in trust under the terms and conditions of the "capital gains route" under Section 102 of the Ordinance. The trust period will commence upon the date of allotment of the Option and will terminate after 24 months from the date in which the Option was granted or any other period determined under the Ordinance with respect to the "capital gain route" or determined by the Israeli Income Tax Authorities (the "**Lock-Up Period**").

5. The following provisions shall apply to the Options:

   5.1 The Options shall be exercisable, in whole or in part, immediately upon the vesting of the right to exercise the Options as described in section 2 above.

   5.2 Exercising the Options to Exercise Shares shall be contingent upon payment to the Company of the Exercise Price per each Option, as provided for in section 5 of the Plan.

   5.3 An Option not exercised within ten (10) years from the issuance of the Options to an Offeree shall expire automatically, and shall have no value whatsoever.

   5.4 The Company and its shareholders shall have certain rights in the Exercise Shares as specified in the Plan, including the Company's right to purchase such shares set out in section 9.5 of the Plan and the right of the shareholders of the Company to require the Offeree sell his/her Exercise Shares set out in section 10.2 of the Plan.

   5.5 Until the consummation of an IPO, the Exercise Shares shall be voted by an irrevocable proxy attached to the Plan as **Schedule B** (the "**Proxy**") pursuant to the directions of the Board, such Proxy to be assigned to the person or persons designated by the Board.

6. Notwithstanding any provision of the Plan:

   6.1 Prior to the payment of the tax applicable under law, including under the 102 Provisions (the "**Applicable Tax**"), the Options and/or the Exercise Shares or rights arising therefrom shall not be transferable or assignable, shall not be subject to any mortgage, liens, attachment or other encumbrance, and no power of attorney or note of transfer shall be issued in respect thereof, whether such instrument enter into force immediately or at a future date, excluding transfer by power of a last will or under law and all subject to the terms of the Plan.

   6.2 Should the Options or Exercise Shares have been transferred pursuant to the provisions of a last testamentary instrument or under applicable law, the 102 Provisions shall apply to the heirs or transferees of the deceased Offeree.

   6.3 Subject to the approval of the Plan by the Income Tax Authority, you shall be taxed in Israel in accordance with the provisions of the "capital gain route" under Section 102 of the Ordinance, including the provisions the regulations and any tax ruling or agreement obtained by the company with regard to the Plan.

   In accordance with Section 102(b)(4) of the Ordinance, if you sell Exercise Shares (or release the Option or the Exercise Shares from the Trust) before the termination of the Lock-Up Period, you will be liable to pay tax at your marginal income tax rate, in addition to social security and health tax contributions.

By your signature on this Notice of Share Option Grant you herby take upon yourself to comply with the conditions set under Section 102 of the Ordinance with regard to the "capital gain route" and the Regulations.

6.4 Subject to the 102 Provisions, the Trustee shall not transfer the Options and/or the Exercise Shares to the Offeree name, and shall not transfer the consideration received from the sale of the Exercise Shares to the Offeree, unless one of the following conditions shall be fulfilled:

6.4.1 the Offeree provided the Trustee with a certificate from the Assessing Officer that the Applicable Tax has been paid; or

6.4.2 the Offeree paid the Trustee an amount equalling to the amount of tax applicable in accordance with the 102 Provisions of the "consideration", as defined in section 102 of the Ordinance (the "**Taxable Consideration**") for such sale, and the Trustee checked the manner of calculating the payable amount, at his/her sole discretion, and was fully satisfied that the calculation was performed accurately and lawfully; or

6.4.3 The Trustee deducted the applicable tax in accordance with the 102 Provisions of the Taxable Consideration, or any other amount as shall be approved by the Assessing Officer, from the consideration he/she received from the sale of the Options and/or the Exercise Shares.

7. The Options shall not be transferable or marketable in any manner, save for a transfer to an Offeree's heirs in the event of such Offeree's death or transfer under the provisions of sections 9.5 and 10.2 of the Plan.

8. It is hereby clarified that the Options and/or the Exercise Shares are extraordinary, one-time benefits granted to the Offerees, and are not and shall not be deemed a salary component for any purpose whatsoever, including in connection with calculating severance compensation under the Severance Compensation Law, 5723-1963 and the regulations promulgated thereunder.

9. THE OFFEREE ACKNOWLEDGES AND AGREES THAT THE VESTING OF SHARES PURSUANT TO SECTION 2 ABOVE IS EARNED ONLY BY CONTINUING EMPLOYMENT AT THE WILL OF THE COMPANY OR THE RELEVANT SUBSIDARY.

THE OFFEREE FURTHER ACKNOWLEDGES AND AGREES THAT THIS NOTICE AND THE TRANSACTIONS CONTEMPLATED HEREUNDER DO NOT CONSTITUTE AN EXPRESS OR IMPLIED PROMISE OF CONTINUED EMPLOYMENT FOR THE VESTING PERIOD, FOR ANY PERIOD, OR AT ALL, AND SHALL NOT INTERFERE IN ANY WAY WITH OFFEREE'S RIGHT OR THE RIGHT OF THE COMPANY OR RELEVANT SUBSIDIARY TO TERMINATE OFFEREE'S EMPLOYMENT AT ANY TIME, WITH OR WITHOUT CAUSE.

10. By the Offeree's signature below she/he hereby:

(a) acknowledges receipt of a copy of the Plan and accepts the Options and/or Exercise Shares subject to all of the terms and provisions of the Plan and this Notice and declares that he/she has reviewed the Plan and this Notice in their entirety.

(b) declares that he/she has had an opportunity to obtain the advice of counsel prior to executing this Option Agreement, and fully understand all provisions of this Notice and the Plan.

(c) agrees to accept as binding, conclusive and final all decisions or interpretations of the board upon any questions relating to the Plan and this Notice.

(d) declares that she/he is familiar with Section 102 and the regulations and rules promulgated thereunder, including without limitations the provisions of the applicable tax route, and agrees to comply with such provisions, as amended from time to time.

(e) agrees to the terms and conditions of the trust deed signed between the Trustee and the Company and/or the applicable Affiliate, attached hereto as Exhibit [—] including but not limited to the control of the Options and/or Exercise Shares by the Trustee.

(f) acknowledges that releasing the Options and/or Exercise Shares from the control of the Trustee prior to the termination of the Holding Period constitutes a violation of the terms of Section 102 and agrees to bear the relevant sanctions.

(g) authorizes the Company to provide the Trustee with any information required for the purpose of executing its obligations under the Ordinance, the trust deed and the trust agreement, including without limitation information about his/her Options and/or Exercise Shares, income tax rates, salary bank account, contact details and identification number.

(h) declares that he/she is a resident of the state of Israel for tax purposes on the date of allocation and agrees to notify the Company upon any change in the residence address indicated above and acknowledges that if he/she ceases to be an Israeli resident or if his/her engagement with the Company is terminated, the Options and/or Exercise Shares shall remain subject to Section 102, the trust agreement, the Plan and this Notice.

(i) The Offeree warrants and undertakes that at the time of grant of the Options herein, or as a consequence of the grant, the Offeree is not and will not become a holder of a "controlling interest" in the Company, as such term is defined in Section 32(9) of the Ordinance.

By your signature and the signature of the Company's representative below, you and the Company agree that the Options are granted under and governed by the terms and conditions of the Plan and this Notice of Share Option Grant.

OFFEREE	**Applied Immune Technologies Ltd. Ltd.**
I.D./ Passport No. _____	By: _____
Date: _____	Date: _____

This notice shall enter into force only upon the approval of the Plan by the Israeli Income Tax Authorities in accordance with the 102 provisions and at the date on which the Company will notify you of such approval, and from that date only. The Options will be issued at the name of the Trustee on or after such approval shall be granted.

Exhibit 10.35

AMENDMENT TO
THE APPLIED IMMUNE TECHNOLOGIES LTD. SHARE OPTION PLAN (2014)

January 24, 2016

This **AMENDMENT TO THE APPLIED IMMUNE TECHNOLOGIES LTD. SHARE OPTION PLAN (2014)** (this "**Amendment**") is effective as of the date first set forth above, such Amendment having been approved by the requisite parties in accordance with the terms of the Applied Immune Technologies Ltd. Share Option Plan (2014) and applicable law (as amended, the "**Plan**"). Capitalized terms not otherwise defined herein shall have the meanings set forth in the Plan.

1. Amendment to the definition of "Significant Event" in Section 2.3 of the Plan. The definition of "Significant Event" in Section 2.3 of the Plan is hereby amended by deleting such definition in its entirety and replacing it with the following:

""**Significant Event"** Any of the following transactions, provided, however, that the Board shall determine under parts (iv) and (v) whether multiple transactions are related, and its determination shall be final, binding and conclusive:

(i) a merger or consolidation in which the Company is not the surviving entity, except for a transaction the principal purpose of which is to change the jurisdiction in which the Company is incorporated;

(ii) the sale, transfer or other disposition of all or substantially all of the assets of the Company;

(iii) the complete liquidation or dissolution of the Company;

(iv) any reverse merger or series of related transactions culminating in a reverse merger (including, but not limited to, a tender offer followed by a reverse merger) in which the Company is the surviving entity but (A) the shares of Common Stock outstanding immediately prior to such merger are converted or exchanged by virtue of the merger into other property, whether in the form of securities, cash or otherwise, or (B) in which securities possessing more than fifty percent (50%) of the total combined voting power of the Company's outstanding securities are transferred to a person or persons different from those who held such securities immediately prior to such merger or the initial transaction culminating in such merger, but

excluding any such transaction or series of related transactions that the Board determines shall not be a Significant Event; or

(v) acquisition in a single or series of related transactions by any person or related group of persons (other than the Company or by a Company-sponsored employee benefit plan) of beneficial ownership (within the meaning of Rule 13d-3 of the Securities Exchange Act of 1934, as amended) of securities possessing more than fifty percent (50%) of the total combined voting power of the Company's outstanding securities but excluding any such transaction or series of related transactions that the Board determines shall not be a Significant Event."

[*Remainder of Page Left Intentionally Blank*]

IN WITNESS WHEREOF, the undersigned, being a duly elected and acting officer of Adicet Bio, Inc. (the "**Company**"), hereby certifies that the foregoing Amendment was duly approved and adopted in accordance with the Plan and all applicable laws by the Board of Directors of the Company and the stockholders of the Company, effective as of the date first referenced above.

By: /s/ Aya Jakobovits
Name: Dr. Aya Jakobovits
Title: Chief Executive Officer

AMENDMENT TO
THE APPLIED IMMUNE TECHNOLOGIES LTD. SHARE OPTION PLAN (2014)

Exhibit 10.36

NOTICE TO THE ISRAELI EMPLOYEES OF THE COMPANY

Applied Immune Technologies Ltd.
(the "**Company**")

To:

_____

Notice of Share Option Grant

You (the "**Offeree**") have been granted options, pursuant to of the Applied Immune Technologies Ltd. Share Option Plan (2014) attached hereto as **Exhibit A** (the "**Plan**") and this Notice of Share Option Grant, to purchase shares of the Company's Ordinary Shares as follows:

Effective Date	_____
Exercise Price per Option:	_____
Total Number of Options Granted:	_____
The Trustee	_____
The Tax route	**Capital Gain**

1. All terms not expressly defined herein shall have the meaning assigned to them in the Plan, unless such interpretation does not conform with the circumstances or context of the issue.

2. Your entitlement to the Exercise Shares by virtue of the Options hereby granted shall vest (the "**Number of Vested Options**") at the following rates and dates:

Amount of vested Options	**Vesting Date**
	Total

Nothing of the foregoing shall be construed so as to derogate from the Lockup Period provided under the 102 Provisions or the restrictions on the exercise of Options provided in the Plan.

For the purpose of calculating your entitlement to the Options, you shall not be deemed to be employed in the Company during periods for which you shall not be entitled to severance pay pursuant to section 10 of the Severance Pay Regulations (Severance Pay Calculation and Resignation that shall be deemed to be Dismissal), 5724-1964.

3. Any exercise of your right to purchase shares according to your Number of Vested Options shall not derogate from your right to purchase the remainder of the Exercise Shares to which you shall be entitled by virtue of the Options granted to you, if and when, such remainder shall vest.

4. Your Options/ Exercise Shares shall be held in trust under the terms and conditions of the "capital gains route" under Section 102 of the Ordinance. The trust period will commence upon the date of allotment of the Option and will terminate after 24 months from the date in which the Option was granted or any other period determined under the Ordinance with respect to the "capital gain route" or determined by the Israeli Income Tax Authorities (the "**Lock-Up Period**").

5. The following provisions shall apply to the Options:

   5.1 The Options shall be exercisable, in whole or in part, immediately upon the vesting of the right to exercise the Options as described in section 2 above.

   5.2 Exercising the Options to Exercise Shares shall be contingent upon payment to the Company of the Exercise Price per each Option, as provided for in section 5 of the Plan.

   5.3 An Option not exercised within ten (10) years from the issuance of the Options to an Offeree shall expire automatically, and shall have no value whatsoever.

   5.4 The Company and its shareholders shall have certain rights in the Exercise Shares as specified in the Plan, including the Company's right to purchase such shares set out in section 9.5 of the Plan and the right of the shareholders of the Company to require the Offeree sell his/her Exercise Shares set out in section 10.2 of the Plan.

   5.5 Until the consummation of an IPO, the Exercise Shares shall be voted by an irrevocable proxy attached to the Plan as **Schedule B** (the "**Proxy**") pursuant to the directions of the Board, such Proxy to be assigned to the person or persons designated by the Board.

6. Notwithstanding any provision of the Plan:

   6.1 Prior to the payment of the tax applicable under law, including under the 102 Provisions (the "**Applicable Tax**"), the Options and/or the Exercise Shares or rights arising therefrom shall not be transferable or assignable, shall not be subject to any mortgage, liens, attachment or other encumbrance, and no power of attorney or note of transfer shall be issued in respect thereof, whether such instrument enter into force immediately or at a future date, excluding transfer by power of a last will or under law and all subject to the terms of the Plan.

   6.2 Should the Options or Exercise Shares have been transferred pursuant to the provisions of a last testamentary instrument or under applicable law, the 102 Provisions shall apply to the heirs or transferees of the deceased Offeree.

   6.3 Subject to the approval of the Plan by the Income Tax Authority, you shall be taxed in Israel in accordance with the provisions of the "capital gain route" under Section 102 of the Ordinance, including the provisions the regulations and any tax ruling or agreement obtained by the company with regard to the Plan.

   In accordance with Section 102(b)(4) of the Ordinance, if you sell Exercise Shares (or release the Option or the Exercise Shares from the Trust) before the termination of the Lock-Up Period, you will be liable to pay tax at your marginal income tax rate, in addition to social security and health tax contributions.

By your signature on this Notice of Share Option Grant you herby take upon yourself to comply with the conditions set under Section 102 of the Ordinance with regard to the "capital gain route" and the Regulations.

6.4 Subject to the 102 Provisions, the Trustee shall not transfer the Options and/or the Exercise Shares to the Offeree name, and shall not transfer the consideration received from the sale of the Exercise Shares to the Offeree, unless one of the following conditions shall be fulfilled:

6.4.1 the Offeree provided the Trustee with a certificate from the Assessing Officer that the Applicable Tax has been paid; or

6.4.2 the Offeree paid the Trustee an amount equalling to the amount of tax applicable in accordance with the 102 Provisions of the "consideration", as defined in section 102 of the Ordinance (the "**Taxable Consideration**") for such sale, and the Trustee checked the manner of calculating the payable amount, at his/her sole discretion, and was fully satisfied that the calculation was performed accurately and lawfully; or

6.4.3 The Trustee deducted the applicable tax in accordance with the 102 Provisions of the Taxable Consideration, or any other amount as shall be approved by the Assessing Officer, from the consideration he/she received from the sale of the Options and/or the Exercise Shares.

7. The Options shall not be transferable or marketable in any manner, save for a transfer to an Offeree's heirs in the event of such Offeree's death or transfer under the provisions of sections 9.5 and 10.2 of the Plan.

8. It is hereby clarified that the Options and/or the Exercise Shares are extraordinary, one-time benefits granted to the Offerees, and are not and shall not be deemed a salary component for any purpose whatsoever, including in connection with calculating severance compensation under the Severance Compensation Law, 5723-1963 and the regulations promulgated thereunder.

9. THE OFFEREE ACKNOWLEDGES AND AGREES THAT THE VESTING OF SHARES PURSUANT TO SECTION 2 ABOVE IS EARNED ONLY BY CONTINUING EMPLOYMENT AT THE WILL OF THE COMPANY OR THE RELEVANT SUBSIDARY.

THE OFFEREE FURTHER ACKNOWLEDGES AND AGREES THAT THIS NOTICE AND THE TRANSACTIONS CONTEMPLATED HEREUNDER DO NOT CONSTITUTE AN EXPRESS OR IMPLIED PROMISE OF CONTINUED EMPLOYMENT FOR THE VESTING PERIOD, FOR ANY PERIOD, OR AT ALL, AND SHALL NOT INTERFERE IN ANY WAY WITH OFFEREE'S RIGHT OR THE RIGHT OF THE COMPANY OR RELEVANT SUBSIDIARY TO TERMINATE OFFEREE'S EMPLOYMENT AT ANY TIME, WITH OR WITHOUT CAUSE.

10. By the Offeree's signature below she/he hereby:

(a) acknowledges receipt of a copy of the Plan and accepts the Options and/or Exercise Shares subject to all of the terms and provisions of the Plan and this Notice and declares that he/she has reviewed the Plan and this Notice in their entirety.

(b) declares that he/she has had an opportunity to obtain the advice of counsel prior to executing this Option Agreement, and fully understand all provisions of this Notice and the Plan.

(c) agrees to accept as binding, conclusive and final all decisions or interpretations of the board upon any questions relating to the Plan and this Notice.

(d) declares that she/he is familiar with Section 102 and the regulations and rules promulgated thereunder, including without limitations the provisions of the applicable tax route, and agrees to comply with such provisions, as amended from time to time.

(e) agrees to the terms and conditions of the trust deed signed between the Trustee and the Company and/or the applicable Affiliate, attached hereto as Exhibit [—] including but not limited to the control of the Options and/or Exercise Shares by the Trustee.

(f) acknowledges that releasing the Options and/or Exercise Shares from the control of the Trustee prior to the termination of the Holding Period constitutes a violation of the terms of Section 102 and agrees to bear the relevant sanctions.

(g) authorizes the Company to provide the Trustee with any information required for the purpose of executing its obligations under the Ordinance, the trust deed and the trust agreement, including without limitation information about his/her Options and/or Exercise Shares, income tax rates, salary bank account, contact details and identification number.

(h) declares that he/she is a resident of the state of Israel for tax purposes on the date of allocation and agrees to notify the Company upon any change in the residence address indicated above and acknowledges that if he/she ceases to be an Israeli resident or if his/her engagement with the Company is terminated, the Options and/or Exercise Shares shall remain subject to Section 102, the trust agreement, the Plan and this Notice.

(i) The Offeree warrants and undertakes that at the time of grant of the Options herein, or as a consequence of the grant, the Offeree is not and will not become a holder of a "controlling interest" in the Company, as such term is defined in Section 32(9) of the Ordinance.

By your signature and the signature of the Company's representative below, you and the Company agree that the Options are granted under and governed by the terms and conditions of the Plan and this Notice of Share Option Grant.

OFFEREE Ltd. **Applied Immune Technologies Ltd.**

I.D./ Passport No._____ By: _____

Date:_____ Date:_____

This notice shall enter into force only upon the approval of the Plan by the Israeli Income Tax Authorities in accordance with the 102 provisions and at the date on which the Company will notify you of such approval, and from that date only. The Options will be issued at the name of the Trustee on or after such approval shall be granted.

Exhibit 10.37

LEASE AGREEMENT

By and Between

WESTPORT OFFICE PARK, LLC,
a California limited liability company

("Landlord")

and

ADICET BIO, INC., a Delaware corporation

("Tenant")

October 31, 2018

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LEASE AGREEMENT

THIS LEASE AGREEMENT, (this "Lease") is made and entered into as of October 31, 2018 by and between WESTPORT OFFICE PARK, LLC, a California limited liability company ("Landlord"), and Tenant identified in the Basic Lease Information below.

BASIC LEASE INFORMATION

Tenant: ADICET BIO, INC., a Delaware corporation

Premises: The entire 1st floor and entire 2nd floor of the Building, each as outlined in Exhibit B to this Lease. The Premises shall consist of 50,305 square feet of rentable area in the aggregate.

Building: The Building commonly known as 1000 Bridge Parkway, Redwood City, California 94065. The rentable area of the Building is 50,305 square feet.

Base Rent:

Months	Base Rent Per Year	Base Rent Per Month
09/01/2019 - 02/29/2020	N/A	$ 211,281.00 (*Abated)
03/01/2020 - 08/31/2020	N/A	$ 211,281.00
09/01/2020 - 08/31/2021	$ 2,611,433.16	$ 217,619.43
09/01/2021 - 08/31/2022	$ 2,689,776.15	$ 224,148.01
09/01/2022 - 08/31/2023	$ 2,770,469.44	$ 230,872.45
09/01/2023 - 08/31/2024	$ 2,853,583.52	$ 237,798.63
09/01/2024 - 08/31/2025	$ 2,939,191.03	$ 244,932.59
09/01/2025 - 08/31/2026	$ 3,027,366.76	$ 252,280.56
09/01/2026 - 08/31/2027	$ 3,118,187.76	$ 259,848.98
09/01/2027 - 08/31/2028	$ 3,211,733.39	$ 267,644.45
09/01/2028 - 08/31/2029	$ 3,308,085.40	$ 275,673.78
09/01/2029 - 02/28/2030	N/A	$ 283,944.00

* As an inducement to Tenant entering into this Lease, Base Rent in the amount of $211,281.00 per month shall be abated (the "Rent Abatement") for the first six (6) months commencing as of the Commencement Date, or if the Commencement Date is other than the first day of a calendar month, commencing as of the first day of the first full calendar month of the Term (the "Abatement Period"). During such Abatement Period, Tenant shall still be responsible for the payment of all of its other monetary obligations under the Lease. If, by reason of any other provision in this Lease, Tenant would otherwise be entitled to receive an abatement of Base Rent during a period coinciding with the Abatement Period (such as by reason of a casualty or condemnation), then in such event the Abatement Period shall be extended on a day-for-day basis by the period that such other abatement coincided with the Abatement Period so as to assure

Tenant the benefit of the full amount of the Rent Abatement. If an Event of Default by Tenant under the terms of the Lease occurs at a time when the Rent Abatement would otherwise be applied, Tenant's right to receive the Rent Abatement shall be stayed until that Event of Default is cured.

Security Deposit Amount: $0.00.

Letter of Credit Required Amount: $4,131,719.96.

Rent Payable Upon Execution: $271,647.00.

Tenant's Building Only Percentage: 100%.

Tenant's Common Area Building Percentage: 5.05%.

Commencement Date: September 1, 2019, but such date shall be extended by one day for every one day in delay in Substantial Completion (as defined in the Tenant Work Letter attached hereto as Exhibit C (the "Tenant Work Letter")) of the Premises (as such date of Substantial Completion is adjusted under Section 5.2 of the Tenant Work Letter) after September 1, 2019, caused by (i) Landlord Delays (as defined in the Tenant Work Letter) and/or (ii) any one or more Force Majeure Delays (as defined in the Tenant Work Letter).

Expiration Date: The date that is the day prior to the day that is one hundred twenty six (126) months after the Commencement Date. If the Expiration Date falls on a day other than the last day of the calendar month, then, the Expiration Date shall be extended to the last day of the calendar month in which the day that the Term of this Lease would otherwise end but for this proviso occurs, and the Term of this Lease shall be extended accordingly.

Landlord's Address:

c/o PGIM Real Estate
101 California Street, 40th Floor
San Francisco, CA 94111
Attn: PRISA II Asset Management

With a copy by the same method to:

c/o PGIM Real Estate
7 Giralda Farms
Madison, New Jersey 07940
Attention: Legal Department

With a copy by the same method to:

Harvest Properties, Inc.
6425 Christie Avenue, Suite 220
Emeryville, California 94608
Attention: Joss Hanna

Address for rental payment:

Payments via FedEx/UPS/Courier:

JP Morgan Chase
2710 Media Center Dr.
Building #6, Suite #120
Los Angeles, CA 90065
Attn: PREI's Westport Office Park/100170

Payments via regular mail (lockbox address):

Remit to: PREI's Westport Office Park #171201
P. O. Box 100170
Pasadena, CA 91189-0170

Payments via either FED wire or ACH wire:

Bank Account Name:
Harvest Properties, Inc. LLC,
as agent for PREI's Westport Office Park
Bank Account Number 921254751
Bank Name: JP Morgan Chase Bank, N.A.
Bank City & State Location: Baton Rouge, LA
ABA Routing Number: 071000013

Tenant's Address:

200 Constitution Drive
Menlo Park, California 94025
Attention: Brian Hogan

(If on or after the Commencement Date to the Premises)
Attention: Brian Hogan

Landlord's Broker: Cushman & Wakefield.

Tenant's Broker: T3 Advisors.

Maximum Parking Allocation: one hundred sixty-six (166), which is based on a parking ratio of 3.3 non-exclusive parking spaces per one thousand (1,000) square feet of rentable space in the Premises.

Tenant Improvement Allowance: $3,018,300.00.

Additional Allowance: $3,018,300.00.

Space Planning Allowance: $7,545.75.

The Basic Lease Information is incorporated into and made part of this Lease. Each reference in this Lease to any Basic Lease Information shall mean the applicable information set forth in the Basic Lease Information, except that in the event of any conflict between an item in the Basic Lease Information and this Lease, this Lease shall control. Additional defined terms used in the Basic Lease Information shall have the meanings given those terms in this Lease.

ARTICLE 1.
PREMISES ; COMMON AREAS

1.1 Subject to all of the terms and conditions hereinafter set forth, Landlord hereby leases to Tenant and Tenant hereby leases from Landlord the Premises. The property shown on Exhibit A to this Lease and all improvements thereon and appurtenances on that land thereto, including, but not limited to, the Building, other office buildings, access roadways, and all other related areas, shall be collectively hereinafter referred to as the "Project." Tenant acknowledges and agrees that Landlord may elect to sell one or more of the buildings within the Project and that upon any such sale Tenant's pro-rata share of those Operating Expenses and Taxes (each as defined below) allocated to the areas of the Project other than buildings may be adjusted accordingly by Landlord. The parties hereto hereby acknowledge that the purpose of Exhibit A and Exhibit B are to show the approximate location of the Premises in the Building and the general layout of the Project and such Exhibits are not meant to constitute an agreement, representation or warranty as to the construction of the Premises, the Building or the Project, the precise area of the Premises, the Building or the Project or the specific location of the Building, "Common Areas," as that term is defined in Section 1.3, below, or the elements thereof or of the accessways to the Premises, or the Project, or the identity or existence of any other tenant or occupant of the Project.

1.2 For purposes of this Lease, (1) "rentable area" and "usable area" shall be calculated pursuant to the Standard Method for Measuring Floor Area in Office Buildings (ANSI/BOMA Z65.1, 1996); (2) "rentable square feet" and "rentable footage" shall have the same meaning as the term "rentable area;" and (3) "usable square feet" and "usable square footage" shall have the same meaning as the term "usable area." Notwithstanding anything to the contrary in this Lease, the recital of the rentable area herein above set forth is for descriptive purposes only. Tenant shall have no right to terminate this Lease or receive any adjustment or rebate of any Base Rent or Additional Rent (as hereinafter defined) payable hereunder if said recital is incorrect. Tenant has inspected the Premises and is fully familiar with the scope and size thereof and agrees to pay the full Base Rent and Additional Rent set forth herein in consideration for the use and occupancy of said space, regardless of the actual number of square feet contained therein.

1.3 Tenant shall have the non-exclusive right to use in common with other tenants in the Project, and subject to the reasonable, non-discriminatory rules and regulations referred to in Article 27 of this Lease, those portions of the Project outside the Premises which are provided, from time to time, for use in common by Landlord, Tenant and any other tenants of the Project (such areas, are collectively referred to herein as the "Common Areas"). The Common Areas shall consist of the portion of the Project reasonably designated as such by Landlord. The manner in which the Common Areas are maintained and operated shall be at the reasonable discretion of Landlord and the use thereof shall be subject to such reasonable, non-discriminatory rules, regulations and restrictions as Landlord may make from time to time. Landlord reserves the right to close temporarily, make alterations or additions to, or change the location of elements of the Project and the Common Areas; provided that in the event of any such Common Area closure, change, alteration or modification, except in emergency situations as reasonably determined by Landlord, Landlord shall exercise commercially reasonable efforts to perform the same in a manner that is reasonably designed to minimize interference with Tenant's access to and permitted use of the Premises consistent with Comparable Buildings (as defined below). Subject to "Applicable Laws," as that term is defined in Section 5.1(a) of this Lease, except when and where Tenant's right of access is specifically excluded in this Lease, and except in the event of an emergency, Tenant shall have the right of access to the Premises, the Building, the Common Area and the parking facilities servicing the Building twenty-four (24) hours per day, seven (7) days per week during the "Term," as that term is defined in Section 2.1, below.

ARTICLE 2.
TERM AND CONDITION OF PREMISES

2.1 The term of this Lease (the "Term") shall commence on the Commencement Date and end on the Expiration Date, unless sooner terminated (the "Termination Date") as hereinafter provided. The Commencement Date of this Lease and the obligation of Tenant to pay Base Rent, Additional Rent and all other charges hereunder shall not be delayed or postponed by reason of any delay by Tenant in performing changes or alterations in the Premises not required to be performed by Landlord. In the event the Term shall commence on a day other than the first day of a month, then the Base Rent shall be immediately paid for such partial month prorated in accordance with Section 4.4 below. In the event that the Commencement Date is a date which is other than the date set forth in the Basic Lease Information, within a reasonable period of time after the actual Commencement Date Landlord shall deliver to Tenant an amendment to lease in the form as set forth in Exhibit E, attached hereto, wherein the parties shall specify such different Commencement Date and the Expiration Date, and which amendment Tenant shall execute and return to Landlord within ten (10) business days of receipt thereof. In the event that the Substantial Completion of the Premises does not occur by the Outside Commencement Date (as defined below), then Tenant shall be entitled by notice in writing to Landlord within ten (10) days thereafter to cancel this Lease, in which event the parties shall be discharged from all obligations hereunder; provided further, however, that if such written notice of Tenant is not given to Landlord within such ten (10) day period, Tenant's right to cancel this Lease hereunder shall terminate and be of no further force or

effect. If Tenant elects to terminate this Lease under this Section 2.1 then such termination of this Lease shall be effective on the date which is thirty (30) days after delivery of notice of termination to Landlord, unless the Substantial Completion of the Premises occurs within thirty (30) days of delivery of Tenant's notice hereunder. The term "Outside Commencement Date" initially means March 1, 2020, but shall be extended by one day for every one day in delay in Substantial Completion of the Premises caused by (i) Tenant Delays (as defined in the Tenant Work Letter), (ii) inability to obtain or delays in obtaining necessary permits, and/or (iii) any other one or more Force Majeure Events (as defined in Article 10).

2.2 Except as expressly set forth in this Lease and in the Tenant Work Letter, Landlord shall not be obligated to provide or pay for any improvement, remodeling or refurbishment work or services related to the improvement, remodeling or refurbishment of the Premises, and Tenant shall accept the Premises in its "As Is" condition on the Commencement Date.

2.3 The taking of possession of the Premises by Tenant shall be conclusive evidence that the Premises and the Building were in good and satisfactory condition at such time, except for latent defects. As used in this Lease, a "latent defect" is a design or construction defect or error in the Premises which is not apparent upon an ordinary and reasonable inspection of the Premises. Neither Landlord nor Landlord's agents have made any representations or promises with respect to the condition of the Building, the Premises, the land upon which the Building is constructed, or any other matter or thing affecting or related to the Building or the Premises, except as herein expressly set forth, and no rights, easements or licenses are acquired by Tenant by implication or otherwise except as expressly set forth in this Lease.

2.4 Notwithstanding Section 2.3 above, Landlord warrants that the roof, structural components of the Building, HVAC system, electrical and plumbing systems, elevator, parking lot or site lighting (the "Covered Items"), other than those constructed by Tenant, shall be in good operating condition on the date of Substantial Completion of the Premises. If a non-compliance with such warranty exists as of such date, or if one of such Covered Items should malfunction or fail within sixty (60) days after such date, Landlord shall, as Landlord's sole obligation with respect to such matter, promptly after receipt of written notice from Tenant setting forth in reasonable detail the nature and extent of such non-compliance, malfunction or failure, rectify the same at Landlord's expense. If Tenant does not give Landlord the required notice within sixty (60) days after the date of Substantial Completion of the Premises, Landlord shall have no obligation with respect to that warranty other than obligations regarding the Covered Items set forth elsewhere in this Lease.

2.5 Tenant may move into and commence business operations at the Premises prior to the Commencement Date. The period from that commencement of business operations to the Commencement Date shall be referred to herein as the "Beneficial Occupancy Period" and such period shall be governed by the terms of this Section 2.5. Tenant shall not be required to pay Base Rent during the Beneficial Occupancy Period, however, all other terms and conditions of this Lease and obligations of Landlord and Tenant hereunder shall apply throughout the Beneficial Occupancy Period. Without limiting the generality of the foregoing, Tenant shall pay for Tenant's Share of Operating Expenses (as those terms are defined below), Tenant's Tax Share of Taxes (as those terms are defined below) and any above-standard services such as after-hours HVAC charges (as described in Article 6 hereof, but excluding any such services provided in connection with the performance of the Tenant Improvements) throughout the Beneficial Occupancy Period.

ARTICLE 3.
USE, NUISANCE, OR HAZARD

3.1 The Premises shall be used and occupied by Tenant solely for general office, research and development, biological research, laboratory and general administrative purposes consistent with a first-class office building and for no other purposes without the prior written consent of Landlord. Notwithstanding the foregoing, Tenant may construct a Vivarium (as defined in Exhibit I attached hereto) containing not more than 2,500 square feet of rentable area within the Premises as part of the Tenant Improvements. The use and construction of the Vivarium shall be subject to all of the terms and conditions of this Lease and, in addition, the provisions of Exhibit I attached hereto. Tenant shall design and construct the Tenant Improvements (and any alterations thereof pursuant to Article 15, below) for the laboratory area and the Vivarium such that they include fire detection and extinguishing systems, air filtration systems and containment (including without limitation chemical storage areas) design and systems appropriate for such uses, including without limitation those required by Applicable Laws.

3.2 Tenant shall not use, occupy, or permit the use or occupancy of the Premises for any purpose which Landlord, in its reasonable discretion, deems to be illegal, immoral, or dangerous; permit any public or private nuisance; do or permit any act or thing which may disturb the quiet enjoyment of any other tenant of the Project; keep any substance or carry on or permit any operation which might introduce offensive odors or conditions into other portions of the Project, use any apparatus which might make undue noise or set up vibrations in or about the Project; permit anything to be done which would increase the premiums paid by Landlord for special causes of loss form property insurance on the Project or its contents or cause a cancellation of any insurance policy covering the Project or any part thereof or any of its contents; or permit anything to be done which is prohibited by or which shall in any way conflict with any law, statute, ordinance, or governmental rule, regulation or covenants, conditions and restrictions affecting the Project, including without limitation the CC&R's (as defined below) now or hereinafter in force. Should Tenant do any of the foregoing without the prior written consent of Landlord, and the same is not cured within ten (10) business days after notice from Landlord (which ten (10) business day period shall be subject to extension if the nature of the breach is such that it is not possible to cure the same within such ten (10) business day period so long as the Tenant commences the cure of such breach within such ten (10) business day period and diligently prosecutes the same to completion) it shall constitute an Event of Default (as hereinafter defined) and shall enable Landlord to resort to any of its remedies hereunder.

3.3 The ownership, operation, maintenance and use of the Project may in the future be subject to certain conditions and restrictions contained in an instrument ("CC&R's") recorded or to be recorded against title to the Project. Tenant agrees that regardless of when those CC&R's are so recorded, this Lease and all provisions hereof shall be subject and subordinate thereto and Tenant shall comply therewith, provided that such CC&R's do not materially increase Tenant's costs or obligations or materially decrease Tenant's rights or

privileges under this Lease. Accordingly, as a consequence of that subordination, during any period in which the entire Project is not owned by Landlord, (a) the portion of Operating Expenses and Taxes for the Common Areas shall be allocated among the owners of the Project as provided in the CC&R's, and (b) the CC&R's shall govern the maintenance and insuring of the portions of the Project not owned by Landlord. Tenant shall, promptly upon request of Landlord, sign all documents reasonably required to carry out the foregoing into effect.

ARTICLE 4.
RENT

4.1 Tenant hereby agrees to pay Landlord the Base Rent. For purposes of Rent adjustment under the Lease, the number of months is measured from the first day of the calendar month in which the Commencement Date falls. Each monthly installment (the "Monthly Rent") shall be payable by check or by money order on or before the first day of each calendar month. In addition to the Base Rent, Tenant also agrees to pay Tenant's Share of Operating Expenses and Taxes, and any and all other sums of money as shall become due and payable by Tenant to Landlord as set forth in this Lease, all of which shall constitute additional rent under this Lease (the "Additional Rent"). Landlord expressly reserves the right to apply any payment received to Base Rent or any other items of Rent that are not paid by Tenant. The Base Rent, the Monthly Rent and the Additional Rent are sometimes hereinafter collectively called "Rent" and shall be paid when due in lawful money of the United States without demand, deduction, abatement, or offset (except as otherwise expressly provided in this Lease) to the addresses for the rental payment set forth in the Basic Lease Information, or as Landlord may designate from time to time.

4.2 In the event any Monthly or Additional Rent or other amount payable by Tenant to Landlord hereunder is not paid within five (5) days after its due date, Tenant shall pay to Landlord a one-time late charge (the "Late Charge"), as Additional Rent, in an amount of five percent (5%) of the amount of such late payment. Failure to pay any Late Charge shall be deemed a Monetary Default (as hereinafter defined). Provision for the Late Charge shall be in addition to all other rights and remedies available to Landlord hereunder, at law or in equity, and shall not be construed as liquidated damages or limiting Landlord's remedies in any manner. Failure to charge or collect such Late Charge in connection with any one (1) or more such late payments shall not constitute a waiver of Landlord's right to charge and collect such Late Charges in connection with any other similar or like late payments. Notwithstanding the foregoing provisions of this Section 4.2, the Late Charge shall not be imposed with respect to the first late payment in the twelve (12) months following the Commencement Date or with respect to the first late payment in any succeeding twelve (12) month period during the Term unless the applicable payment due from Tenant is not received by Landlord within five (5) days following written notice from Landlord that such payment was not received when due. Following the first such written notice from Landlord in the twelve (12) months following the Commencement Date and the first such written notice in any succeeding twelve (12) month period during the Term (but regardless of whether such payment has been received within such five (5) day period), the Late Charge will be imposed without notice for any subsequent payment due from Tenant during such applicable twelve (12) month period which is not received within five (5) days after its due date.

4.3 Simultaneously with the execution hereof, Tenant shall deliver to Landlord (i) the Rent Payable Upon Execution as payment of Base Rent for the seventh full month of the Term and Monthly Escalation Payment and Monthly Tax Payment for the first full month of the Term due hereunder and (ii) an amount equal to the Security Deposit Amount to be held by Landlord as security for Tenant's faithful performance of all of the terms, covenants, conditions, and obligations required to be performed by Tenant hereunder (the "Security Deposit"). The Security Deposit shall be held by Landlord as security for the performance by Tenant of all of the covenants of this Lease to be performed by Tenant and Tenant shall not be entitled to interest thereon. The Security Deposit is not an advance rent deposit, an advance payment of any other kind, or a measure of Landlord's damages in any case of Tenant's default. If Tenant fails to perform any of the covenants of this Lease to be performed by Tenant, including without limitation the provisions relating to payment of Rent, the removal of property at the end of the Term, the repair of damage to the Premises caused by Tenant, and the cleaning of the Premises upon termination of the tenancy created hereby, then Landlord shall have the right, but no obligation, to apply the Security Deposit, or so much thereof as may be necessary, for the payment of any Rent or any other sum in default and/or to cure any other such failure by Tenant. If Landlord applies the Security Deposit or any part thereof for payment of such amounts or to cure any such other failure by Tenant, then Tenant shall immediately pay to Landlord the sum necessary to restore the Security Deposit to the full amount then required by this Section 4.3. Landlord's obligations with respect to the Security Deposit are those of a debtor and not a trustee. Landlord shall not be required to maintain the Security Deposit separate and apart from Landlord's general or other funds and Landlord may commingle the Security Deposit with any of Landlord's general or other funds. Upon termination of the original Landlord's or any successor owner's interest in the Premises or the Building, the original Landlord or such successor owner shall be released from further liability with respect to the Security Deposit upon the original Landlord's or such successor owner's transfer of the Security Deposit to the successor owner and otherwise complying with California Civil Code Section 1950.7. Subject to the foregoing, Tenant hereby waives the provisions of Section 1950.7 of the California Civil Code, and all other provisions of law, now or hereafter in force, which (a) establish a time frame within which a landlord must refund a security deposit under a lease, and/or (b) provide that Landlord may claim from a security deposit only those sums reasonably necessary to remedy defaults in the payment of Rent, to repair damage caused by Tenant or to clean the Premises, it being agreed that Landlord may, in addition, claim those sums reasonably necessary to compensate Landlord for any other loss or damage caused by the default of Tenant under this Lease, including without limitation all damages or Rent due upon termination of this Lease pursuant to Section 1951.2 of the California Civil Code. If no Event of Default exists, the unused portion of the Security Deposit shall be returned to Tenant or the last assignee of Tenant's interest under this Lease within thirty (30) days following expiration or termination of the Term of this Lease.

4.4 If the Term commences on a date other than the first day of a calendar month or expires or terminates on a date other than the last day of a calendar month, the Rent for any such partial month shall be prorated to the actual number of days in such partial month.

4.5 All Rents and any other amount payable by Tenant to Landlord hereunder, if not paid when due, shall bear interest from the date due until paid at a rate equal to the prime commercial rate established from time to time by Bank of America, plus four percent (4%) per

annum; but not in excess of the maximum legal rate permitted by law. Failure to charge or collect such interest in connection with any one (1) or more delinquent payments shall not constitute a waiver of Landlord's right to charge and collect such interest in connection with any other or similar or like delinquent payments.

4.6 Intentionally omitted.

4.7 No Rent or other payment in respect of the Premises shall be based in any way upon net income or profits from the Premises. Tenant may not enter into or permit any sublease or license or other agreement in connection with the Premises which provides for a rental or other payment based on net income or profit.

ARTICLE 5.
RENT ADJUSTMENT

5.1 Definitions.

(a) "Operating Expenses", as said term is used herein, shall mean all reasonable expenses, costs, and disbursements of every kind and nature which Landlord shall actually pay because of or in connection with the ownership, operation, management, security, repair, restoration, replacement, or maintenance of the Project, or any portion thereof. Operating Expenses shall be computed in accordance with generally accepted real estate practices, consistently applied, and shall include, but not be limited to, the items as listed below:

(i) Wages, salaries, other compensation and any and all taxes, insurance and benefits of, the Project manager and of all other employees of Landlord below the level of Project manager engaged in the operation, maintenance and security of the Project (reasonably prorated for employees who do not work one hundred percent (100%) at the Project);

(ii) Payments under any equipment rental agreements or management agreements, including without limitation the cost of any actual or charged management fee and all expenses for the Project management office including rent, office supplies, and materials therefor;

(iii) Costs of all supplies, equipment, materials, and tools and amortization (including interest on the unamortized cost) of the cost of acquiring or the rental expense of personal property to the extent used in the maintenance, operation and repair of the Project, or any portion thereof;

(iv) All costs incurred in connection with the operation, maintenance, and repair of the Project including without limitation, the following: (A) the cost of operation, repair, maintenance and replacement of all systems and equipment and components thereof of the Project; (B) the cost of janitorial, alarm, security and other services, replacement of wall and floor coverings, ceiling tiles and fixtures in common areas, maintenance and replacement of curbs and walkways, repair to roofs and re-roofing; (C) the cost of licenses, certificates, permits and inspections and the cost of contesting any governmental enactments which are reasonably anticipated by Landlord to increase Operating Expenses, and the cost

incurred in connection with a transportation system management program or similar program; and (D) the cost of landscaping, decorative lighting, and relamping, the cost of maintaining fountains, sculptures, bridges; and (E) costs, fees, charges or assessments imposed by, or resulting from any mandate imposed on Landlord by, any federal, state or local government for fire and police protection, trash removal, community services, or other services which do not constitute "Taxes" as that term is defined below.

(v) The cost of supplying all utilities, the cost of operating, maintaining, repairing, replacing, renovating and managing the utility systems, mechanical systems, sanitary, storm drainage systems, communication systems and escalator and elevator systems, and the cost of supplies, tools, and equipment and maintenance and service contracts in connection therewith.

(vi) Costs and expenses of complying with, or participating in, conservation, recycling, sustainability, energy efficiency, waste reduction or other programs or practices implemented or enacted from time to time at the Building, including, without limitation, in connection with any LEED (Leadership in Energy and Environmental Design) rating or compliance system or program, including that currently coordinated through the U.S. Green Building council or Energy Star rating and/or compliance system or program (collectively, "Conservation Costs");

(vii) The cost of all insurance carried by Landlord in connection with the Project as reasonably determined by Landlord, including without limitation commercial general liability insurance, physical damage insurance covering damage or other loss caused by fire, earthquake, flood or other water damage, explosion, vandalism and malicious mischief, theft or other casualty, rental interruption insurance and such insurance as may be required by any lessor under any present or future ground or underlying lease of the Building or Project or any unaffiliated, institutional holder of a mortgage, deed of trust or other encumbrance now or hereafter in force against the Building or Project or any portion thereof, and any deductibles payable thereunder; including, without limitation, Landlord's cost of any self-insurance deductible or retention; provided that Landlord's cost of any self-insurance shall not exceed the cost that would have been payable for a policy covering the same risks as to which Landlord is self-insuring;

(viii) Capital improvements made to or capital assets acquired for the Project, or any portion thereof, after the Commencement Date that (1) are intended to reduce Operating Expenses, or (2) are necessary for the health, safety and/or security of the Project, its occupants and visitors and are deemed advisable in the reasonable judgment of Landlord, or (3) are Conservation Costs, or (4) are required under any and all applicable laws, statutes, codes, ordinances, orders, rules, regulations, conditions of approval and requirements of all federal, state, county, municipal and governmental authorities and all administrative or judicial orders or decrees and all permits, licenses, approvals and other entitlements issued by governmental entities, and rules of common law, relating to or affecting the Project, the Premises or the Building or the use or operation thereof, whether now existing or hereafter enacted, including, without limitation, the Americans with Disabilities Act of 1990, 42 USC 12111 et seq. (the "ADA") as the same may be amended from time to time, all Environmental Requirements (as hereinafter defined), and any CC&R's, or any corporation, committee or association formed in

connection therewith, or any supplement thereto recorded in any official or public records with respect to the Project or any portion thereof (collectively, "Applicable Laws") (except for capital repairs, replacements or other improvements to remedy a condition existing prior to the Commencement Date which an applicable governmental authority, if it had knowledge of such condition prior to the Commencement Date, would have then required to be remedied pursuant to then-current governmental laws or regulations in their form existing as of the Commencement Date and pursuant to the then-current interpretation of such governmental laws or regulations by the applicable governmental authority as of the Commencement Date), which capital costs, or an allocable portion thereof, shall be amortized over the useful life of the capital improvement in question as reasonably determined by Landlord, together with interest on the unamortized balance at a rate reasonably determined by Landlord;

(ix) fees, charges and other costs, including management fees (or amounts in lieu thereof), consulting fees, legal fees and accounting fees, of all contractors, engineers, consultants and other persons engaged by Landlord or otherwise incurred by or charged by Landlord in connection with the management, operation, maintenance and repair of the Buildings and the Project; and

(x) payments, fees or charges under the CC&R's and any easement, license, operating agreement, declaration, restricted covenant, or instrument pertaining to the sharing of costs by the Project, or any portion thereof.

Expressly excluded from Operating Expenses are the following items:

(xi) Repairs and restoration paid for by the proceeds of any insurance policies or amounts otherwise reimbursed to Landlord or paid by any other source (other than by tenants paying their share of Operating Expenses);

(xii) Principal, interest, and other costs directly related to financing the Project or ground lease rental or depreciation;

(xiii) The cost of special services to tenants (including Tenant) for which a special charge is made;

(xiv) The costs of repair of casualty damage or for restoration following condemnation to the extent covered by insurance proceeds or condemnation awards;

(xv) The costs of any capital expenditures except as expressly permitted to be included in Operating Expenses as provided under clauses (vii), and (viii) above;

(xvi) Advertising and leasing commissions; costs, including permit, license and inspection costs and supervision fees, incurred with respect to the installation of tenant improvements within the Project or incurred in renovating or otherwise improving, decorating, painting or redecorating vacant space within the Project or promotional or other costs in order to market space to potential tenants;

(xvii) The legal fees and related expenses and legal costs incurred by Landlord (together with any damages awarded against Landlord) due to the bad faith violation by Landlord or any tenant of the terms and conditions of any lease of space in the Project;

(xviii) Costs incurred: (x) to comply with Applicable Laws with respect to any Biological Materials (as defined below) or Hazardous Materials (as defined below) which were in existence in, on, under or about the Project (or any portion thereof) prior to the Commencement Date; and/or (y) with respect to Biological Materials or Hazardous Materials which are disposed of or otherwise introduced into, on, under or about the Project after the date hereof by Landlord or Landlord's affiliates or their agents, employees, contractors or invitees; provided, however, Operating Expenses shall include costs incurred in connection with the clean-up, remediation, monitoring, management and administration of (and defense of claims related to) the presence of (1) Hazardous Materials used by Landlord (provided such use is not negligent and is in compliance with Applicable Laws) in connection with the operation, repair and maintenance of the Project to perform Landlord's obligations under this Lease (such as, without limitation, fuel oil for generators, cleaning solvents, and lubricants) and which are customarily found or used in Comparable Buildings and (2) Biological Materials or Hazardous Materials created, released or placed in the Premises, Building or the Project by Tenant (or Tenant's affiliates or their tenants, contractors, employees or agents) prior to or after the Commencement Date;

(xix) The attorneys' fees in connection with the negotiation and preparation of letters, deal memos, letters of intent, leases, subleases and/or assignments, space planning costs, and other costs and expenses incurred in connection with lease, sublease and/or assignment negotiations and transactions with present or prospective tenants or other occupants of the Project;

(xx) The expenses in connection with services or other benefits which are not available to Tenant;

(xxi) The overhead and profit paid to Landlord or to subsidiaries or affiliates of Landlord for goods and/or services in the Project to the extent the same exceeds the costs of such goods and/or services rendered by qualified, unaffiliated third parties on a competitive basis;

(xxii) The costs arising from Landlord's charitable or political contributions;

(xxiii) The costs (other than ordinary maintenance and insurance) for sculpture, paintings and other objects of art;

(xxiv) The interest and penalties resulting from Landlord's failure to pay any items of Operating Expense when due;

(xxv) The Landlord's general corporate overhead and general and administrative expenses, costs of entertainment, dining, automobiles or travel for Landlord's employees, and costs associated with the operation of the business of the partnership or entity which constitutes Landlord as the same are distinguished from the costs of the operation of the

Project, including partnership accounting and legal matters, costs of defending any lawsuits with any mortgagee, costs of selling, syndicating, financing, mortgaging or hypothecating any of Landlord's interest in the Project, costs of any disputes between Landlord and its employees (if any) not engaged in the operation of the Project, disputes of Landlord with management, or outside fees paid in connection with disputes with other Project tenants or occupants (except to the extent such dispute is based on Landlord's good faith efforts to benefit Tenant or meet Landlord's obligations under this Lease);

(xxvi) The costs arising from the gross negligence or willful misconduct of Landlord or its affiliates or their agents, employees, contractors or invitees;

(xxvii) The management office rental to the extent such rental exceeds the fair market rental for such space;

(xxviii) The costs of correction of any defects in the Project to the extent covered by warranties, indemnities or service contracts;

(xxix) The costs of Landlord's membership in professional organizations (such as, by way of example and without limitation, BOMA) in excess of $2,500.00 per year.

(xxx) Depreciation, amortization and interest payments, 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 to the extent such depreciation, amortization and interest payments would otherwise have been included in the charge for such third parties' services and any interest expressly included in Section 5.1(a)(viii);

(xxxi) Insurance deductibles or self-insurance retention or uninsured casualty damage which in any Lease Year exceed $50,000 with respect to the Building; provided, however, if the amount of the deductible exceeds that annual limitation, Landlord may carry over the unrecovered portion of any deductible into the subsequent lease years and recover them from Tenant subject to the annual limitation provided for in this Section 5.1(a)(xxxi);

(xxxii) Management fees retained by Landlord or its affiliates in excess of an amount equal to four percent (4%) of all gross receipts for the Project;

(xxxiii) Any costs or expenses of any kind or nature which are exclusively related to or for any other building forming part of the Project (other than the Building); and

(xxxiv) Reserves for future expenses; provided, however, the foregoing shall not prohibit Landlord from passing through to Tenant (as an Operating Expense) items includable in Operating Expenses pursuant to the Lease once such items have been purchased from an existing reserve or once the expenses covered by such reserve have been incurred.

(b) "Taxes" shall mean all real property taxes, ad valorem taxes, personal property taxes, and all other taxes, assessments, embellishments, use and occupancy taxes, transit taxes, water, sewer and pure water charges not included in Section 5.1.(a)(v) above, excises, levies, license fees or taxes, and all other similar charges, levies, penalties, or taxes, if any, which are levied, assessed, or imposed, by any Federal, State, county, or municipal authority, whether by taxing districts or authorities presently in existence or by others subsequently created, upon, or due and payable in connection with, or a lien upon, all or any portion of the Project, or facilities used in connection therewith, and rentals or receipts therefrom and all taxes of whatsoever nature that are imposed in substitution for or in lieu of any of the taxes, assessments, or other charges included in its definition of Taxes, and any costs and expenses of contesting the validity of same. Taxes shall include, without limitation: (i) Any tax on the gross rent, right to rent or other income from the Project, or any portion thereof, or as against the business of leasing the Project, or any portion thereof; (ii) Any assessment, tax, fee, levy or charge in addition to, or in substitution, partially or totally, of any assessment, tax, fee, levy or charge previously included within the definition of real property tax, it being acknowledged by Tenant and Landlord that Proposition 13 was adopted by the voters of the State of California in the June 1978 election ("Proposition 13") and that assessments, taxes, fees, levies and charges may be imposed by governmental agencies for such services as fire protection, street, sidewalk and road maintenance, refuse removal and for other governmental services formerly provided without charge to property owners or occupants, and, in further recognition of the decrease in the level and quality of governmental services and amenities as a result of Proposition 13, Taxes shall also include any governmental or private assessments or the Project's contribution towards a governmental or private cost-sharing agreement for the purpose of augmenting or improving the quality of services and amenities normally provided by governmental agencies; (iii) Any assessment, tax, fee, levy, or charge allocable to or measured by the area of the Premises, the tenant improvements in the Premises, or the Rent payable hereunder, including, without limitation, any business or gross income tax or excise tax with respect to the receipt of such rent, or upon or with respect to the possession, leasing, operating, management, maintenance, alteration, repair, use or occupancy by Tenant of the Premises, or any portion thereof; (iv) Any assessment, tax, fee, levy or charge, upon this transaction or any document to which Tenant is a party, creating or transferring an interest or an estate in the Premises; (v) All of the real estate taxes and assessments imposed upon or with respect to the Buildings and all of the real estate taxes and assessments imposed on the land and improvements comprising the Project, and (vi) assessments attributable to the Project by any governmental or quasi-governmental agency that Landlord is required to pay. Notwithstanding anything to the contrary contained in this Section 5.1(b), there shall be excluded from Taxes (1) all excess profits taxes, franchise taxes, documentary transfer taxes, gift taxes, capital stock taxes, inheritance and succession taxes, estate taxes, federal and state net income taxes, and other taxes to the extent applicable to Landlord's net income (as opposed to rents, receipts or income attributable to operations at the Project), (2) any items included as Operating Expenses, and (3) any items paid by Tenant under Section 17.1 of this Lease, (4) tax penalties, fines, interest or charges incurred as a result of Landlord's failure to make payments and/or to file any tax or informational returns when due, and (5) any taxes or assessment expenses or any increase therein (A) in excess of the amount which would be payable if such tax or assessment expense were paid in installments over the longest possible term or (B) imposed on land or improvements other than the Project.

(c) "Lease Year" shall mean the twelve (12) month period commencing January 1st and ending December 31st.

(d) "Tenant's Building Percentage" shall mean Tenant's percentage of the entire Building as determined by dividing the rentable area of the Premises by the total rentable area of the Building. If there is a change in the total Building rentable area as a result of an addition to the Building, partial destruction, modification or similar cause, which event causes a reduction or increase on a permanent basis, Landlord shall cause adjustments in the computations as shall be necessary to provide for any such changes. Landlord shall, at Landlord's option, have the right to segregate Operating Expenses into two (2) separate categories, one (1) such category, to be applicable only to Operating Expenses incurred for the Building and the other category applicable to Operating Expenses incurred for the Common Areas and/or the Project as a whole. If Landlord so segregates Operating Expenses into two (2) categories, two (2) Tenant's Building Percentages shall apply, one (1) such Tenant's Building Percentage shall be calculated by dividing the rentable area of the Premises by the total Rentable area in the Building ("Tenant's Building Only Percentage"), and the other Tenant's Building Percentage to be calculated by dividing the rentable area of the Premises by the total rentable area of all buildings in the Project ("Tenant's Common Area Building Percentage"). Consequently, if Landlord elects to so segregate Operating Expenses into two (2) categories, any reference in this Lease to "Tenant's Building Percentage" shall mean and refer to both Tenant's Building Only Percentage and Tenant's Common Area Building Percentage of Operating Expenses.

(e) "Tenant's Tax Percentage" shall mean the percentage determined by dividing the rentable area of the Premises by the total rentable area of all buildings in the Project.

(f) "Market Area" shall mean the Redwood Shores submarket of Redwood City, California (the "City").

(g) "Comparable Buildings" shall mean comparable Class "A" office/R&D use buildings owned by institutions in the Market Area.

5.2 Tenant shall pay to Landlord, as Additional Rent, Tenant's Share (as hereinafter defined) of the Operating Expenses. "Tenant's Share" shall be determined by multiplying Operating Expenses for any Lease Year or pro rata portion thereof, by Tenant's Building Percentage. Landlord shall, in advance of each Lease Year, estimate what Tenant's Share will be for such Lease Year based, in part, on Landlord's operating budget for such Lease Year, and Tenant shall pay Tenant's Share as so estimated each month (the "Monthly Escalation Payments"). The Monthly Escalation Payments shall be due and payable at the same time and in the same manner as the Monthly Rent.

5.3 Landlord shall, within one hundred fifty (150) days after the end of each Lease Year, or as soon thereafter as reasonably possible, provide Tenant with a written statement of the actual Operating Expenses incurred during such Lease Year for the Project and such statement shall set forth Tenant's Share of such Operating Expenses. Tenant shall pay Landlord, as Additional Rent, the difference between Tenant's Share of Operating Expenses and the amount of Monthly Escalation Payments made by Tenant attributable to said Lease Year, such

payment to be made within thirty (30) days of the date of Tenant's receipt of said statement (except as provided in Section 5.4 below); similarly, Tenant shall receive a credit if Tenant's Share of Operating Expenses is less than the amount of Monthly Escalation Payments collected by Landlord during said Lease Year, such credit to be applied to future Rent to become due hereunder. If utilities, janitorial services or any other components of Operating Expenses increase during any Lease Year, Landlord may revise Monthly Escalation Payments due during such Lease Year by giving Tenant written notice to that effect; and thereafter, Tenant shall pay, in each of the remaining months of such Lease Year, a sum equal to the amount of the revised difference in Operating Expenses multiplied by Tenant's Building Percentage divided by the number of months remaining in such Lease Year.

5.4 Within ninety (90) days following Tenant's receipt of the Operating Expense statement or Taxes statement, Tenant may give Landlord notice (the "Review Notice") stating that Tenant elects to review Landlord's calculation of the amount of Operating Expenses or Taxes payable by Tenant for the Lease Year to which such statement applies and identifying with reasonable specificity the records of Landlord reasonably relating to such matters that Tenant desires to review. Tenant may not deliver more than one (1) Review Notice with respect to any Lease Year. If Tenant fails to give Landlord such a Review Notice within that ninety (90) day period, Tenant shall be deemed to have approved the applicable statement. If Tenant timely gives the Review Notice, Tenant shall be entitled to conduct or require an audit to be conducted, provided that (a) not more than one (1) such audit may be conducted during any Lease Year of the Term, (b) the records for each Lease Year may be audited only once, (c) such audit is commenced within ninety (90) days following Tenant's receipt of the applicable statement, and (d) such audit is completed and a copy thereof is delivered to Landlord within one hundred eighty (180) days following Tenant's receipt of the applicable statement. Tenant's auditor must be a member of a nationally recognized accounting firm and must not charge a fee based on the amount that the accountant is able to save Tenant by the inspection. As a condition precedent to any inspection by Tenant's accountant, Tenant shall deliver to Landlord a copy of Tenant's written agreement with such accountant, which agreement shall include provisions which state that (i) Landlord is an intended third party beneficiary of such agreement, (ii) such accountant will not in any manner solicit any other tenant of the Project with respect to an audit or other review of Landlord's accounting records at the Project, and (iii) such accountant shall maintain in strict confidence any and all information obtained in connection with the review and shall not disclose such information to any person or entity other than to the management personnel of Tenant. An overcharge of Operating Expenses or Taxes by Landlord shall not entitle Tenant to terminate this Lease. No subtenant shall have the right to audit. Any assignee's audit right will be limited to the period after the effective date of the assignment. No audit shall be permitted if an Event of Default by Tenant has occurred and is continuing under this Lease, including without limitation any failure by Tenant to pay any amount due under this Article 5. If Landlord responds to any such audit with an explanation of any issues raised in the audit, such issues shall be deemed resolved unless Tenant responds to Landlord with further written objections within thirty (30) days after receipt of Landlord's response to the audit. In no event shall payment of Rent ever be contingent upon the performance of such audit. For purposes of any audit, Tenant or Tenant's duly authorized representative, at Tenant's sole cost and expense, shall have the right, upon ten (10) days' written notice to Landlord, to inspect Landlord's books and records pertaining to Operating Expenses and Taxes at the offices of Landlord or Landlord's managing agent during ordinary business hours, provided that such audit must be conducted so as not to

interfere with Landlord's business operations and must be reasonable as to scope and time. If actual Operating Expenses or Taxes are finally determined (by agreement of the parties or arbitration) to have been overstated or understated by Landlord for any calendar year, then the parties shall within thirty (30) days thereafter make such adjustment payment or refund as is applicable, and if actual Operating Expenses and Taxes are finally determined (by agreement of the parties or arbitration) to have been overstated by Landlord for any calendar year by in excess of seven percent (7%), then Landlord shall pay the reasonable cost of Tenant's audit, not to exceed $3,000.00.

5.5 If the occupancy of the Building during any part of any Lease Year is less than one hundred percent (100%), Landlord shall make an appropriate adjustment of the variable components of Operating Expenses for that Lease Year, as reasonably determined by Landlord using sound accounting and management principles, to determine the amount of Operating Expenses that would have been incurred had the Building been one hundred percent (100%) occupied. This amount shall be considered to have been the amount of Operating Expenses for that Lease Year. For purposes of this Section 5.5, "variable components" include only those component expenses that are affected by variations in occupancy levels.

5.6 Tenant shall pay to Landlord, as Additional Rent, "Tenant's Tax Share" (as hereinafter defined) of the Taxes. "Tenant's Tax Share" shall be determined by multiplying Taxes for any Lease Year or pro rata portion thereof, by Tenant's Tax Percentage. Landlord shall, in advance of each Lease Year, estimate what Tenant's Tax Share will be for such Lease Year and Tenant shall pay Tenant's Tax Share as so estimated each month (the "Monthly Tax Payments"). The Monthly Tax Payments shall be due and payable at the same time and in the same manner as the Monthly Rent.

5.7 Landlord shall, within one hundred fifty (150) days after the end of each Lease Year, or as soon thereafter as reasonably possible, provide Tenant with a written statement of the actual Taxes incurred during such Lease Year for the Project and such statement shall set forth Tenant's Tax Share of such Taxes. Tenant shall pay Landlord, as Additional Rent, the difference between Tenant's Tax Share of Taxes and the amount of Monthly Tax Payments made by Tenant attributable to said Lease Year, such payment to be made within thirty (30) days of the date of Tenant's receipt of said statement; similarly, Tenant shall receive a credit if Tenant's Tax Share is less than the amount of Monthly Tax Payments collected by Landlord during said Lease Year, such credit to be applied to future Rent to become due hereunder. If Taxes increase during any Lease Year, Landlord may revise Monthly Tax Payments due during such Lease Year by giving Tenant written notice to that effect; and, thereafter, Tenant shall pay, in each of the remaining months of such Lease Year, a sum equal to the amount of revised difference in Taxes multiplied by Tenant's Tax Percentage divided by the number of months remaining in such Lease Year. Despite any other provision of this Article 5, Landlord may adjust Operating Expenses and/or Taxes and submit a corrected statement to account for Taxes or other government public-sector charges (including utility charges) that are for that given year but that were first billed to Landlord after the date that is ten (10) business days before the date on which the statement was furnished.

5.8 If the Taxes for any Lease Year are changed as a result of protest, appeal or other action taken by a taxing authority, the Taxes as so changed shall be deemed the Taxes

for such Lease Year. Any expenses incurred by Landlord in attempting to protest, reduce or minimize Taxes shall be included in Taxes in the Lease Year in which those expenses are paid. Landlord shall have the exclusive right to conduct such contests, protests and appeals of the Taxes as Landlord shall determine is appropriate in Landlord's sole discretion.

5.9 Tenant's obligation with respect to Additional Rent and the payment of Tenant's Share of Operating Expenses and Tenant's Tax Share of Taxes shall survive the Expiration Date or Termination Date of this Lease.

ARTICLE 6.
SERVICES TO BE PROVIDED BY LANDLORD

6.1 Subject to Articles 5 and 10 herein, under this Lease, Landlord agrees to furnish or cause to be furnished to the Premises the utilities and services described in the Standards for Utilities and Services, attached hereto as Exhibit G, subject to the conditions and in accordance with the standards set forth herein.

6.2 Landlord shall not be liable for any loss or damage arising or alleged to arise in connection with the failure, stoppage, or interruption of any such services; nor shall the same be construed as an eviction of Tenant, work an abatement of Rent, entitle Tenant to any reduction in Rent, or relieve Tenant from the operation of any covenant or condition herein contained; it being further agreed that Landlord reserves the right to discontinue temporarily such services or any of them at such times as may be necessary by reason of repair or capital improvements performed within the Project, accident, unavailability of employees, repairs, alterations or improvements, or whenever by reason of strikes, lockouts, riots, acts of God, or any other happening or occurrence beyond the reasonable control of Landlord. In the event of any such failure, stoppage or interruption of services, Landlord shall use reasonable diligence to have the same restored. Neither diminution nor shutting off of light or air or both, nor any other effect on the Project by any structure erected or condition now or hereafter existing on lands adjacent to the Project, shall affect this Lease, abate Rent, or otherwise impose any liability on Landlord. Furthermore, Landlord shall not be liable under any circumstances for a loss of, or injury to, property or for injury to, or interference with, Tenant's business, including, without limitation, loss of profits, however occurring, through or in connection with or incidental to a failure to furnish any of the services or utilities as set forth in this Article 6.

6.3 Landlord shall have the right to reduce heating, cooling, or lighting within the Premises and in the public area in the Building as required by any fuel or energy-saving program mandated by Applicable Law.

6.4 Unless otherwise provided by Landlord, Tenant shall separately arrange with the applicable local public authorities or utilities, as the case may be, for the furnishing of and payment of all telephone and facsimile services as may be required by Tenant in the use of the Premises. Tenant shall directly pay for such telephone and facsimile services as may be required by Tenant in the use of the Premises, including the establishment and connection thereof, at the rates charged for such services by said authority or utility; and the failure of Tenant to obtain or to continue to receive such services for any reason whatsoever shall not relieve Tenant of any of its obligations under this Lease.

6.5 Landlord shall have the exclusive right, but not the obligation, to provide any locksmithing services, and Landlord shall also have the non-exclusive right, but not the obligation, to provide any additional services which may be required by Tenant, including without limitation additional repairs and maintenance, provided that Tenant shall pay to Landlord upon billing, the sum of all reasonable costs to Landlord of such additional services plus an administration fee agreed upon in advance by Landlord and Tenant (provided that the administrative fee for Landlord's locksmithing services shall not exceed three percent (3%) of the actual out-of-pocket costs of such services). If Tenant requests the Landlord provide locksmithing services and Landlord declines, then Tenant shall not be obligated to use Landlord's locksmithing services. Charges for any utilities or service for which Tenant is required to pay from time to time hereunder, shall be deemed Additional Rent hereunder and shall be billed on a monthly basis.

6.6 At all times during the Term Landlord shall have the right to select the utility company or companies that shall provide electric, telecommunication and/or other utility services to the Premises and, subject to all Applicable Laws, Landlord shall have the right at any time and from time to time during the Term to either (a) contract for services from electric, telecommunication and/or other utility service provider(s) other than the provider with which Landlord has a contract as of the date of this Lease (the "Current Provider"), or (b) continue to contract for services from the Current Provider. The cost of such utility services and any energy management and procurements services in connection therewith shall be Operating Expenses.

6.7 If Tenant is billed directly by a public utility with respect to Tenant's electrical usage at the Premises, upon request from time to time, Tenant shall provide monthly electrical utility usage for the Premises to Landlord for the period of time requested by Landlord (in electronic or paper format) or, at Landlord's option, provide any written authorization or other documentation required for Landlord to request information regarding Tenant's electricity usage with respect to the Premises directly from the applicable utility company; provided that Landlord shall keep such information confidential.

6.8 Notwithstanding anything to the contrary in Section 6.2 or elsewhere in this Lease, if (a) Landlord fails to provide Tenant with the utility services or elevator service described in Section 6.1, (b) such failure is not due to any one or more Force Majeure Events or to an event covered by Article 19, (c) Tenant has given Landlord reasonably prompt written notice that such failure is unreasonably interfering with Tenant's use of the Premises and (d) as a result of such failure all or any part of the Premises are rendered not reasonably usable by Tenant (and, as a result, all or such part of the Premises are not used by Tenant during the applicable period) for more than five (5) consecutive business days, then Tenant shall be entitled to an abatement of Rent proportional to the extent to which the Premises are thereby rendered unusable by Tenant, commencing with the later of (i) the sixth (6th) business day during which such unusability continues or (ii) the sixth (6th) business day after Landlord receives such notice from Tenant, until the Premises (or part thereof affected) are again reasonably usable or until Tenant again uses the Premises (or part thereof rendered unusable) in its business, whichever first occurs. The foregoing rental abatement shall be Tenant's exclusive remedy therefor. Notwithstanding the foregoing, the provisions of Article 19 below and not the provisions of this subsection shall govern in the event of casualty damage to the Premises or Project and the provisions of Article 20 below and not the provisions of this subsection shall govern in the event of condemnation of all or a part of the Premises or Project.

ARTICLE 7.
REPAIRS AND MAINTENANCE BY LANDLORD

7.1 Landlord shall provide for the cleaning and maintenance of the public portions of the Project in keeping with the ordinary standard for Comparable Buildings as part of Operating Expenses. Unless otherwise expressly stipulated herein, Landlord shall not be required to make any improvements or repairs of any kind or character to the Premises during the Term, except such repairs as may be required to the exterior walls, corridors, windows, roof, integrated Building utility and mechanical systems and other Base Building (as defined below) elements and other structural elements and equipment of the Project, and subject to Section 13.4, below, such additional maintenance as may be necessary because of the damage caused by persons other than Tenant, its agents, employees, licensees, or invitees. As used in this Lease, the "Base Building" shall include the structural portions of the Building, and the public restrooms, elevators, exit stairwells and the systems and equipment located in the internal core of the Building.

7.2 Landlord or Landlord's officers, agents, and representatives (subject to any security regulations imposed by any governmental authority) shall have the right to enter all parts of the Premises at all reasonable hours upon reasonable prior notice to Tenant (which notice shall not be less than twenty-four (24) hours in advance, except in an emergency) to inspect, clean, make repairs, alterations, and additions to the Project or the Premises which it may deem necessary or desirable, to make repairs to adjoining spaces, to cure any defaults of Tenant hereunder that Landlord elects to cure pursuant to Section 22.5, below, to post notices of nonresponsibility, to show the Premises to prospective tenants (during the final nine (9) months of the Term or at any time after the occurrence of an Event of Default that remains uncured), mortgagees or purchasers of the Building, or to provide any service which it is obligated or elects to furnish to Tenant; and Tenant shall not be entitled to any abatement or reduction of Rent by reason thereof. Landlord shall have the right to enter the Premises at any time and by any means in the case of an emergency. In connection with any entry into the Premises except in the case of an emergency or after the entry of judgment in favor of Landlord for unlawful detainer due to an Event of Default by Tenant, Landlord shall comply with Tenant's reasonable security measures and operating procedures and shall use reasonable efforts to minimize any disruption to Tenant. Furthermore, notwithstanding anything to the contrary contained in this Lease, Tenant reserves right to require that a representative of the Tenant accompany the Landlord and all such other parties at all times while gaining access to the Premises; provided that Tenant's failure to make a Tenant employee available at the time of Landlord's entry into the Premises shall not limit Landlord's or Landlord's officers, agents, representatives' right to enter the Premises.

7.3 Except as otherwise expressly provided in this Lease, Landlord shall not be liable for any failure to make any repairs or to perform any maintenance and 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, and equipment therein. Tenant hereby waives all rights it would otherwise have under California Civil Code

Sections 1932(1) and 1942(a), or any similar law, statute or ordinance now or hereafter in effect, to make repairs at Landlord's expense, to deduct repair costs from Rent and/or terminate this Lease as the result of any failure by Landlord to maintain or repair.

ARTICLE 8.
REPAIRS AND CARE OF PREMISES BY TENANT

8.1 If the Building, the Project, or any portion thereof, including but not limited to, the elevators, boilers, engines, pipes, and other apparatus, or members of elements of the Building (or any of them) used for the purpose of climate control of the Building or operating of the elevators, or of the water pipes, drainage pipes, electric lighting, or other equipment of the Building or the roof or outside walls of the Building and also the Premises improvements, including but not limited to, the carpet, wall coverings, doors, and woodwork, become damaged or are destroyed through the negligence, or intentional misuse of Tenant, its servants, agents, employees, or anyone permitted by Tenant to be in the Building, or through it or them, then the reasonable cost of the necessary repairs, replacements, or alterations shall be borne by Tenant who shall pay the same to Landlord as Additional Rent within ten (10) business days after demand, subject to Section 13.4 below. Landlord shall have the exclusive right, but not the obligation, to make any repairs necessitated by such damage. In performing such repairs, Landlord shall use its reasonable efforts to minimize any disruption to Tenant.

8.2 Subject to Section 13.4 below, Tenant agrees, at its sole cost and expense, to repair or replace any damage or injury done to the Project, or any part thereof, caused by the negligence or willful misconduct of Tenant, Tenant's agents, employees, licensees, or invitees which Landlord elects not to repair. Tenant shall not injure the Project or the Premises and, at Tenant's sole cost and expense, shall maintain the Premises, including without limitation all improvements, fixtures and furnishings therein, and the floor or floors on which the Premises are located, in good order, repair and condition at all times during the Term. Notwithstanding the foregoing, Landlord shall perform and construct, and Tenant shall have no responsibility to perform or construct, any repair, maintenance or improvements (i) required as a consequence of any violation of any Laws or construction defects in the Premises, the Building or the Project as of the Commencement Date, (ii) which could be treated as a "capital expenditure" under generally accepted accounting principles, except to the extent the capital expenditure is required due to a Trigger Event (as defined in Section 34.1 below), and (iii) to any portion of the Building or the Project outside of the demising walls of the Premises; provided that (a) the cost to Landlord of such repair, maintenance or improvements shall be included in Operating Expenses, subject to the terms of Article 5, and (b) to the extent any repair, maintenance or improvements are required to any portion of the Building or the Project outside of the demising walls of the Premises due to a Trigger Event, Tenant shall be solely responsible for the cost thereof. If an Event of Default occurs because Tenant fails to keep such elements of the Premises in such good order, condition, and repair as required hereunder to the satisfaction of Landlord, Landlord may restore the Premises to such good order and condition and make such repairs without liability to Tenant for any loss or damage that may accrue to Tenant's property or business by reason thereof, and within ten (10) business days after completion thereof, Tenant shall pay to Landlord, as Additional Rent, upon demand, the cost of restoring the Premises to such good order and condition and of the making of such repairs, plus an additional charge of ten percent (10%) thereof. Upon the Expiration Date or the Termination Date, Tenant shall surrender and deliver up

the Premises to Landlord in the same condition in which it existed at the Commencement Date, excepting only ordinary wear and tear, Alterations that Tenant is not required to remove hereunder, and damage arising from any cause not required to be repaired by Tenant (including casualty and condemnation). Upon the Expiration Date or the Termination Date, Landlord shall have the right to re-enter and take possession of the Premises.

8.3 Tenant shall provide its own janitorial and cleaning services to the Premises at Tenant's sole cost and expense. Landlord is not obligated to provide any janitorial or cleaning services to the Premises.

ARTICLE 9.
TENANT'S EQUIPMENT AND INSTALLATIONS

9.1 If heat-generating machines or equipment, including telephone equipment, cause the temperature in the Premises, or any part thereof, to exceed the temperatures the Building's air conditioning system would be able to maintain in such Premises were it not for such heat-generating equipment, then Landlord reserves the right to install supplementary air conditioning units in the Premises, and the reasonable cost thereof, including the cost of installation and the cost of operation and maintenance thereof, including water, shall be paid by Tenant to Landlord within thirty (30) days after demand by Landlord.

9.2 Except for desk or table-mounted typewriters, adding machines, office calculators, dictation equipment, personal computers, servers, photocopiers, printers and other similar office equipment consistent with first-class general office use in Comparable Buildings, Tenant shall not install within the Premises any fixtures, equipment, facilities, or other improvements without the specific written consent of Landlord, subject to Article 15, below. Tenant shall not, without the specific written consent of Landlord (which consent shall not be unreasonably withheld, conditioned, or delayed), install or maintain any apparatus or device within the Premises which shall increase the usage of electrical power or water for the Premises to an amount greater than would be normally required for general office use for space of comparable size in the Market Area; and if any such apparatus or device is so installed, Tenant agrees to furnish Landlord a written agreement to pay for any additional costs of utilities as the result of said installation. Notwithstanding anything to the contrary contained in this Lease except Section 50.1, Tenant shall have the right to install and maintain such fixtures, equipment, facilities, or other improvements as are reasonably necessary for conduct of Tenant's business at the Premises.

ARTICLE 10.
FORCE MAJEURE

10.1 It is understood and agreed that with respect to any service or other obligation to be furnished or obligations to be performed by either party, in no event shall either party be liable for failure to furnish or perform the same when prevented from doing so by strike, lockout, breakdown, accident, supply, or inability by the exercise of reasonable diligence to obtain supplies, parts, or employees necessary to furnish such service or meet such obligation; or because of war or other emergency; or for any cause beyond the reasonable control with the party obligated for such performance; or for any cause due to any act or omission in violation of

this Lease of the other party or its agents, employees, licensees, invitees, or any persons claiming by, through, or under the other party (each, a "Party Caused Event"); or because of the failure of any public utility to furnish services; or because of order or regulation of any federal, state, county or municipal authority (collectively, "Force Majeure Events"). Nothing in this Section 10.1 shall limit or otherwise modify or waive Tenant's obligation to pay Base Rent and Additional Rent as and when due pursuant to the terms of this Lease.

ARTICLE 11.
CONSTRUCTION, MECHANICS' AND MATERIALMAN'S LIENS

11.1 Tenant shall not suffer or permit any construction, mechanics' or materialman's lien to be filed against the Premises or any portion of the Project by reason of work, labor services, or materials supplied or claimed to have been supplied to Tenant. Nothing herein contained shall be deemed or construed in any way as constituting the consent or request of Landlord, expressed or implied, by inference or otherwise, for any contractor, subcontractor, laborer, or materialman to perform any labor or to furnish any materials or to make any specific improvement, alteration, or repair of or to the Premises or any portion of the Project; nor of giving Tenant any right, power, or authority to contract for, or permit the rendering of, any services or the furnishing of any materials that could give rise to the filing of any construction, mechanics' or materialman's lien against the Premises or any portion of the Project.

11.2 If any such construction, mechanics' or materialman's lien shall at any time be filed against the Premises or any portion of the Project as the result of any act or omission of Tenant, Tenant covenants that it shall, within twenty (20) days after Tenant has notice of the claim for lien, procure the discharge thereof by payment or by giving security or in such other manner as is or may be required or permitted by law or which shall otherwise satisfy Landlord. If Tenant fails to take such action, Landlord, in addition to any other right or remedy it may have, may take such action as may be reasonably necessary to protect its interests. Any amounts paid by Landlord in connection with such action, all other expenses of Landlord incurred in connection therewith, including reasonable attorneys' fees, court costs, and other necessary disbursements shall be repaid by Tenant to Landlord within ten (10) business days after demand.

ARTICLE 12.
ARBITRATION

12.1 In the event that a dispute arises under Section 5.3 above, the same shall be submitted to arbitration in accordance with the provisions of applicable state law, if any, as from time to time amended. Arbitration proceedings, including the selection of an arbitrator, shall be conducted pursuant to the rules, regulations, and procedures from time to time in effect as promulgated by the American Arbitration Association (the "Association"). Prior written notice of application by either party for arbitration shall be given to the other at least ten (10) business days before submission of the application to the said Association's office in the city wherein the Building is situated (or the nearest other city having an Association office). The arbitrator shall hear the parties and their evidence. The decision of the arbitrator may be entered in the appropriate court of law; and the parties consent to the jurisdiction of such court and further agree that any process or notice of motion or other application to the court or a judge thereof may

be served outside the state wherein the Building is situated by registered mail or by personal service, provided a reasonable time for appearance is allowed. The costs and expenses of each arbitration hereunder and their apportionment between the parties shall be determined by the arbitrator in his or her award or decision, subject to the penultimate sentence of this section. No arbitrable dispute shall be deemed to have arisen under this Lease (a) prior to the expiration of the period of twenty (20) days after the date of the giving of written notice by the party asserting the existence of the dispute, together with a description thereof sufficient for an understanding thereof, and (b) where Tenant disputes the amount of a Tenant payment required hereunder (e.g., Operating Expenses under Section 5.3 hereof), prior to Tenant paying in full the amount billed by Landlord, including the disputed amount. The prevailing party in such arbitration shall be reimbursed for its expenses, including reasonable attorneys' fees. Notwithstanding the foregoing, in no event shall this Article 12 affect or delay Landlord's unlawful detainer rights under California law.

ARTICLE 13.
INSURANCE

13.1 Landlord shall maintain, as a part of Operating Expenses, to the extent permitted under Section 5.1(a), special causes of loss form property insurance on the Project (excluding, at Landlord's option, the property required to be insured by Tenant pursuant to Section 13.2(e), below) in an amount equal to the full replacement cost of the Project, subject to such deductibles as Landlord may determine. Landlord shall not be obligated to insure, and shall not assume any liability of risk of loss for, any of Tenant's furniture, equipment, machinery, goods, supplies, improvements or alterations upon the Premises. Such insurance shall be maintained with an insurance company selected, and in amounts desired, by Landlord or Landlord's mortgagee, and payment for losses thereunder shall be made solely to Landlord subject to the rights of the holder of any mortgage or deed of trust which may now or hereafter encumber the Project. Additionally Landlord may maintain such additional insurance, including, without limitation, earthquake insurance, flood insurance, liability insurance and/or rent insurance, as Landlord may in its sole discretion elect. Subject to Section 5.1(a), the cost of all such additional insurance shall also be part of the Operating Expenses. Any or all of Landlord's insurance may be provided by blanket coverage maintained by Landlord or any affiliate of Landlord under its insurance program for its portfolio of properties or by Landlord or any affiliate of Landlord's program of self-insurance, and in such event Operating Expenses shall include subject to Section 5.1(a), the portion of the reasonable cost of blanket insurance or self-insurance that is allocated to the Project.

13.2 Tenant, at its own expense, shall maintain with insurers authorized to do business in the State of California and which are rated A- or better and have a financial size category of at least VIII in the most recent Best's Key Rating Guide, or any successor thereto (or if there is none, an organization having a national reputation), (a) commercial general liability insurance, including Broad Form Property Damage and Contractual Liability with the following minimum limits: Each Occurrence $1,000,000.00 and General Aggregate $2,000,000.00; Personal and Advertising Injury $1,000,000.00; Medical Payments $5,000.00 per person, (b) Umbrella/Excess Liability on a following form basis with the following minimum limits: General Aggregate $5,000,000.00; Each Occurrence $5,000,000.00, excess above the General Liability, Employer's Liability and Auto Liability coverage; (c) Workers' Compensation with

statutory limits; (d) Employer's Liability insurance with the following limits: Bodily injury by disease per person $1,000,000.00; Bodily injury by accident policy limit $1,000,000.00; Bodily injury by disease policy limit $1,000,000.00; (e) property insurance on special causes of loss insurance form covering (i) all office furniture, business and trade fixtures, office equipment, free-standing cabinet work, movable partitions, merchandise and all other items of Tenant's property on the Premises installed by, for, or at the expense of Tenant, (ii) the Tenant Improvements and any other improvements which exist in the Premises as of the Commencement Date (excluding the Base Building) (the "Original Improvements"), and (iii) all other improvements, alterations and additions to the Premises (such insurance shall be for the full replacement cost value (subject to reasonable deductible amounts) 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 coverage for damage or other loss caused by fire or other peril including, but not limited to, vandalism and malicious mischief, theft, water damage of any type, including sprinkler leakage, bursting or stoppage of pipes, and explosion); and (f) business auto 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. At all times during the Term, such insurance shall be maintained, and Tenant shall cause a current and valid certificate of such policies to be deposited with Landlord. If Tenant fails to have a current and valid certificate of such policies on deposit with Landlord at all times during the Term and such failure is not cured within five (5) business days following Tenant's receipt of notice thereof from Landlord, Landlord shall have the right, but not the obligation, to obtain such an insurance policy, and Tenant shall be obligated to pay Landlord the amount of the premiums applicable to such insurance within ten (10) business days after Tenant's receipt of Landlord's request for payment thereof. Said policy of liability insurance shall name Landlord, Landlord's affiliates and subsidiaries reasonably designated by Landlord, and Landlord's managing agent as additional insureds and Tenant as the insured and shall be noncancellable with respect to Landlord except after thirty (30) days' written notice from the insurer to Landlord.

13.3 Tenant shall adjust (but not more than once every three years) the amount of coverage established in Section 13.2 hereof to such amount as in Landlord's reasonable opinion, adequately protects Landlord's interest; provided the same is consistent with the amount of coverage customarily required of comparable tenants in Comparable Buildings.

13.4 Notwithstanding anything in this Lease to the contrary, Landlord and Tenant each hereby waives any and all rights of recovery, claim, action, or cause of action against the other, its agents, employees, licensees, or invitees for any loss or damage to or at the Premises or the Project or any personal property of such party therein or thereon by reason of fire, the elements, or any other cause which would be insured against under the terms of special causes of loss form property insurance, regardless of cause or origin, including omission of the other party hereto, its agents, employees, licensees, or invitees. Landlord and Tenant covenant that no insurer shall hold any right of subrogation against either of such parties with respect thereto. This waiver shall be ineffective against any insurer of Landlord or Tenant to the extent that such waiver is prohibited by the laws and insurance regulations of the State of California. The parties hereto agree that any and all such insurance policies required to be carried by either shall be endorsed with a subrogation clause, substantially as follows: "This insurance shall not be invalidated should the insured waive, in writing prior to a loss, any and all right of recovery

against any party for loss occurring to the property described therein", and shall provide that such party's insurer waives any right of recovery against the other party in connection with any such loss or damage.

13.5 In the event Tenant's particular occupancy or conduct of business in or on the Premises, whether or not Landlord has consented to the same, results in any increase in premiums for the insurance carried from time to time by Landlord with respect to the Building, Tenant shall pay any such increase in premiums as Rent within ten (10) business days after bills for such additional premiums shall be rendered by Landlord. In determining whether increased premiums are a result of Tenant's use or occupancy of the Premises, a schedule issued by the organization computing the insurance rate on the Building showing the various components of such rate, shall be conclusive evidence of the several items and charges which make up such rate. Tenant shall promptly comply with all reasonable requirements of the insurance authority or of any insurer now or hereafter in effect relating to the Premises.

ARTICLE 14.
QUIET ENJOYMENT

14.1 So long as no Event of Default shall have occurred under this Lease, Tenant shall peaceably and quietly hold and enjoy the Premises for the Term, without hindrance by Landlord, subject to the provisions and conditions set forth in this Lease.

ARTICLE 15.
ALTERATIONS

15.1 Tenant agrees that it shall not make or allow to be made any alterations, physical additions, or improvements in or to the Premises without first obtaining the written consent of Landlord in each instance. As used herein, the term "Minor Alteration" refers to an alteration that (a) does not affect the outside appearance of the Building and is not visible from the Common Areas, (b) is non-structural and does not impair the strength or structural integrity of the Building, and (c) does not materially or adversely affect the mechanical, electrical, HVAC or other systems of the Building. Landlord agrees not to unreasonably withhold condition or delay its consent to any Alteration. Notwithstanding the foregoing, Landlord consents to any repainting, recarpeting, or other purely cosmetic changes or upgrades to the Premises, so long as (i) the aggregate cost of such work is less than $50,000.00 per project (provided that Tenant has not artificially segregated an alteration which by its nature is a single unit or event into smaller increments for purposes of avoiding the necessity of obtaining Landlord's consent), (ii) such work constitutes a Minor Alteration (iii) no building permit is required in connection therewith, and (iv) such work conforms to the then existing Building standards. At the time of said request, Tenant shall submit to Landlord plans and specifications of the proposed alterations, additions, or improvements; and Landlord shall have a period of thirty (30) days therefrom in which to review and approve or disapprove said plans; provided that if Landlord determines in good faith that Landlord requires a third party to assist in reviewing such plans and specifications, Landlord shall instead have a period of forty-five (45) days in which to review and approve or disapprove said plans. Tenant shall pay to Landlord upon demand the actual third-party cost and expense of Landlord in (A) reviewing said plans and specifications, and (B) inspecting the alterations, additions, or improvements to determine whether the same are being performed in accordance

with the approved plans and specifications and all laws and requirements of public authorities, including, without limitation, the fees of any architect or engineer employed by Landlord for such purpose. In any instance where Landlord grants such consent, and permits Tenant to use its own contractors, laborers, materialmen, and others furnishing labor or materials for Tenant's construction (collectively, "Tenant's Contractors"), Landlord's consent shall be deemed conditioned upon each of Tenant's Contractors (1) working in harmony and not interfering with any laborer utilized by Landlord, Landlord's contractors, laborers, or materialmen; and (2) furnishing Landlord with evidence of acceptable liability insurance, worker's compensation coverage and if required by Landlord for projects costing over $100,000, completion bonding, and if at any time such entry by one or more persons furnishing labor or materials for Tenant's work shall cause such disharmony or interference, Tenant shall suspend such work until such harmony is restored or such interference abates. If Tenant is using Tenant's Contractors for Tenant's construction, the contract with such Tenant's Contractor(s) shall be fully executed and delivered by Tenant and Tenant's Contractor(s) prior to the commencement of construction. Tenant, at its expense, shall obtain all necessary governmental permits and certificates for the commencement and prosecution of alterations, additions, or improvements and for final approval thereof upon completion, and shall cause any alterations, additions, or improvements to be performed in compliance therewith and with all Applicable Laws (including without limitation, California Energy Code, Title 24) and all requirements of public authorities and with all applicable requirements of insurance bodies. All alterations, additions, or improvements shall be diligently performed in a good and workmanlike manner, using new materials and equipment at least equal in quality and class to be better than (a) the original installations of the Building, or (b) the then standards for the Comparable Building. Upon the completion of work and upon request by Landlord, Tenant shall provide Landlord copies of all waivers or releases of lien from each of Tenant's Contractors. No alterations, modifications, or additions to the Project or the Premises shall be removed by Tenant either during the Term or upon the Expiration Date or the Termination Date without the express written approval of Landlord. Tenant shall not be entitled to any reimbursement or compensation resulting from its payment of the cost of constructing all or any portion of said improvements or modifications thereto unless otherwise expressly agreed by Landlord in writing. Notwithstanding anything to the contrary in this Lease, Landlord shall be deemed to have acted reasonably in disapproving plans or designs if Landlord determines in good faith that the matter disapproved constitutes or would create a Design Problem (as defined below). As used herein, a "Design Problem" shall mean (i) adverse effect on the structural integrity of the Building; (ii) reasonably likely damage to the Building's systems; (iii) non-compliance with applicable codes; (iv) adverse effect on the exterior appearance of the Building; (v) reasonably likely creation of unusual expenses to be incurred upon the removal of the alteration or improvement and the restoration of the Premises upon termination of this Lease, unless Tenant agrees to pay for the incremental removal costs caused by the non-typical alterations; (vi) reasonably likely creation of unusual expenses to be incurred in connection with the maintenance by Landlord of the alteration or improvement, unless Tenant agrees to pay for the incremental maintenance costs caused by the non-typical alterations, (vii) a material adverse effect any other tenant or occupant of the Building, (viii) creation of an obligation to make other alterations, additions or improvements to the Premises or Common Areas in order to comply with applicable laws (including, without limitation, the Americans with Disabilities Act) unless Tenant agrees to pay for such changes, (ix) adverse effect on the LEED rating of the Building, or (x) reasonably likely increase in the premiums for property or liability insurance carried by Landlord, unless Tenant agrees to pay for the incremental increase in cost.

15.2 Landlord's approval of Tenant's plans for work shall create no responsibility or liability on the part of Landlord for their completeness, design sufficiency, or compliance with all laws, rules, and regulations of governmental agencies or authorities, including, but not limited to, the Americans with Disabilities Act. Landlord may, at its option, at Tenant's expense, require that Landlord's contractors be engaged for any work upon the integrated Building mechanical or electrical systems.

15.3 At least five (5) days prior to the commencement of any work permitted to be done by persons requested by Tenant on the Premises, Tenant shall notify Landlord of the proposed work and the names and addresses of Tenant's Contractors. During any such work on the Premises, Landlord, or its representatives, shall have the right to go upon and inspect the Premises at all reasonable times, and shall have the right to post and keep posted thereon building permits and notices of non-responsibility or to take any further action which Landlord may deem to be proper for the protection of Landlord's interest in the Premises.

15.4 During such times as Tenant is performing work or having work or services performed in or to the Premises, Tenant shall require its contractors, and their subcontractors of all tiers, to obtain and maintain commercial general liability, automobile, workers compensation, employer's liability, builder's risk, and equipment/property insurance in such amounts and on such terms as are customarily required of such contractors and subcontractors on similar projects. The amounts and terms of all such insurance are subject to Landlord's written approval, which approval shall not be unreasonably withheld. The commercial general liability and auto insurance carried by Tenant's contractors and their subcontractors of all tiers pursuant to this section shall name Landlord, Landlord's managing agent, and such other persons as Landlord may reasonably request from time to time as additional insureds with respect to liability arising out of or related to their work or services (collectively, "Additional Insureds"). Such insurance shall provide primary coverage without contribution from any other insurance carried by or for the benefit of Landlord, Landlord's managing agent, or other Additional Insureds. Such property insurance shall also waive any right of subrogation against each Additional Insured. Tenant shall obtain and submit to Landlord, prior to the earlier of (i) the entry onto the Premises by such contractors or subcontractors or (ii) commencement of the work or services, certificates of insurance evidencing compliance with the requirements of this section. All of such alterations shall be insured by Tenant pursuant to Article 13 of this Lease immediately upon completion thereof.

15.5 Tenant's initial improvement of the Premises shall be governed by Exhibit C and not the provisions of this Article 15 (other than Section 15.4).

15.6 Landlord may require Tenant to remove all or any part of any non-standard fixtures or improvements (e.g., vaults, kitchens, raised floors, auditoriums, internal stairways, hoods, chemical storage areas and the Vivarium) installed by Tenant and any alterations which include above or non-standard fixtures or improvements, in which event Tenant shall remove the foregoing from the Premises before the end of the Term at Tenant's expense and shall repair and restore the Premises to its condition before such installation and

repair any damage resulting from such removal, including repairing and patching cracks and holes left by such removal. Upon submission of any plans for Landlord's approval, Tenant may request prior to the installation of specific non-standard fixtures, equipment or improvements in the Premises that Landlord agree not to require Tenant to remove such items upon expiration or termination of the Lease or agree to permit Tenant to remove any item it may otherwise not be permitted to remove under the terms of this Lease. Such consent, which may be granted or denied in Landlord's reasonable discretion, must be granted in writing prior to the installation of the subject items in order to be binding against Landlord. Landlord hereby agrees that, subject to Landlord's right to cause Tenant to remove certain Lines as provided in Section 52.1 below, Tenant shall not be obligated to remove any of its initial Tenant Improvements other than the Vivarium. Landlord hereby further agrees that Tenant may remove above-standard installations (e.g., generators, UPS, and raised floors) constructed as part of the Tenant Improvements or subsequently added to the Improvements in the Premises as alterations.

ARTICLE 16.
FURNITURE, FIXTURES, AND PERSONAL PROPERTY

16.1 Tenant, at its sole cost and expense, may remove its trade fixtures, supplies and moveable furniture and equipment not permanently attached to the Project or Premises provided:

(a) Such removal is made prior to the Expiration Date or the Termination Date; and

(b) Tenant promptly repairs all damage caused by such removal.

16.2 If Tenant does not remove its trade fixtures, office supplies, and moveable furniture and equipment as herein above provided prior to the Expiration Date or the Termination Date (unless prior arrangements have been made with Landlord and Landlord has agreed in writing to permit Tenant to leave such items in the Premises for an agreed period), then, in addition to its other remedies, at law or in equity, Landlord shall have the right to have such items removed and stored at Tenant's sole cost and expense and all damage to the Project or the Premises resulting from said removal shall be repaired at the cost of Tenant. All other property in the Premises, any alterations, or additions to the Premises (including wall-to-wall carpeting, paneling, wall covering, specially constructed or built-in cabinetry or bookcases), and any other article permanently attached or affixed to the floor, wall, or ceiling of the Premises shall become the property of Landlord and shall remain upon and be surrendered with the Premises as a part thereof at the Expiration or Termination Date regardless of who paid therefor; and Tenant hereby waives all rights to any payment or compensation therefor, subject to the last sentence of this Section 16.2. If, however, Landlord so requests, in writing, Tenant shall remove, prior to the Expiration Date or the Termination Date, any and all alterations, additions, fixtures, equipment, and property placed or installed in the Premises and shall repair any damage caused by such removal. In addition, if any alterations performed by Tenant do not use materials that conform to the building standards used by Landlord at the time of the particular alteration or if Tenant requests any initial improvements to the Premises pursuant to Exhibit C, if any, that use materials that do not conform to the building standards used by Landlord at the time of that work, Tenant shall at Tenant's sole cost and expense, no later than the expiration of the Term (or

no later than fifteen (15) days after the earlier termination of the Term) cause the improvements in the Premises to be restored to conform to Landlord's building standard at Tenant's sole cost and expense. Prior to commencing any alteration, Tenant may request that Landlord notify Tenant whether or not the proposed alteration will be required by Landlord to be removed at the end of the Term; provided that, if Landlord fails to notify Tenant of Landlord's waiver or nonwaiver of Tenant's obligation to remove such addition, alteration or improvement at the end of the Term within ten (10) days after Tenant's written request for that waiver, Tenant shall have the right to provide Landlord with a second written request for waiver (a "Second Request") that specifically identifies the applicable in addition, alteration or improvement as to which it is seeking that waiver and contains the following statement in bold and capital letters: "THIS IS A SECOND REQUEST FOR WAIVER OF THE OBLIGATION TO REMOVE CERTAIN ADDITIONS, ALTERATIONS OR IMPROVEMENTS PURSUANT TO THE PROVISIONS OF SECTION 16.2 OF THE LEASE. IF LANDLORD FAILS TO RESPOND WITHIN FIVE (5) BUSINESS DAYS AFTER RECEIPT OF THIS NOTICE, THEN LANDLORD SHALL BE DEEMED TO HAVE WAIVED THE OBLIGATION OF TENANT TO REMOVE THE ADDITION, ALTERATION OR IMPROVEMENT DESCRIBED HEREIN." If Landlord fails to respond to such Second Request within five (5) business days after receipt by Landlord, Landlord shall be deemed to have waived the right to require Tenant to remove such addition, alteration or improvement at the end of the Term.

16.3 All the furnishings, fixtures, equipment, effects, and property of every kind, nature, and description of Tenant and of all persons claiming by, through, or under Tenant which, during the continuance of this Lease or any occupancy of the Premises by Tenant or anyone claiming under Tenant, may be on the Premises or elsewhere in the Project shall be at the sole risk and hazard of Tenant, and if the whole or any part thereof shall be destroyed or damaged by fire, water, or otherwise, or by the leakage or bursting of water pipes, steam pipes, or other pipes, by theft, or from any other cause, no part of said loss or damage is to be charged to or be borne by Landlord unless due to the negligence or willful misconduct of Landlord or its employees, agents, or contractors.

ARTICLE 17.
PERSONAL PROPERTY AND OTHER TAXES

17.1 During the Term hereof, Tenant shall pay, prior to delinquency, all business and other taxes, charges, notes, duties, and assessments levied, and rates or fees imposed, charged, or assessed against or in respect of the personal property, trade fixtures, furnishings, equipment, and all other personal and other property of Tenant contained in the Project (including without limitation taxes and assessments attributable to the cost or value of any leasehold improvements made in or to the Premises by or for Tenant (to the extent that the assessed value of those leasehold improvements exceeds the assessed value of standard improvements in other space in the Project regardless of whether title to those improvements is vested in Tenant or Landlord)), and shall hold Landlord harmless from and against all payment of such taxes, charges, notes, duties, assessments, rates, and fees, and against all loss, costs, charges, notes, duties, assessments, rates, and fees, and any and all such taxes. Tenant shall cause said fixtures, furnishings, equipment, and other personal property to be assessed and billed separately from the real and personal property of Landlord. In the event any or all of Tenant's fixtures, furnishings, equipment, and other personal property shall be assessed and taxed with

Landlord's real property, Tenant shall pay to Landlord Tenant's share of such taxes within ten (10) business days after delivery to Tenant by Landlord of a statement in writing setting forth the amount of such taxes applicable to Tenant's property. In addition, Tenant shall be liable for and shall pay ten (10) days before delinquency any (i) rent tax, gross receipts tax, or sales tax, service tax, transfer tax or value added tax, or any other applicable tax on the rent or services herein or otherwise respecting this Lease; or (ii) taxes 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. If any of such taxes are billed to Landlord or included in bills to Landlord for taxes, then Tenant shall pay to Landlord all such amounts within thirty (30) days after receipt of Landlord's invoice therefor.

ARTICLE 18.
ASSIGNMENT AND SUBLETTING

18.1 Tenant shall not, without the prior written consent of Landlord, which consent shall not be unreasonably withheld (except that Landlord shall in no event be obligated to consent to an encumbrance of this Lease or any transfer by operation of law): (a) assign, convey, mortgage or otherwise transfer this Lease or any interest hereunder, or sublease the Premises, or any part thereof, whether voluntarily or by operation of law; or (b) permit the use of the Premises or any part thereof by any person other than Tenant and its employees. Any such transfer, sublease or use described in the preceding sentence (a "Transfer") occurring without the prior written consent of Landlord shall, at Landlord's option, be void and of no effect. Landlord's consent to any Transfer shall not constitute a waiver of Landlord's right to withhold its consent to any future Transfer. Landlord may require as a condition to its consent to any assignment of this Lease that the assignee execute an instrument in which such assignee assumes the remaining obligations of Tenant hereunder; provided that the acceptance of any assignment of this Lease by the applicable assignee shall automatically constitute the assumption by such assignee of all of the remaining obligations of Tenant that accrue following such assignment. The voluntary or other surrender of this Lease by Tenant or a mutual cancellation hereof shall not work a merger and shall, at the option of Landlord, terminate all or any existing sublease or may, at the option of Landlord, operate as an assignment to Landlord of Tenant's interest in any or all such subleases.

18.2 For purposes of this Lease, the term "Transfer" shall also include (i) if a Tenant is a partnership or limited liability company, the withdrawal or change, voluntary, involuntary or by operation of law, of fifty percent (50%) or more of the partners, members or managers thereof, or transfer of twenty-five percent (25%) or more of partnership or membership interests therein within a twelve (12) month period, or the dissolution of the partnership or the limited liability company without immediate reconstitution thereof, and (ii) if Tenant is a corporation whose stock is not publicly held and not traded through an exchange or over the counter or any other form of entity, (A) the dissolution, merger, consolidation or other reorganization of Tenant, the sale or other transfer of more than an aggregate of fifty percent (50%) of the voting shares or other interests of or in Tenant (other than to immediate family members by reason of gift or death), within a twelve (12) month period, or (B) the sale, mortgage, hypothecation or pledge of more than an aggregate of fifty percent (50%) of the value of the unencumbered assets of Tenant (other than in connection with a bona fide transaction with a third party that is not entered into as a subterfuge to avoid the obligation to obtain Landlord's consent under this Article 18) within a twelve (12) month period.

18.3 If Tenant desires the consent of Landlord to a Transfer, Tenant shall submit to Landlord, at least thirty (30) days prior to the proposed effective date of the Transfer, a written notice (the "Transfer Notice") which includes (a) the name of the proposed sublessee or assignee, (b) the nature of the proposed sublessee's or assignee's business, (c) the terms and provisions of the proposed sublease or assignment, and (d) current financial statements and information on the proposed sublessee or assignee. Upon receipt of the Transfer Notice, Landlord may reasonably request additional information concerning the Transfer or the proposed sublessee or assignee (the "Additional Information"). Subject to Landlord's rights under Section 18.6, Landlord shall not unreasonably withhold its consent to any assignment or sublease (excluding an encumbrance or transfer by operation of law), which consent or lack thereof shall be provided within thirty (30) days of receipt of Tenant's Transfer Notice; provided, however, Tenant hereby agrees that it shall be a reasonable basis for Landlord to withhold its consent if Landlord has not received the Additional Information requested by Landlord. Without limiting any other reasonable basis for Landlord to withhold its consent to the proposed Transfer, Landlord and Tenant agree that for purposes of this Lease and any Applicable Law, Landlord shall not be deemed to have unreasonably withheld its consent if, in the reasonable judgment of Landlord: (i) the transferee is of a character or engaged in a business which is not in keeping with the standards or criteria used by Landlord in leasing the Project, or the general character or quality of the Project; (ii) the financial condition of the transferee is such that it may not be able to perform its obligations in connection with this Lease (or otherwise does not satisfy Landlord's standards for financial standing with respect to tenants under direct leases of comparable economic scope); (iii) the transferee, or any person or entity which directly or indirectly controls, is controlled by, or is under common control with, the transferee, is a tenant of or negotiating for space in the Project occupies space in the Project or has negotiated with Landlord within the preceding ninety (90) days (or is currently negotiating with Landlord) to lease space in the Project, (iv) the transferee has the power of eminent domain, is a governmental agency or an agency or subdivision of a foreign government; (v) an Event of Default by Tenant has occurred and is uncured at the time Tenant delivers the Transfer Notice to Landlord; (vi) in the good faith judgment of Landlord, such a Transfer would violate any term, condition, covenant, or agreement of Landlord involving the Project or any other tenant's lease within it or would give an occupant of the Project a right to cancel or modify its lease; (vii) [Intentionally Omitted]; (viii) in Landlord's reasonable judgment, the use of the Premises by the proposed transferee would not be comparable to the types of use by other tenants in the Project, would entail any alterations which would materially lessen the value of the tenant improvements in the Premises, would result in more than a reasonable density of occupants per square foot of the Premises, would materially increase the burden on elevators or other Building systems or equipment over the burden thereon prior to the proposed Transfer, would require materially increased services by Landlord or would require any alterations to the Project to comply with applicable laws; (ix) the transferee intends to use the space for purposes which are not permitted under this Lease; (x) the terms of the proposed Transfer would 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); (xi) the proposed Transfer would result in more than three subleases per each full floor of the Premises being in effect at any one time during the Term; or (xii) any ground lessor or mortgagee unaffiliated with Landlord, whose consent to such Transfer is required fails to consent thereto. Tenant hereby waives any right to terminate the Lease as remedies for Landlord wrongfully withholding its consent to any Transfer.

18.4 Landlord and Tenant agree that, in the event of any approved assignment or subletting, the rights of any such assignee or sublessee of Tenant herein shall be subject to all of the terms, conditions, and provisions of this Lease, including, without limitation, restriction on use, assignment, and subletting and the covenant to pay Rent. Upon any Event of Default by Tenant, Landlord may collect the rent owing by the assignee or sublessee directly from such assignee or sublessee and apply the amount so collected to the Rent herein reserved. No such consent to or recognition of any such assignment or subletting shall constitute a release of Tenant or any guarantor of Tenant's performance hereunder from further performance by Tenant or such guarantor of covenants undertaken to be performed by Tenant herein. Tenant and any such guarantor shall remain liable and responsible for all Rent and other obligations herein imposed upon Tenant, and Landlord may condition its consent to any Transfer upon the receipt of a written reaffirmation from each such guarantor in a form reasonably acceptable to Landlord (which shall not be construed to imply that the occurrence of a Transfer without such a reaffirmation would operate to release any guarantor). Consent by Landlord to a particular assignment, sublease, or other transaction shall not be deemed a consent to any other or subsequent transaction. In any case where Tenant desires to assign, sublease or enter into any related or similar transaction, whether or not Landlord consents to such assignment, sublease, or other transaction, Tenant shall pay any reasonable attorneys' fees incurred by Landlord in connection with such assignment, sublease or other transaction, including, without limitation, fees incurred in reviewing documents relating to, or evidencing, said assignment, sublease, or other transaction; provided that those costs shall not exceed $2,500.00 with respect to any single Transfer so long as Tenant and the proposed transferee execute Landlord's form of consent document without negotiation requiring more than four (4) hours of Landlord's attorney's time.

18.5 Tenant shall be bound and obligated to pay Landlord a portion of any sums or economic consideration payable to Tenant by any sublessee, assignee, licensee, or other transferee with regard to such Transfer, within ten (10) business days following receipt thereof by Tenant from such sublessee, assignee, licensee, or other transferee, as the case might be, as follows:

(a) In the case of an assignment, fifty percent (50%) of any sums or other economic consideration received by Tenant as a result of such assignment shall be paid to Landlord after first deducting the unamortized cost of leasehold improvements paid for by Tenant in connection with such assignment and reasonable cost of any real estate commissions incurred by Tenant in connection with such assignment.

(b) In the case of a subletting, fifty percent (50%) of any sums or economic consideration received by Tenant as a result of such subletting shall be paid to Landlord after first deducting (i) the Rent due hereunder prorated to reflect only Rent allocable to the sublet portion of the Premises, (ii) the cost of tenant improvements made to the sublet portion of the Premises by Tenant at Tenant's expense (without reimbursement out of any allowance provided by Landlord) for the specific benefit of the sublessee, and (iii) the reasonable cost of any real estate commissions incurred by Tenant in connection with such subletting.

(c) Tenant shall provide Landlord with a detailed statement setting forth any sums or economic consideration Tenant either has or will derive from such Transfer, the deductions permitted under (a) and (b) of this Section 18.5, and the calculation of the amounts due Landlord under this Section 18.5. In addition, Landlord or its representative shall have the right at all reasonable times to audit the books and records of Tenant with respect to the calculation of the Transfer profits. If such inspection reveals that the amount paid to Landlord was incorrect, then within ten (10) days of Tenant's receipt of the results of such audit, Tenant shall pay Landlord the deficiency and (if Tenant has underpaid Landlord by more than seven percent (7%)) the cost of Landlord's audit.

18.6 If this Lease is assigned to any person or entity pursuant to the provisions of the Bankruptcy Code, 11 U.S.C. Section 101 et seq. or any successor or substitute therefor (the "Bankruptcy Code"), any and all monies or other consideration payable or otherwise to be delivered in connection with such assignment shall be paid or delivered to Landlord, shall be and remain the exclusive property of Landlord, and shall not constitute property of Tenant or of the estate of Tenant within the meaning of the Bankruptcy Code. Any such monies or other consideration not paid or delivered to Landlord shall be held in trust for the benefit of Landlord and shall be promptly paid or delivered to Landlord. Any person or entity to whom this Lease is so assigned shall be deemed, without further act or deed, to have assumed all of the remaining obligations arising under this Lease as of the date of such assignment. Any such assignee shall, upon demand therefor, execute and deliver to Landlord an instrument confirming such assumption.

18.7 Landlord shall have the following option with respect to any assignment of this Lease or a Triggering Subletting (as defined below) proposed by Tenant:

(a) Notwithstanding any other provision of this Article, Landlord has the option, by written notice to Tenant (the "Recapture Notice") within thirty (30) days after receiving any Transfer Notice to recapture the space covered by the proposed sublease or the entire Premises in the case of an assignment (the "Subject Space") by terminating this Lease for the Subject Space. A timely Recapture Notice terminates this Lease, effective as of the date specified in the Transfer Notice. After such termination, Landlord may (but shall not be obligated to) enter into a lease with the party to the sublease or assignment proposed by Tenant. Notwithstanding the foregoing, if Landlord elects to recapture the Subject Space in accordance with this Section 18.7(a), Tenant shall have the right, by written notice given within ten (10) business days after Tenant's receipt of Landlord's Recapture Notice, to rescind Tenant's Transfer Notice, in which event Landlord's recapture right shall be rendered null and void, and this Lease shall continue in full force and effect as though Tenant had not delivered a Transfer Notice. As used herein, "Triggering Subletting" means subleasing of fifty percent (50%) or more of the Premises and/or a full floor of the Premises, either in a single transaction or, in the aggregate, following a series of transactions, for a term or terms expiring during the last year of the Term.

(b) To determine the new Base Rent under this Lease in the event Landlord recaptures the Subject Space without terminating this Lease, (i) the original Base Rent under the Lease shall be multiplied by a fraction, the numerator of which is the rentable square feet of the Premises retained by Tenant after Landlord's recapture and the denominator of which is the total rentable square feet in the Premises before Landlord's recapture, (ii) the Additional

Rent, to the extent that it is calculated on the basis of the rentable square feet within the Premises, shall be reduced to reflect Tenant's proportionate share based on the rentable square feet of the Premises retained by Tenant after Landlord's recapture, and (iii) this Lease as so amended shall continue thereafter in full force and effect. Either party may require a written confirmation of the amendments to this Lease necessitated by Landlord's recapture of the Subject Space. If Landlord recaptures the Subject Space, Landlord shall, at Landlord's sole expense, construct any partitions required to segregate the Subject Space from the remaining Premises retained by Tenant; provided, however, that Landlord shall use reasonable efforts to minimize any interference with Tenant's operations at the Premises.

18.8 Notwithstanding the foregoing, Tenant may Transfer all or part of its interest in this Lease or all or part of the Premises (a "Permitted Transfer") to the following types of entities (a "Permitted Transferee") without the written consent of Landlord and without being subject to Section 18.5 or Section 18.7 of this Lease: (a) any parent, subsidiary or affiliate corporation which Controls (as defined below), is Controlled by or is under common Control with Tenant (collectively, an "Affiliate"); (b) any corporation, limited partnership, limited liability partnership, limited liability company or other business entity in which or with which Tenant, an Affiliate of Tenant, or their respective corporate successors or assigns, is merged or consolidated, in accordance with applicable statutory provisions governing merger and consolidation of business entities, so long as (i) in both cases (a) and (b), Tenant's obligations hereunder are assumed by the Permitted Transferee; and (ii) in the case of clause (b), the Permitted Transferee satisfies the Net Worth Threshold as of the effective date of the Permitted Transfer; or (c) any corporation, limited partnership, limited liability partnership, limited liability company or other business entity which acquires all or substantially all of Tenant's assets and/or ownership interests, or Tenant in the case of a deemed Transfer under Section 18.2, if the Transferee satisfies the Net Worth Threshold as of the effective date of the Transfer. Tenant shall notify Landlord in writing of any such Permitted Transfer. Tenant shall remain liable for the performance of all of the obligations of Tenant hereunder, or if Tenant no longer exists because of a merger, consolidation, or acquisition, the surviving or acquiring entity shall expressly assume in writing, the obligations of Tenant hereunder. Additionally, any Permitted Transferee constituting an assignee of Tenant's entire interest under the Lease shall comply with all of the terms and conditions of this Lease, whether accruing prior to and/or from and after the consummation of the Transfer. No later than ten (10) days prior to the effective date of any Permitted Transfer, Tenant agrees to furnish Landlord with (1) copies of the instrument effecting any of the foregoing Transfers, (2) documentation establishing Tenant's satisfaction of the requirements set forth above applicable to any such Transfer, and (3) evidence of insurance as required under this Lease with respect to the Permitted Transferee. To the extent that legal requirements or confidentiality requirements do not permit Tenant to give Landlord prior notice of a Permitted Transfer, then Tenant may in lieu of the prior notice required under this Section give Landlord notice within ten (10) days after the effective date of the Permitted Transfer, together with the name of the transferee and a written certification from an officer of Tenant certifying that the assignment or sublease qualifies as a Permitted Transfer. The occurrence of a Permitted Transfer shall not waive Landlord's rights as to any subsequent Transfers. As used herein, the term "Net Worth Threshold" shall mean the proposed Permitted Transferee has a tangible net worth equal to or greater than (x) that of Tenant immediately prior to such transaction, and (y) that of the originally named Tenant as of December 31 of the year prior to the Commencement Date (determined in accordance with generally accepted accounting

principles consistently applied and excluding from the determination of total assets all assets which would be classified as intangible assets under generally accepted accounting principles, including, without limitation, goodwill, licenses, trademarks, trade names, copyrights and franchises), and as evidenced by financial statements certified by the Transferor's chief financial officer or audited by a certified public accounting firm (if available). The term "Control" shall mean the possession of the power to direct or cause the direction of the management and policy of such corporation, partnership, limited liability company or other entity, whether through the ownership of voting securities, by statute or by contract, and whether directly or indirectly through Affiliates. In addition, Landlord's consent shall not be required with respect to the infusion of additional equity capital in Tenant or an initial public offering of equity securities of Tenant under the Securities Act of 1933, as amended, which results in Tenant's stock being traded on a national securities exchange, including, but not limited to, the NYSE, the NASDAQ Stock Market or the NASDAQ Small Cap Market System or any sale thereafter of such equity securities on such national securities exchanges.

ARTICLE 19.
DAMAGE OR DESTRUCTION

19.1 If the Premises or Building should be damaged or destroyed by fire or other casualty, Tenant shall give prompt written notice to Landlord. 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 19, restore the base, shell, and core of the Premises and such common areas. Such restoration shall be to substantially the same condition of the base, shell, and core 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 and/or the Building, or any other modifications to the common areas deemed desirable by Landlord, subject to Section 1.3 and provided access to the Premises and any common restrooms serving the Premises shall not be materially impaired. 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. Landlord shall allow Tenant a proportionate abatement of Base Rent and Tenant's Share of Operating Expenses and Tenant's Tax Share of Taxes, during the time and to the extent the Premises are unfit for occupancy for the purposes permitted under this Lease, and not occupied by Tenant as a result thereof; provided, however, if the damage or destruction was caused by the negligence or willful misconduct of Tenant or Tenant's employees, contractors, licensees, subtenants or invitees, such abatement shall occur only to the extent rental abatement insurance proceeds are received by Landlord (or would have been received by Landlord if Landlord had carried rental abatement insurance with a coverage period of twelve months).

19.2 Within sixty (60) days following the date of discovery of the damage, Landlord shall deliver to Tenant a written estimate from Landlord's contractor of the time needed to rebuild and/or restore the Premises and/or the Building (the "Restoration Notice"). Notwithstanding the terms of Section 19.1 of this Lease, Landlord may elect not to rebuild

and/or restore the Premises, the Building and/or any other portion of the Project and instead terminate this Lease by notifying Tenant in writing of such termination within sixty (60) days after the date of Landlord's discovery of such damage (the "Damage Discovery Date"), such notice to include a termination date giving Tenant ninety (90) days to vacate the Premises, but Landlord may so elect only if the Building 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 two hundred seventy (270) days of the Damage Discovery Date (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 and/or the Building 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 (except for deductible amounts in the case of a casualty other than earthquake or flood) by Landlord's insurance policies (or would not have been so covered if Landlord had carried the insurance required to be covered by Landlord under this Lease); provided, however, that Landlord shall not have the right to terminate this Lease if the damage to the Building is relatively minor (e.g., repair or restoration would cost less than five percent (5%) of the replacement cost of the Building) or Landlord actually intends to restore the damage in the following two hundred seventy (270) day period. In addition, if the Premises or the Building is destroyed or damaged to any substantial extent during the last twelve (12) months of the Term, Tenant has not exercised the Extension Option provided in Section 51.1, and such damage cannot reasonably be repaired within 90 days, then notwithstanding anything contained in this Article 19, Landlord and Tenant shall each have the option to terminate this Lease by giving written notice to the other of the exercise of such option within thirty (30) days after the Damage Discovery Date, in which event this Lease shall cease and terminate as of the date of such notice. Upon any such termination of this Lease pursuant to this Section 19.2, 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 Term.

19.3 If there is an occurrence of any damage to the Premises that does not result in the termination of this Lease pursuant to this Article 19, then upon notice (the "Landlord Repair Notice") to Tenant from Landlord, Tenant shall assign to Landlord (or to any party designated by Landlord) all insurance proceeds payable to Tenant under Tenant's insurance required under Sections 13.2(e)(ii) and (iii) above with respect to any improvements in the Premises required to be insured by Tenant hereunder (excluding proceeds for Tenant's Property), and Landlord shall repair any injury or damage to the Tenant Improvements, alterations and the Original Improvements installed in the Premises and shall return such Tenant Improvements, alterations and Original Improvements to substantially their original condition; provided that if the cost of such repair by Landlord exceeds the sum of (A) amount of insurance proceeds received by Landlord from Tenant's insurance carrier, as assigned by Tenant, plus (B) any insurance proceeds received by Landlord with respect to such Tenant Improvements, alterations and Original Improvements (it being acknowledged and agreed that Tenant's insurance as to the Tenant Improvements, Alterations and Original Improvements is primary in nature and Landlord's insurance, if any, with respect to same is secondary in nature), the cost of such repairs in excess of such insurance proceeds shall be paid by Tenant to Landlord prior to Landlord's commencement of repair of the damage. Tenant may elect to make reasonable value-engineering

modifications to the plans for the restoration work to the extent necessary to minimize or eliminate any costs in excess of the insurance proceeds available for such restoration, except to the extent such shortfall of insurance proceeds is due to Tenant's failure to carry the insurance Tenant is obligated to carry under this Lease or to any deductible under such insurance policy Tenant carries or is obligated to carry under this Lease. In the event that Landlord does not deliver the Landlord Repair Notice within sixty (60) days following the Damage Discovery Date, Tenant shall, at its sole cost and expense, repair any injury or damage to the Tenant Improvements, alterations, and the Original Improvements installed in the Premises and shall return such Tenant Improvements, alterations, and Original Improvements to their immediately prior condition. Whether or not Landlord delivers a Landlord Repair Notice, prior to the commencement of construction, Tenant shall submit to Landlord, for Landlord's review and approval, all plans, specifications and working drawings relating thereto, and Landlord shall select the contractors to perform such improvement work.

19.4 If (i) Landlord does not elect to terminate this Lease pursuant to Landlord's termination right as provided hereinabove, (ii) the damage constitutes a Tenant Damage Event (as defined below), and either (a) the repairs cannot, in the reasonable opinion of Landlord's contractor, be completed within two hundred seventy (270) days after the date of the casualty, or (b) the damage occurs during the last twelve (12) months of the Term and will reasonably require in excess of ninety (90) days to repair, Tenant may elect, no earlier than sixty (60) days after the date of the damage and not later than ninety (90) days after the date of such damage (or within thirty (30) days after receipt of the Restoration Notice, if later), to terminate this Lease by written notice to Landlord effective as of the date specified in the notice, which date shall not be less than thirty (30) days nor more than sixty (60) days after the date such notice is given by Tenant (prior to which Tenant shall be entitled to an abatement of Rent as provided in Section 19.1). In the event of a Tenant Damage Event, and if the Lease does not terminate pursuant to the other provisions of this Article 19, then if Landlord fails to substantially complete the repair of such damage comprising a Tenant Damage Event on or before the date (the "Outside Restoration Completion Date") which is three (3) months after the date estimated for completion of such repair by landlord's contractor in the Restoration Notice, then Tenant shall have the option, exercisable by written notice to Landlord within thirty (30) days after the Outside Restoration Completion Date, to terminate this Lease ("Tenant's Second Termination Option"). The Outside Restoration Completion Date shall be extended by delays in the completion of the repair of the damage comprising a Tenant Damage Event to the extent caused by Force Majeure Events (other than the casualty that caused the damage) for up to ninety (90) days or by Tenant, its agents, employees or contractors. If Tenant exercises Tenant's Second Termination Option, the Lease shall terminate as of a date specified in Tenant's termination notice which is not less than thirty (30) days nor more than sixty (60) days after Tenant's notice to Landlord of the exercise of Tenant's Second Termination Option. As used herein, a "Tenant Damage Event" shall mean damage to all or any part of the Premises or any Common Areas necessary to Tenant's occupancy of the Premises by fire or other casualty, which damage (A) is not the result of the willful misconduct of Tenant or any of the Tenant Parties (as defined below), (B) substantially interferes with Tenant's use of or access to the Premises and (C) would entitle Tenant to an abatement of Base Rent and Tenant's Share of Operating Expenses and Tenant's Tax Share of Taxes, pursuant to Section 19.1 above.

19.5 In the event this Lease is terminated in accordance with the terms of this Article 19, Tenant shall assign to Landlord (or to any party designated by Landlord) all insurance proceeds payable to Tenant under Tenant's insurance required under Sections 13.2(e)(ii) and (iii), provided, however, that Tenant shall retain all such proceeds equal to the unamortized amount of all costs paid by Tenant for all Tenant Improvements and alterations (including the Over-Allowance Amount).

19.6 The provisions of this Lease, including this Article 19, constitute an express agreement between Landlord and Tenant with respect to damage to, or destruction of, all or any portion of the Premises or the Project, and any statute or regulation of the State of California, including without limitation Sections 1932(2) and 1933(4) of the California Civil Code, with respect to any rights or obligations concerning damage or destruction in the absence of an express agreement between the parties (and any other statute or regulation now or hereafter in effect with respect to such rights or obligations), shall have no application to this Lease or to any damage or destruction to all or any portion of the Premises or the Project.

ARTICLE 20.
CONDEMNATION

20.1 If all of the Premises is condemned by eminent domain, inversely condemned or sold under threat of condemnation for any public or quasi-public use or purpose ("Condemned"), this Lease shall terminate as of the earlier of the date the condemning authority takes title to or possession of the Premises, and Rent shall be adjusted to the date of termination.

20.2 If any material portion of the Premises or Building is Condemned and such partial condemnation materially impairs Tenant's ability to use the Premises for Tenant's business, Landlord and Tenant shall each have the option in their sole and absolute discretion to terminate this Lease as of the earlier of the date title vests in the condemning authority or as of the date an order of immediate possession is issued and Rent shall be adjusted to the date of termination. If such partial condemnation does not materially impair Tenant's ability to use the Premises for the business of Tenant, Landlord shall promptly restore the Premises to the extent of any condemnation proceeds recovered by Landlord, excluding the portion thereof lost in such condemnation, and this Lease shall continue in full force and effect except that after the date of such title vesting or order of immediate possession Rent shall be equitably adjusted as reasonably determined by Landlord.

20.3 If the Premises are wholly or partially Condemned, Landlord shall be entitled to the entire award paid for such condemnation, and Tenant waives any claim to any part of the award from Landlord or the condemning authority; provided, however, Tenant shall have the right to recover from the condemning authority such compensation as may be separately awarded to Tenant in connection with costs in removing Tenant's merchandise, furniture, fixtures, leasehold improvements and equipment to a new location. No condemnation of any kind shall be construed to constitute an actual or constructive eviction of Tenant or a breach of any express or implied covenant of quiet enjoyment. Tenant hereby waives the effect of Sections 1265.120 and 1265.130 of the California Code of Civil Procedure.

20.4 In the event of a temporary condemnation not extending beyond the Term, this Lease shall remain in effect, Tenant shall continue to pay Rent and Tenant shall receive any award made for such condemnation except damages to any of Landlord's property. If a temporary condemnation is for a period which extends beyond the Term, this Lease shall terminate as of the date of initial occupancy by the condemning authority and any such award shall be distributed in accordance with the preceding section. If a temporary condemnation remains in effect at the expiration or earlier termination of this Lease, Tenant shall pay Landlord the reasonable cost of performing any obligations required of Tenant with respect to the surrender of the Premises.

ARTICLE 21.
HOLD HARMLESS

21.1 Tenant agrees to defend, with counsel reasonably approved by Landlord, all actions against Landlord, any member, partner, trustee, stockholder, officer, director, employee, or beneficiary of Landlord (collectively, "Landlord Parties"), holders of mortgages secured by the Premises or the Project and any other party having an interest therein (collectively with Landlord Parties, the "Indemnified Parties") with respect to, and to pay, protect, indemnify, and save harmless, to the extent permitted by law, all Indemnified Parties from and against, any and all liabilities, losses, damages, costs, expenses (including reasonable attorneys' fees and expenses), causes of action, suits, claims, demands, or judgments of any nature to which any Indemnified Party is subject because of its estate or interest in the Premises or the Project arising from (a) injury to or death of any person, or damage to or loss of property on the Premises, or the use, condition, or occupancy of the Premises by Tenant, except to the extent, if any, caused by the negligence or willful misconduct of Landlord or any Indemnified Parties and not insured (or required to be insured) by Tenant under this Lease, (b) any violation of this Lease by or attributable to Tenant, or (c) subject to Section 13.4, any wrongful act, fault, omission, or other misconduct of Tenant or its agents, contractors, licensees, sublessees, or invitees. Tenant agrees to use and occupy the Premises and other facilities of the Project at its own risk, and hereby releases the Indemnified Parties from any and all claims for any damage or injury to the fullest extent permitted by law, except in each case, to the extent, if any, caused by the gross negligence or willful misconduct of Landlord or any Indemnified Parties and not covered by insurance carried by Tenant (or that would have been covered under insurance that Tenant is obligated to carry under this Lease).

21.2 Except to the extent caused by the gross negligence or willful misconduct of Landlord or any Landlord Parties in providing access to the Premises, Tenant agrees that (i) Landlord shall not be responsible or liable to Tenant, its agents, employees, or invitees for fatal or non-fatal bodily injury or property damage occasioned by the acts or omissions of any other tenant, or such other tenant's agents, employees, licensees, or invitees, of the Project and (ii) Landlord shall not be liable to Tenant for losses to property due to theft or burglary, or damages from criminal acts, done by any persons on the Project other than Landlord or its employees or agents.

ARTICLE 22.
DEFAULT BY TENANT

22.1 The term “Event of Default” refers to the occurrence of any one (1) or more of the following:

(a) Failure of Tenant to pay when due any Rent required to be paid hereunder (the “Monetary Default”) within five (5) days of receipt of written notice from Landlord; provided, however, that after the first failure to pay any Rent required to be paid hereunder in any calendar year, in the event that Tenant fails a second time to pay within five (5) days of when due any sum required to be paid hereunder during such calendar year, such failure shall be deemed to automatically constitute a Monetary Default without any obligation on Landlord to provide any additional written notice, and provided further that Tenant acknowledges that any such written notice provided hereunder shall be in lieu of, and not in addition to, any notice to pay rent or quit pursuant to any applicable statutes (provided, that such notice is given in the manner provided in California Code of Civil Procedure Section 1162);

(b) Failure of Tenant, after thirty (30) days written notice thereof, to perform any of Tenant’s obligations, covenants, or agreements except a Monetary Default, provided that if the cure of any such failure is not reasonably susceptible of performance within such thirty (30) day period, then an Event of Default of Tenant shall not be deemed to have occurred so long as Tenant has promptly commenced and thereafter diligently prosecutes such cure to completion;

(c) Tenant, or any guarantor of Tenant’s obligations under this Lease (the “Guarantor”), 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 or Guarantor’s property is made for the benefit of creditors; or a receiver or trustee is appointed for Tenant or Guarantor or its property; or the interest of Tenant or Guarantor under this Lease is levied on under execution or other legal process; or any petition is filed by or against Tenant or Guarantor to declare Tenant bankrupt or to delay, reduce, or modify Tenant’s debts or obligations; or any petition filed or other action taken to reorganize or modify Tenant’s or Guarantor’s capital structure if Tenant is a corporation or other entity. Any such levy, execution, legal process, or petition filed against Tenant or Guarantor shall not constitute a breach of this Lease provided Tenant or Guarantor shall diligently contest the same by appropriate proceedings and shall remove or vacate the same within ninety (90) days from the date of its creation, service, or filing;

(d) The abandonment (as defined in California Civil Code section 1951.3) of the Premises by Tenant;

(e) The discovery by Landlord that any financial statement given by Tenant or any of its assignees, successors-in-interest, or Guarantors was materially false; or

(f) If Tenant or any Guarantor shall die, cease to exist as a corporation or partnership (except in a Permitted Transfer) where Tenant is not the surviving entity, or be otherwise dissolved or liquidated or become insolvent, or shall make a transfer in fraud of creditors.

22.2 In the event of any Event of Default by Tenant, Landlord, at its option, may pursue one or more of the following remedies without notice or demand in addition to all other rights and remedies provided for at law or in equity:

(a) Landlord may continue this Lease in full force and effect, and this Lease shall continue in full force and effect as long as Landlord does not terminate this Lease, and Landlord shall have the right to collect Rent when due. Tenant shall pay to Landlord the Rent and other sums due under this Lease on the dates the Rent is due. No act by Landlord allowed by this Section 22.2(a) shall terminate this Lease unless Landlord notifies Tenant in writing that Landlord elects to terminate this Lease.

"The lessor has the remedy described in Civil Code Section 1951.4 (lessor may continue the lease in effect after lessee's breach and abandonment and recover rent as it becomes due, if lessee has the right to sublet or assign subject only to reasonable limitations)."

(b) Landlord may terminate this Lease at any time by giving written notice to that effect. No act by Landlord other than giving written notice to Tenant shall terminate this Lease. Acts of maintenance, efforts to relet the Premises or the appointment of a receiver on Landlord's initiative to protect Landlord's interest under this Lease shall not constitute a termination of Tenant's right to possession. On termination, Landlord shall have the right to remove all personal property of Tenant and store it at Tenant's cost and to recover from Tenant as damages: (i) the worth at the time of award of unpaid Rent and other sums due and payable which had been earned at the time of termination; plus (ii) the worth at the time of award of the amount by which the unpaid Rent and other sums due and payable which would have been payable after termination until the time of award exceeds the amount of the Rent loss that Tenant proves could have been reasonably avoided; plus (iii) the worth at the time of award of the amount by which the unpaid Rent and other sums due and payable for the balance of the Term after the time of award exceeds the amount of the Rent loss that Tenant proves could be reasonably avoided; plus (iv) any other amount necessary to compensate Landlord for all the detriment proximately caused by Tenant's failure to perform Tenant's obligations under this Lease, or which, in the ordinary course of things, would be likely to result therefrom, including, without limitation, any costs or expenses incurred by Landlord: (A) in retaking possession of the Premises, including reasonable attorneys' fees and costs therefor; (B) maintaining or preserving the Premises, including repairs; (C) leasing commissions; (D) any other costs necessary or appropriate to restore the Premises to the condition required by this Lease; and (E) at Landlord's election, such other amounts in addition to or in lieu of the foregoing as may be permitted from time to time by the laws of the State of California.

The "worth at the time of award" of the amounts referred to in Sections 22.2(b)(i) and 22.2(b)(ii) shall be calculated by allowing interest at the lesser of ten percent (10%) per annum or the maximum rate permitted by law, on the unpaid Rent and other sums due and payable from the termination date through the date of award. The "worth at the time of award" of the amount referred to in Section 22.2(b)(iii) shall be calculated by discounting the amount at the discount rate of the Federal Reserve Bank of San Francisco at the time of award, plus one percent (1%). Tenant waives redemption or relief from forfeiture under California Code of Civil Procedure Sections 1174 and 1179, or under any other present or future law, if Tenant is evicted or

Landlord takes possession of the Premises by reason of any Event of Default by Tenant. For purposes of this Section 2.2(b), "Rent" shall exclude any Amortization Rent, Landlord acknowledging that Landlord's sole remedy for unpaid Amortization Rent upon any termination of this Lease shall be provided in Section 2.4 of the Tenant Work Letter.

22.3 If Landlord shall exercise any one or more remedies hereunder granted or otherwise available, it shall not be deemed to be an acceptance or surrender of the Premises by Tenant whether by agreement or by operation of law; it is understood that such surrender can be effected only by the written agreement of Landlord and Tenant. No alteration of security devices and no removal or other exercise of dominion by Landlord over the property of Tenant or others in the Premises shall be deemed unauthorized or constitute a conversion, Tenant hereby consenting to the aforesaid exercise of dominion over Tenant's property within the Premises after any Event of Default.

22.4 Each right and remedy provided for in this Lease shall be cumulative and shall be in addition to every other right or remedy provided for in this Lease or now or hereafter existing at law or in equity or by statute or otherwise, including, but not limited to, suits for injunctive relief and specific performance. Notwithstanding any contrary provision herein, Tenant shall not be liable under any circumstances for any indirect or consequential damages or any injury or damage to, or interference with, Landlord's business, including but not limited to, loss of profits, loss of rents or other revenues, loss of business opportunity, loss of goodwill or loss of use, in each case, however occurring, except as specifically provided in Article 31; provided that Tenant hereby acknowledges and agrees that the foregoing shall not prevent Landlord from recovering any and all damages to which Landlord is entitled pursuant to California Civil Code Sections 1951.2 and 1951.4 following an Event of Default by Tenant hereunder. The exercise or beginning of the exercise by Landlord of any one or more of the rights or remedies provided for in this Lease or now or hereafter existing at law or in equity, or by statute or otherwise shall not preclude the simultaneous or later exercise by Landlord for any or all other rights or remedies provided for in this Lease or now or hereafter existing at or in equity or by statute or otherwise. All such rights and remedies shall be considered cumulative and non-exclusive. All costs incurred by Landlord in connection with collecting any Rent or other amounts and damages owing by Tenant pursuant to the provisions of this Lease, or to enforce any provision of this Lease, including reasonable attorneys' fees from the date such matter is turned over to an attorney, whether or not one or more actions are commenced by Landlord, shall also be recoverable by Landlord from Tenant. If any notice and grace period required under subparagraphs 22.1(a) or (b) was not previously given, a notice to pay rent or quit, or to perform or quit, as the case may be, given to Tenant under any statute authorizing the forfeiture of leases for unlawful detainer shall also constitute the applicable notice for grace period purposes required by subparagraphs 22.1(a) or (b). In such case, the applicable grace period under subparagraphs 22.1(a) or (b) and under the unlawful detainer statute shall run concurrently after the one such statutory notice, and the failure of Tenant to cure the default within the greater of the two (2) such grace periods shall constitute both an unlawful detainer and an Event of Default entitling Landlord to the remedies provided for in this Lease and/or by said statute.

22.5 If Tenant should fail to make any payment or cure any default hereunder within the time herein permitted and such failure constitutes an Event of Default (except in the

case where if Landlord in good faith believes that action prior to the expiration of any cure period under Section 22.1 is necessary to prevent damage to persons or property, in which case Landlord may act without waiting for such cure period to expire), Landlord, without being under any obligation to do so and without thereby waiving such default, may make such payment and/or remedy such 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 reasonable costs, expenses, and disbursements, plus ten percent (10%) overhead cost incurred by Landlord in connection therewith.

22.6 Intentionally omitted.

22.7 Nothing contained in this Article 22 shall limit or prejudice the right of Landlord to prove and obtain as damages in any bankruptcy, insolvency, receivership, reorganization, or dissolution proceeding, an amount equal to the maximum allowed by any statute or rule of law governing such a proceeding and in effect at the time when such damages are to be proved, whether or not such amount be greater, equal, or less than the amounts recoverable, either as damages or Rent, referred to in any of the preceding provisions of this Article 22. Notwithstanding anything contained in this Article to the contrary, any such proceeding or action involving bankruptcy, insolvency, reorganization, arrangement, assignment for the benefit of creditors, or appointment of a receiver or trustee, as set forth above, shall be considered to be an Event of Default only when such proceeding, action, or remedy shall be taken or brought by or against the then holder of the leasehold estate under this Lease.

22.8 Landlord is entitled to accept, receive, in check or money order, and deposit any payment made by Tenant for any reason or purpose or in any amount whatsoever, and apply them at Landlord's option to any obligation of Tenant, and such amounts shall not constitute payment of any amount owed, except that to which Landlord has applied them. No endorsement or statement on any check or letter of Tenant shall be deemed an accord and satisfaction or recognized for any purpose whatsoever. The acceptance of any such check or payment shall be without prejudice to Landlord's rights to recover any and all amounts owed by Tenant hereunder and shall not be deemed to cure any other default nor prejudice Landlord's rights to pursue any other available remedy, Landlord's acceptance of partial payment of Rent does not constitute a waiver of any rights, including without limitation any right Landlord may have to recover possession of the Premises.

22.9 Intentionally omitted.

22.10 Tenant waives the right to terminate this Lease on Landlord's default under this Lease. Tenant's sole remedy on Landlord's default is an action for damages or injunctive or declaratory relief. Landlord's failure to perform any of its obligations under this Lease shall constitute a default by Landlord under this Lease if the failure continues for thirty (30) days after written notice of the failure from Tenant to Landlord. If the required performance cannot be completed within thirty (30) days, Landlord's failure to perform shall constitute a default under the Lease unless Landlord undertakes to cure the failure within thirty (30) days and diligently and continuously attempts to complete this cure as soon as reasonably possible. All obligations of each party hereunder shall be construed as covenants, not conditions.

ARTICLE 23.
INTENTIONALLY OMITTED

ARTICLE 24.
INTENTIONALLY OMITTED

ARTICLE 25.
ATTORNEYS' FEES

25.1 All costs and expenses, including reasonable attorneys' fees (whether or not legal proceedings are instituted), involved in collecting rents, enforcing the obligations of Tenant, or protecting the rights or interests of Landlord under this Lease, whether or not an action is filed, including without limitation the cost and expense of instituting and prosecuting legal proceedings or recovering possession of the Premises after the occurrence of an Event of Default by Tenant or upon expiration or sooner termination of this Lease, shall be due and payable by Tenant on demand, as Additional Rent. In addition, and notwithstanding the foregoing, if either party hereto shall file any action or bring any proceeding against the other party arising out of this Lease or for the declaration of any rights hereunder, the prevailing party in such action shall be entitled to recover from the other party all costs and expenses, including reasonable attorneys' fees incurred by the prevailing party, as determined by the trier of fact in such legal proceeding. For purposes of this provision, the terms "attorneys' fees" or "attorneys' fees and costs," or "costs and expenses" shall mean the fees and expenses of legal counsel (including external counsel and in-house counsel) of the parties hereto, which include printing, photocopying, duplicating, mail, overnight mail, messenger, court filing fees, costs of discovery, and fees billed for law clerks, paralegals, investigators and other persons not admitted to the bar for performing services under the supervision and direction of an attorney. For purposes of determining in-house counsel fees, the same shall be considered as those fees normally applicable to an attorney in a law firm with like experience in such field. In addition, the prevailing party shall be entitled to recover reasonable attorneys' fees and costs incurred in enforcing any judgment arising from a suit or proceeding under this Lease, including without limitation post-judgment motions, contempt proceedings, garnishment, levy and debtor and third party examinations, discovery and bankruptcy litigation, without regard to schedule or rule of court purporting to restrict such award. This post-judgment award of attorneys' fees and costs provision shall be severable from any other provision of this Lease and shall survive any judgment/award on such suit or arbitration and is not to be deemed merged into the judgment/award or terminated with the Lease.

ARTICLE 26.
NON-WAIVER

26.1 Neither acceptance of any payment by Landlord from Tenant nor, failure by Landlord to complain of any action, non-action, or default of Tenant shall constitute a waiver of any of Landlord's rights hereunder. Time is of the essence with respect to the performance of every obligation of each party under this Lease in which time of performance is a factor. Waiver by either party of any right or remedy arising in connection with any default of the other party shall not constitute a waiver of such right or remedy or any other right or remedy arising in connection with either a subsequent default of the same obligation or any other default. No right

or remedy of either party hereunder or covenant, duty, or obligation of any party hereunder shall be deemed waived by the other party unless such waiver is in writing, signed by the other party or the other party's duly authorized agent.

ARTICLE 27.
RULES AND REGULATIONS

27.1 Such reasonable rules and regulations applying to all lessees in the Project for the safety, care, and cleanliness of the Project and the preservation of good order thereon are hereby made a part hereof as Exhibit D, and Tenant agrees to comply with all such rules and regulations. Landlord shall have the right at all times to change such rules and regulations or to amend them in any reasonable and non-discriminatory manner as may be deemed advisable by Landlord, all of which changes and amendments shall be sent by Landlord to Tenant in writing and shall be thereafter carried out and observed by Tenant. Landlord shall not have any liability to Tenant for any failure of any other lessees of the Project to comply with such rules and regulations.

ARTICLE 28.
ASSIGNMENT BY LANDLORD; RIGHT TO LEASE

28.1 Landlord shall have the right to transfer or assign, in whole or in part, all its rights and obligations hereunder and in the Premises and the Project. In such event, no liability or obligation shall accrue or be charged to Landlord with respect to the period from and after such transfer or assignment and assumption of Landlord's obligations by the transferee or assignee.

28.2 Landlord reserves the absolute right to effect such other tenancies in the Project as Landlord in the exercise of its sole business judgment shall determine to best promote the interests of the Buildings or Project. Tenant does not rely on the fact, nor does Landlord represent, that any specific tenant or type or number of tenants shall, during the Lease Term, occupy any space in the Buildings or Project.

ARTICLE 29.
LIABILITY OF LANDLORD

29.1 It is expressly understood and agreed that the obligations of Landlord under this Lease shall be binding upon Landlord and its successors and assigns and any future owner of the Project only with respect to events occurring during its and their respective ownership of the Project. In addition, Tenant agrees to look solely to Landlord's interest in the Project for recovery of any judgment against Landlord arising in connection with this Lease, it being agreed that neither Landlord nor any successor or assign of Landlord nor any future owner of the Project, nor any partner, shareholder, member, or officer of any of the foregoing shall ever be personally liable for any such judgment. For purposes hereof, "Landlord's interest in the Project" shall include rents due from tenants, proceeds from any sale of the Project, insurance proceeds, and proceeds from condemnation or eminent domain proceedings (prior to the distribution of same to any member, partner or shareholder of Landlord in the ordinary course of Landlord's business). The limitations of liability contained in this Section 29.1 shall inure to the

benefit of Landlord's and the Landlord Parties' present and future partners, beneficiaries, officers, directors, trustees, shareholders, agents and employees, and their respective partners, heirs, successors and assigns. Under no circumstances shall any present or future partner of Landlord (if Landlord is a partnership), or trustee or beneficiary (if Landlord or any partner of Landlord is a trust), have any liability for the performance of Landlord's obligations under this Lease. Notwithstanding any contrary provision herein, neither Landlord nor the Landlord Parties shall be liable under any circumstances for any indirect or consequential damages or any injury or damage to, or interference with, Tenant's business, including but not limited to, loss of profits, loss of rents or other revenues, loss of business opportunity, loss of goodwill or loss of use, in each case, however occurring.

ARTICLE 30.
SUBORDINATION AND ATTORNMENT

30.1 This Lease, at Landlord's option, shall be subordinate to any present or future mortgage, ground lease or declaration of covenants regarding maintenance and use of any areas contained in any portion of the Building, and to any and all advances made under any present or future mortgage and to all renewals, modifications, consolidations, replacements, and extensions of any or all of same. Tenant agrees, with respect to any of the foregoing documents, that no documentation other than this Lease shall be required to evidence such subordination. If any holder of a mortgage shall elect for this Lease to be superior to the lien of its mortgage and shall give written notice thereof to Tenant, then this Lease shall automatically be deemed prior to such mortgage whether this Lease is dated earlier or later than the date of said mortgage or the date of recording thereof. Tenant agrees to execute such commercially reasonable documents as may be further required to evidence such subordination or to make this Lease prior to the lien of any mortgage or deed of trust, as the case may be within ten (10) business days after written request by Landlord. If Tenant fails to do so within ten (10) days after a second written demand, such failure shall, if Landlord so elects, constitute an Event of Default. Tenant hereby attorns to all successor owners of the Building, whether or not such ownership is acquired as a result of a sale through foreclosure or otherwise.

30.2 Tenant shall, at such time or times as Landlord may request, upon not less than ten (10) business days' prior written request by Landlord, sign and deliver to Landlord an estoppel certificate, which shall be substantially in the form of Exhibit E, attached hereto (or such other commercially reasonable form as may be required by any prospective mortgagee or purchaser of the Project, or any portion thereof), indicating therein any exceptions thereto that may exist at that time, and shall also contain such other information and agreements as may be reasonably requested, it being intended that any such statement delivered pursuant to this Article may be relied upon by Landlord and by any prospective purchaser of all or any portion of the Project, or a holder or prospective holder of any mortgage encumbering the Project, or any portion thereof. Tenant's failure to deliver such statement within five (5) days after Landlord's second written request therefor shall constitute an Event of Default (as that term is defined elsewhere in this Lease) and shall conclusively be deemed to be an admission by Tenant of the matters set forth in the request for an estoppel certificate.

30.3 Tenant shall deliver to Landlord prior to the execution of this Lease and thereafter at any time upon Landlord's request, Tenant's current audited financial statements,

including a balance sheet and profit and loss statement for the most recent prior year (collectively, the "Statements"), which Statements shall accurately and completely reflect the financial condition of Tenant. Landlord shall have the right to deliver the same to any proposed purchaser of the Building or the Project, and to any encumbrancer of all or any portion of the Building or the Project. If audited financial statements are not then available, Tenant may instead provide unaudited financial statements certified by an officer of Tenant as accurately and completely reflecting the financial condition of Tenant. Landlord further agrees to keep the Tenant's financials delivered to Landlord pursuant to Section 30.3 and identified by Tenant in writing as confidential (the "Confidential Information") in confidence for its information only and not to disclose the Confidential Information to anyone else, except (a) to the directors, officers, employees, affiliates and advisors (including attorneys, counsels, consultants and financial advisors) of Landlord who agree to keep such information confidential; (b) as required by law; (c) to any regulators having jurisdiction over Landlord's businesses; (d) to any purchaser or prospective purchaser of Landlord's property in which Tenant is a tenant or subtenant and any lender holding a lien secured by such property who agrees to keep such information confidential; (e) in connection with any litigation between Tenant on the one hand and Landlord on the other; and (f) to any investor or pension fund for which Landlord holds title to the property who agrees to keep such information confidential. Landlord agrees not to use such information for any other purposes unless it shall have first entered into a further written agreement with Tenant relating to that other use of the Confidential Information proposed by the Landlord. Notwithstanding the foregoing, Landlord shall be free to use any of the following information obtained lawfully from others: (i) information which is, at the time of disclosure, in the public domain; (ii) information which, after disclosure, enters the public domain, except where such entry is the result of a breach of this Lease; (iii) information which, prior to the disclosure, was already known to Landlord; and; (iv) information which is rightfully received by Landlord from a third party. The provisions of this Section 30.3 with respect to confidentiality supersede any prior confidentiality or nondisclosure agreements executed for the benefit of Tenant or its affiliates by on or behalf of the Landlord or any of its members.

30.4 Tenant acknowledges that Landlord is relying on the Statements in its determination to enter into this Lease, and Tenant represents to Landlord, which representation shall be deemed made on the date of this Lease and again on the Commencement Date, that no material change in the financial condition of Tenant, as reflected in the Statements, has occurred since the date Tenant delivered the Statements to Landlord. The Statements are represented and warranted by Tenant to be correct and to accurately and fully reflect in all material respects Tenant's true financial condition as of the date of submission of any Statements to Landlord.

30.5 As of the date of this Lease, there is no (a) deed of trust or mortgage encumbering the Project or (b) ground lease affecting the Building.

30.6 As a condition to the subordination in Section 30.1 of this Lease to its mortgage or deed of trust, any future mortgagee, beneficiary or ground lessor shall deliver to Tenant a written subordination and non-disturbance agreement in recordable form acceptable to such mortgagee, beneficiary, or in its sole discretion ground lessor providing that so long as no Event of Default by Tenant exists, Tenant's possession and rights under this Lease shall not be disturbed or impaired and Tenant shall not be joined by the holder of any mortgage or deed of trust or ground lessor in any action or proceeding to foreclose or terminate thereunder, except

where such is necessary for jurisdictional or procedural reasons. Landlord agrees to use commercially reasonable efforts to obtain a written subordination and non-disturbance agreement from such mortgagee, beneficiary or ground lessor in a form reasonably acceptable to Tenant; provided that Tenant shall pay all reasonable out-of-pocket costs incurred by Landlord in obtaining that subordination and non-disturbance agreement. "Commercially reasonable efforts" of Landlord shall not require Landlord to incur any material out-of-pocket cost, expense or liability to obtain such agreement, it being agreed that Tenant shall be responsible for any fee or review costs charged by such mortgagee or beneficiary. Landlord's failure to obtain a non-disturbance, subordination and attornment agreement for Tenant in a form reasonably acceptable to Tenant shall have no effect on the rights, obligations and liabilities of Landlord and Tenant or be considered to be a default by Landlord hereunder.

ARTICLE 31.
HOLDING OVER

31.1 In the event Tenant, or any party claiming under Tenant, retains possession of the Premises after the Expiration Date or Termination Date, such possession shall be that of a tenant at sufferance and an unlawful detainer. No tenancy or interest shall result from such possession, and such parties shall be subject to immediate eviction and removal. Tenant or any such party shall pay Landlord, as Base Rent for the period of such holdover, a monthly amount equal to one hundred fifty percent (150%) of (a) the Base Rent for the last period prior to the date of such termination plus (b) Additional Rent attributable to Operating Expenses and Taxes as provided in Article 5 of this Lease during the time of holdover, together with all other Additional Rent and other amounts payable pursuant to the terms of this Lease. Notwithstanding the foregoing, Tenant shall not be required to pay during any holdover period any amounts attributable to the Additional Allowance or the Amortization Rate. Such tenancy at sufferance shall be subject to every other applicable term, covenant and agreement contained herein. Tenant shall also be liable for any and all damages sustained by Landlord as a result of such holdover. Tenant shall vacate the Premises and deliver same to Landlord immediately upon Tenant's receipt of notice from Landlord to so vacate. The Rent during such holdover period shall be payable to Landlord on demand. Landlord's acceptance of Rent if and after Tenant holds over shall not convert Tenant's tenancy at sufferance to any other form of tenancy or result in a renewal or extension of the Term of this Lease, unless otherwise specified by notice from Landlord to Tenant.

ARTICLE 32.
SIGNS

32.1 No sign, symbol, or identifying marks shall be put upon the Project, Building, in the halls, elevators, staircases, entrances, parking areas, or upon the doors or walls, without the prior written approval of Landlord in its sole discretion. Should such approval ever be granted, all signs or lettering shall conform in all respects to the sign and/or lettering criteria established by Landlord and comply with all Applicable Laws. Landlord, at Landlord's sole cost and expense, reserves the right to change the door plaques as Landlord deems reasonably desirable.

32.2 Landlord shall, at Tenant's sole cost and expense, install only signage (the "Monument Signage") on the Building monument sign identifying only Tenant's name. The graphics, materials, color, design, lettering, size and specifications of Tenant's Monument Signage shall be subject to the reasonable approval of Landlord and all applicable governmental authorities and shall conform to Landlord's approved sign plan for the Building. At the expiration or earlier termination of this Lease or termination of Tenant's sign rights as provided below, Landlord shall, at Tenant's sole cost and expense, cause the Monument Signage to be removed and the area of the monument sign affected by the Monument Signage to be restored to the condition existing prior to the installation of Tenant's Monument Signage. The right to Monument Signage is personal to the initially named Tenant in this Lease ("Original Tenant") and any Permitted Transferee who is an assignee of Tenant's entire interest in this Lease or a subtenant of at least 50% of the Premises. To the extent Tenant desires to change the name and/or logo set forth on the Monument Signage, such name and/or logo shall not have a name which relates to an entity which is of a character or reputation, or is associated with a political faction or orientation, which is inconsistent with the quality of the Project, or which would otherwise reasonably offend a landlord of the Comparable Buildings. All of Tenant's rights to install and maintain Monument Signage on the monument sign in accordance with this Section 32.2 shall terminate upon notice from Landlord for so long as Tenant ceases to occupy at least one entire floor of the Building.

32.3 Landlord shall, at Tenant's sole cost and expense, install standard signage at the entrance to the Premises, and signage at the top of the Building (the "Building-top Signage") identifying only Tenant's name and logo. The graphics, materials, color, design, lettering, size and specifications of Tenant's Building-top Signage shall be subject to the reasonable approval of Landlord and all applicable governmental authorities and shall conform to Landlord's approved sign plan for the Building. The costs of the actual signs comprising the Building-top Signage and the installation, design, construction, and any and all other costs associated with the Building-top Signage including, without limitation, utility charges and hook-up fees, permits, and maintenance and repairs, shall be the sole responsibility of Tenant. Should the Building-top Signage require repairs and/or maintenance, as determined in Landlord's reasonable judgment, Landlord shall have the right to provide notice thereof to Tenant and Tenant (except as set forth above) shall cause such repairs and/or maintenance to be performed within fifteen (15) business days after receipt of such notice from Landlord, at Tenant's sole cost and expense; provided, however, if such repairs and/or maintenance are reasonably expected to require longer than fifteen (15) business days to perform, Tenant shall commence such repairs and/or maintenance within such fifteen (15) business day period and shall diligently prosecute such repairs and maintenance to completion. Should Tenant fail to perform such repairs and/or maintenance within the periods described in the immediately preceding sentence, Landlord shall, upon the delivery of an additional five (5) business days' prior written notice, have the right to cause such work to be performed and to charge Tenant as Additional Rent for the cost of such work. At the expiration or earlier termination of this Lease or termination of Tenant's sign rights as provided below, Landlord shall, at Tenant's sole cost and expense, cause the Building-top Signage to be removed and the area of the top of the Building affected by the Building-top Signage to be restored to the condition existing prior to the installation of Tenant's Building-top Signage. The right to Building-top Signage is personal to Original Tenant and any Permitted Transferee of the Original Tenant who is an assignee of that Original Tenant's entire interest in this Lease or a subtenant of the entire Premises. To the extent Tenant desires to change the name

and/or logo set forth on the Building-top Signage, such name and/or logo shall not have a name which relates to an entity which is of a character or reputation, or is associated with a political faction or orientation, which is inconsistent with the quality of the Project, or which would otherwise reasonably offend a landlord of the Comparable Buildings. All of Tenant's rights to install and maintain the Building-top Signage at the top of the Building in accordance with this Section 32.3 shall terminate upon notice from Landlord during any period in which Tenant or a Permitted Transferee ceases to occupy at least one entire floor of the Building.

32.4 Landlord, at Tenant's sole cost and expense, shall provide Tenant with Building standard lobby and suite signage.

ARTICLE 33.
HAZARDOUS AND BIOLOGICAL MATERIALS

33.1 Except for Hazardous Materials and Biological Materials contained in products used by Tenant for ordinary cleaning and office purposes (such as printer toner and copier toner) in quantities not violative of applicable Environmental, Public and Animal Welfare Requirements and those materials listed on Exhibit J attached hereto, Tenant shall not permit or cause any party to bring any Hazardous Materials or Biological Materials upon the Premises and/or the Project or transport, store, use, generate, manufacture, dispose, or release any Hazardous Materials or Biological Materials on or from the Premises and/or the Project without Landlord's prior written consent. Tenant, at its sole cost and expense, shall operate its business in the Premises in strict compliance with all Environmental, Public and Animal Welfare Requirements (as defined below) and all requirements of this Lease. Tenant shall complete and certify to commercially reasonable disclosure statements as reasonably requested by Landlord from time to time relating to Tenant's transportation, storage, use, generation, manufacture, or release of Hazardous Materials or Biological Materials on the Premises, and Tenant shall promptly deliver to Landlord a copy of any notice of violation relating to the Premises or the Project of any Environmental, Public and Animal Welfare Requirements. Without limiting the generality of the foregoing, Tenant shall, at such intervals as Landlord may reasonably require, provide to Landlord or its designated consultant a list of all Hazardous Materials and Biological Materials used by Tenant in the Premises. Tenant shall reimburse Landlord within thirty (30) days after demand for the actual costs and fees charged by Landlord's consultant to review the list of chemicals and biological materials. Exhibit J shall also list applicable Environmental Protection Agency, US Center for Disease Control, National Institutes of Health and California Hazardous and Biological Materials codes for each of the Hazardous Materials or Biological Materials or waste. Tenant shall comply with any additional requirements listed on Exhibit J with respect to the Hazardous Materials and Biological Materials identified in Exhibit J.

33.2 The term "Environmental Requirements" means all applicable present and future statutes, regulations, ordinances, rules, codes, judgments, permits, authorizations, orders, policies or other similar requirements of any governmental authority, agency or court regulating or relating to health, safety, or environmental conditions on, under, or about the Premises or the environment, including without limitation, the following: the Comprehensive Environmental Response, Compensation and Liability Act; the Resource Conservation and Recovery Act; the Clean Air Act; the Clean Water Act; the Toxic Substances Control Act and all state and local counterparts thereto; all applicable California requirements, including, but not limited to,

Sections 25115, 25117, 25122.7, 25140, 25249.8, 25281, 25316 and 25501 of the California Health and Safety Code and Title 22 of the California Code of Regulations, Division 4.5, Chapter 11, and any policies or rules promulgated thereunder as well as any County or City ordinances that may operate independent of, or in conjunction with, the State programs, and any common or civil law obligations including, without limitation, nuisance or trespass, and any other requirements of Article 3 of this Lease regarding the environment. The term "Hazardous Materials" means and includes any substance, material, waste, pollutant, or contaminant that is or could be regulated under any Environmental Requirement or that may adversely affect human health or the environment, including, without limitation, any solid or hazardous waste, hazardous substance, asbestos, petroleum (including crude oil or any fraction thereof, natural gas, synthetic gas, polychlorinated biphenyls (PCBs), and radioactive material). For purposes of Environmental Requirements, to the extent authorized by law, Tenant is and shall be deemed to be the responsible party, including without limitation, the "owner" and "operator" of Tenant's "facility" and the "owner" of all Hazardous Materials and Biological Materials brought on the Premises by Tenant, its agents, employees, contractors or invitees, and the wastes, by-products, or residues generated, resulting, or produced therefrom by Tenant or any of the Tenant Parties. The term "Public Welfare Requirements" means and includes all applicable statutes, regulations and guidelines including but not limited to (to the extent applicable to Tenant's operations) Title 45 of the Code of Federal Regulations as associated to all research or production involving Biological Materials conducted, supported or otherwise subject to regulation in accordance with the US HHS "Biosafety in Microbiological and Biomedical Laboratories". The term "Biological Materials" means natural biocompatible materials that comprise a whole or a part of a living structure or biomedical device that performs, augments, or replaces a natural function. The term "Animal Welfare Requirements" means and includes (to the extent applicable to Tenant's operations) 7 U.S.C. 2131–2159; 7 CFR 2.22, Laboratory Animal Welfare Act ; Public Law 99-158 and amendments and all Animal Research Laws (as defined in Exhibit I). The term "Environmental, Public and Animal Welfare Requirements" means, collectively, Environmental Requirements, Public Welfare Requirements and Animal Welfare Requirements. The term " Environmental, Public or Animal Welfare Requirements" means any of the Environmental Requirements, Public Welfare Requirements and/or Animal Welfare Requirements.

33.3 Tenant, at its sole cost and expense, shall remove all Hazardous Materials, Biological Materials and animals stored, disposed of or otherwise released by Tenant, its assignees, subtenants, agents, employees, contractors or invitees onto or from the Premises, in a manner and to a level satisfactory to Landlord in its reasonable discretion, but in no event to a level and in a manner less than that which complies with all Environmental, Public and Animal Welfare Requirements and does not limit any future uses of the Premises from those permitted by Applicable Laws as of the Commencement Date or require the recording of any deed restriction or notice regarding the Premises. Tenant shall perform such work at any time during the Term of the Lease upon written request by Landlord or, in the absence of a specific request by Landlord, before Tenant's right to possession of the Premises terminates or expires. If an Event of Default exists because Tenant fails to perform such work within the time period specified by Landlord or before Tenant's right to possession terminates or expires (whichever is earlier), Landlord may at its discretion, and without waiving any other remedy available under this Lease or at law or equity (including without limitation an action to compel Tenant to perform such work), perform such work at Tenant's cost. Tenant shall pay all costs incurred by Landlord in performing such work within ten (10) business days after Landlord's request

therefor. Such work performed by Landlord is on behalf of Tenant and Tenant remains the owner, generator, operator, transporter, and/or arranger of the Hazardous Materials and Biological Materials for purposes of Environmental, Public and Animal Welfare Requirements. Tenant agrees not to enter into any agreement with any person, including without limitation any governmental authority, regarding the removal of Hazardous Materials and Biological Materials that have been disposed of or otherwise released onto or from the Premises without the written approval of Landlord.

33.4 Tenant shall indemnify, defend, and hold Landlord harmless from and against any and all losses (including, without limitation, diminution in value of the Premises or the Project and loss of rental income from the Project), claims, demands, actions, suits, damages (including, without limitation, punitive damages), expenses (including, without limitation, remediation, removal, repair, corrective action, or cleanup expenses), and costs (including, without limitation, actual attorneys' fees, consultant fees or expert fees and including, without limitation, removal or management of any Hazardous Materials or Biological Materials brought into the Premises or (if the precise nature and location thereof has previously been disclosed in writing by Landlord to Tenant) disturbed in breach of the requirements of this Article 33, regardless of whether such removal or management is required by law) which are brought or recoverable against, or suffered or incurred by Landlord as a result of any release of Hazardous Materials or Biological Materials at the Premises or any breach of the requirements under this Article 33 by Tenant, its agents, employees, contractors, subtenants, assignees or invitees, regardless of whether Tenant had knowledge of such noncompliance. The obligations of Tenant under this Article 33 shall survive any termination of this Lease.

33.5 Landlord shall have access to, and a right to perform inspections and tests of, the Premises to determine Tenant's compliance with Environmental, Public or Animal Welfare Requirements, its obligations under this Article 33, or the condition of the Premises. Access shall be granted to Landlord upon not less than two (2) business days prior written notice to Tenant and at such times so as to minimize, so far as may be reasonable under the circumstances, any disturbance to Tenant's operations. Such inspections and tests shall be conducted at Landlord's expense, unless such inspections or tests reveal that Tenant has not complied with any Environmental, Public or Animal Welfare Requirement to any material extent, in which case Tenant shall reimburse Landlord for the reasonable cost of such inspection and tests. Landlord's receipt of or satisfaction with any assessment in no way waives any rights that Landlord holds against Tenant. Tenant shall promptly notify Landlord of any communication or report that Tenant makes to any governmental authority regarding any possible violation of Environmental, Public or Animal Welfare Requirements or release or threat of release of any Hazardous or Biological Materials onto or from the Premises. Tenant shall, within five (5) days of receipt thereof, provide Landlord with a copy of any documents or correspondence received from any governmental agency or other party relating to a possible violation of Environmental, Public or Animal Welfare Requirements or claim or liability associated with the release or threat of release of any Hazardous Materials or Biological Materials onto or from the Premises.

33.6 In addition to all other rights and remedies available to Landlord under this Lease or otherwise, Landlord may, in the event of a breach of the requirements of this Article 33 that is not cured within thirty (30) days following notice of such breach by Landlord,

require Tenant to provide financial assurance (such as insurance, escrow of funds or third party guarantee) in an amount and form reasonably satisfactory to Landlord. The requirements of this Article 33 are in addition to and not in lieu of any other provision in the Lease.

33.7 Landlord hereby informs Tenant, and Tenant hereby acknowledges, that the Premises and adjacent properties overlie a former solid waste landfill site commonly known as the Westport Landfill ("Former Landfill"). Landlord further informs Tenant, and Tenant hereby acknowledges, that (i) prior testing has detected the presence of low levels of certain volatile and semi-volatile organic compounds and other chemical constituents in the groundwater, in the leachate from the landfilled solid waste, and/or in certain surface waters of the Project, as more fully described in the California Regional Water Quality Control Board, San Francisco Bay Region's ("Regional Board") Order No. R2-2003-0074 (Updated Waste Discharge Requirements and Rescission of Order No. 94-181) ("Order"), (ii) methane gas is or may be generated by the landfilled solid waste (item "i" immediately preceding and this item "ii" are hereafter collectively referred to as the "Landfill Condition"), and (iii) the Premises and the Former Landfill are subject to the Order. The Order is attached hereto as Exhibit H. As evidenced by their initials on said Exhibit H, Tenant acknowledges that Landlord has provided Tenant with copies of the Order, and Tenant acknowledges that Tenant and Tenant's experts (if any) have had ample opportunity to review the Order and that Tenant has satisfied itself as to the environmental conditions of the Property and the suitability of such conditions for Tenant's intended use of the Property. Additional environmental reports are available for Tenant's review at Landlord's offices. In the event the Regional Board determines that the majority of the Premises cannot be occupied and/or Tenant cannot conduct its operations for a period in excess of thirty (30) days due to the any Hazardous Materials conditions related to the Landfill Condition, then, provided Tenant has not caused and/or materially contributed to the incident responsible for said occupancy restriction, Tenant may terminate this Lease provided Tenant gives Landlord written notice within ten (10) business days of Tenant's receipt of notice that the Premises cannot be occupied for the purpose referenced in this Lease of its election to so terminate the Lease in the event Tenant cannot occupy and/or operate at the Premises at the conclusion of the thirty (30) day period. In the event said notice is received by Landlord as required herein and the majority of the Premises cannot be occupied or operated from as referenced above, this Lease shall thereafter terminate on the date of termination referenced in said Tenant notice (which date shall not be less than thirty (30) days from the date the Premises are deemed un-occupiable). Tenant agrees to cooperate (at no cost or liability to Tenant) and provide Landlord and the Regional Board or their authorized representatives, upon presentation of credentials, during normal business hours, immediate entry upon the Premises to assess any and all aspects of the environmental condition of the Project and its use, including, but not limited to, conducting any environmental assessment or audit, taking samples of soil, groundwater or other water, air or building materials, the inspection of treatment equipment, monitoring equipment or monitoring methods, or sampling of any discharge governed by the Order.

33.8 Notwithstanding any other provision in this Lease, Tenant shall not be responsible for any Hazardous Materials or Biological Materials in, on or under the Premises, Building or Project except for (a) any violations of the Order caused by Tenant or any of the Tenant Parties, (b) Hazardous Materials or Biological Materials introduced in, on or under the Premises, Building or Project due to the actions, negligence or willful misconduct of Tenant or

any of the Tenant Parties, and (c) Hazardous Materials or Biological Materials present in, on or under the Premises, Building or Project disturbed by Tenant in breach of the requirements of Article 33 if the nature and location thereof has previously been disclosed in writing by Landlord to Tenant or is actually known by Tenant. As used herein, "Tenant Parties" means Tenant and the agents, contractors, employees, subtenants, licensees and invitees of Tenant.

33.9 Tenant acknowledges receipt of a copy of that certain Phase I Environmental Site Assessment, Westport Office Park, Bridge Parkway and Island Drive Redwood City, California 94065, No. 001 09412 00, dated August 10, 2005, prepared by LFR Levine-Fricke (collectively, "Hazardous Substance Reports"). Landlord acknowledges to Tenant that: (i) Landlord has not authorized any other studies for hazardous, biological or toxic materials at the Premises, Project or Building other than the Hazardous Substance Reports; and (ii) Landlord does not know of any surveys for toxic or Hazardous Materials or Biological Materials at the Premises, Project or the Building other than the Hazardous Substance Reports.

ARTICLE 34.
COMPLIANCE WITH LAWS AND OTHER REGULATIONS

34.1 Tenant, at its sole cost and expense, shall promptly comply with all laws, statutes, ordinances, and governmental rules, regulations, or requirements now in force or which may hereafter become in force, of federal, state, county, and municipal authorities, including without limitation the Americans with Disabilities Act and the California Energy Code, Title 24, with the requirements of any board of fire underwriters or other similar body now or hereafter constituted, and with any occupancy certificate issued pursuant to any law by any public officer or officers, which impose, any duty upon Landlord or Tenant, insofar as any thereof relate to or affect the condition, use, alteration, or occupancy of the Premises. Landlord's approval of Tenant's plans for any improvements shall create no responsibility or liability on the part of Landlord for their completeness, design sufficiency, or compliance with all laws, rules, and regulations of governmental agencies or authorities, including, but not limited to, the Americans with Disabilities Act. Tenant shall not be obligated to make any capital improvements to the Premises in order to comply with Applicable Laws, except to the extent the capital improvement is required due to a Trigger Event (as defined below). As used herein, the term "Trigger Event" means one or more of the following events or circumstances: (a) Tenant's particular use of the Premises (other than normal office uses); (b) the manner of conduct of Tenant's business or operation of its installations, equipment or other property outside those of normal office use; (c) the performance of any improvements or alterations or the installation of any Tenant systems; or (d) the breach of any of Tenant's obligations under this Lease.

34.2 Tenant is not, and shall not during the term of this Lease become, a person or entity with whom Landlord is restricted from doing business under the Uniting and Strengthening America by Providing Appropriate Tools Required to Intercept and Obstruct Terrorism Act of 2001, H.R. 3162, Public Law 107-56 (commonly known as the "USA Patriot Act") and Executive Order Number 13224 on Terrorism Financing, effective September 24, 2001 and regulations promulgated pursuant thereto including without limitation persons and entities named on the Office of Foreign Asset Control Specially Designated Nationals and Blocked Persons List (collectively, "Prohibited Persons"). Tenant represents and warrants that to Tenant's actual knowledge, Tenant is not currently engaged in any transactions or dealings, or

otherwise associated with, any Prohibited Persons in connection with the use or occupancy of the Premises or the Building. Tenant will not, during the Term of this Lease, knowingly engage in any transactions or dealings, or be otherwise associated with, any Prohibited Persons in connection with the use or occupancy of the Premises or the Building. Landlord represents and warrants that to Landlord's actual knowledge, Landlord is not currently engaged in any transactions or dealings, or otherwise associated with, any Prohibited Persons in connection with the use or occupancy of the Project. Landlord will not, during the Term of this Lease, knowingly engage in any transactions or dealings, or be otherwise associated with, any Prohibited Persons in connection with the use or occupancy of the Project.

34.3 Pursuant to California Civil Code Section 1938, Tenant is hereby notified that, as of the date hereof, the Project has not undergone an inspection by a "Certified Access Specialist" and except to the extent expressly set forth in this Lease, Landlord shall have no liability or responsibility to make any repairs or modifications to the Premises or the Project in order to comply with accessibility standards. The following disclosure is hereby made pursuant to applicable California law: "A Certified Access Specialist (CASp) can inspect the subject premises and determine whether the subject premises comply with all of the applicable construction-related accessibility standards under state law. Although state law does not require a CASp inspection of the subject premises, the commercial property owner or lessor may not prohibit the lessee or tenant from obtaining a CASp inspection of the subject premises for the occupancy or potential occupancy of the lessee or tenant, if requested by the lessee or tenant. The parties shall mutually agree on the arrangements for the time and manner of the CASp inspection, the payment of the fee for the CASp inspection, and the cost of making any repairs necessary to correct violations of construction-related accessibility standards within the premises." Tenant acknowledges that Landlord has made no representation regarding compliance of the Premises or the Project with accessibility standards. Any CASp inspection shall be conducted in compliance with reasonable rules in effect at the Building with regard to such inspections and shall be subject to Landlord's prior written consent.

ARTICLE 35.
SEVERABILITY

35.1 This Lease shall be construed in accordance with the laws of the State of California. If any clause or provision of this Lease is illegal, invalid, or unenforceable under present or future laws effective during the Term, then it is the intention of the parties hereto that the remainder of this Lease shall not be affected thereby. It is also the intention of both parties that in lieu of each clause or provision that is illegal, or unenforceable, there is added as a part of this Lease a clause or provision as similar in terms to such illegal, invalid, or unenforceable clause or provision as may be possible and still be legal, valid, and enforceable.

ARTICLE 36.
NOTICES

36.1 All notices, demands, designations, approvals or other communications (collectively, "Notices") given or required to be given by either party to the other hereunder or by law shall be in writing, shall be (i) sent by United States certified or registered mail, postage prepaid, return receipt requested ("Mail"), (ii) delivered by a nationally recognized overnight

courier, or (iii) delivered personally. Any Notice shall be sent, transmitted, or delivered, as the case may be, to Tenant at the appropriate address set forth in the Basic Lease Information, or to such other place as Tenant may from time to time designate in a Notice to Landlord, or to Landlord at the addresses set forth in the Basic Lease Information, or to such other places as Landlord may from time to time designate in a Notice to Tenant. Any Notice will be deemed given (A) three (3) days after the date it is posted if sent by Mail, (B) the date the overnight courier delivery is made, or (C) the date personal delivery is made. Any Notice given by an attorney on behalf of Landlord or by Landlord's managing agent shall be considered as given by Landlord and shall be fully effective.

ARTICLE 37.
OBLIGATIONS OF, SUCCESSORS, PLURALITY, GENDER

37.1 Landlord and Tenant agree that all the provisions hereof are to be construed as covenants and agreements as though the words imparting such covenants were used in each paragraph hereof, and that, except as restricted by the provisions hereof, shall bind and inure to the benefit of the parties hereto, their respective heirs, legal representatives, successors, and assigns. If two or more parties are designated herein as Tenant, then all such parties shall be jointly and severally liable for the obligations of Tenant hereunder. Whenever the singular or plural number, masculine or feminine or neuter gender is used herein, it shall equally include the other.

ARTICLE 38.
ENTIRE AGREEMENT

38.1 This Lease and any attached addenda or exhibits constitute the entire agreement between Landlord and Tenant. No prior or contemporaneous written or oral leases or representations shall be binding. This Lease shall not be amended, changed, or extended except by written instrument signed by Landlord and Tenant.

38.2 THE SUBMISSION OF THIS LEASE BY LANDLORD, ITS AGENT OR REPRESENTATIVE FOR EXAMINATION OR EXECUTION BY TENANT DOES NOT CONSTITUTE AN OPTION OR OFFER TO LEASE THE PREMISES UPON THE TERMS AND CONDITIONS CONTAINED HEREIN OR A RESERVATION OF THE PREMISES IN FAVOR OF TENANT, IT BEING INTENDED HEREBY THAT THIS LEASE SHALL ONLY BECOME EFFECTIVE UPON THE EXECUTION HEREOF BY LANDLORD AND DELIVERY OF A FULLY EXECUTED LEASE TO TENANT.

ARTICLE 39.
CAPTIONS

39.1 Paragraph captions are for Landlord's and Tenant's convenience only, and neither limit nor amplify the provisions of this Lease.

ARTICLE 40.
CHANGES

40.1 Should any mortgagee require a modification of this Lease, which modification will not bring about any increased cost or expense to Tenant or in any other way materially and adversely change the rights and obligations of Tenant hereunder, then and in such event Tenant agrees that this Lease may be so modified.

ARTICLE 41.
AUTHORITY

41.1 All rights and remedies of Landlord under this Lease, or those which may be provided by law, may be exercised by Landlord in its own name individually, or in its name by its agent, and all legal proceedings for the enforcement of any such rights or remedies, including unlawful detainer, and any other legal or equitable proceedings may be commenced and prosecuted to final judgment and be executed by Landlord in its own name individually or in its name by its agent. Landlord and Tenant each represent to the other that each has full power and authority to execute this Lease and to make and perform the agreements herein contained, and Tenant expressly stipulates that any rights or remedies available to Landlord, either by the provisions of this Lease or otherwise, may be enforced by Landlord in its own name individually or in its name by its agent or principal.

ARTICLE 42.
BROKERAGE

42.1 Tenant represents and warrants to Landlord that it has dealt only with Tenant's Broker and Landlord's Broker, in negotiation of this Lease. Landlord shall make payment of the brokerage fee due the Landlord's Broker pursuant to and in accordance with a separate agreement between Landlord and Landlord's Broker. Landlord's Broker shall pay a portion of its commission to Tenant's Broker pursuant to a separate agreement between Landlord's Broker and Tenant's Broker. Except for amounts owing to Landlord's Broker and Tenant's Broker, each party hereby agrees to indemnify and hold the other party harmless of and from any and all damages, losses, costs, or expenses (including, without limitation, all attorneys' fees and disbursements) by reason of any claim of or liability to any other broker or other person claiming through the indemnifying party and arising out of or in connection with the negotiation, execution, and delivery of this Lease. Additionally, except as may be otherwise expressly agreed upon by Landlord in writing, Tenant acknowledges and agrees that Landlord and/or Landlord's agent shall have no obligation for payment of any brokerage fee or similar compensation to any person with whom Tenant has dealt or may in the future deal with respect to leasing of any additional or expansion space in the Building or renewals or extensions of this Lease.

ARTICLE 43.
EXHIBITS

43.1 Exhibits A through K are attached hereto and incorporated herein for all purposes and are hereby acknowledged by both parties to this Lease.

ARTICLE 44.
APPURTENANCES

44.1 The Premises include the right of ingress and egress thereto and therefrom; however, Landlord reserves the right to make changes and alterations to the Building, fixtures and equipment thereof, in the street entrances, doors, halls, corridors, lobbies, passages, elevators, escalators, stairways, toilets and other parts thereof which Landlord may deem necessary or desirable; provided that Tenant at all times has a means of access to the Premises (subject to a temporary interruption due to Force Majeure Events or necessary maintenance that cannot reasonably be performed without such interruption of access). Neither this Lease nor any use by Tenant of the Building or any passage, door, tunnel, concourse, plaza or any other area connecting the garages or other buildings with the Building, shall give Tenant any right or easement of such use and the use thereof may, without notice to Tenant, be regulated or discontinued at any time and from time to time by Landlord without liability of any kind to Tenant and without affecting the obligations of Tenant under this Lease. In exercising its rights under this Section 44.1, Landlord shall make commercially reasonable efforts to minimize the disruption to Tenant's business operations.

ARTICLE 45.
PREJUDGMENT REMEDY, REDEMPTION, COUNTERCLAIM, AND JURY

45.1 Tenant, for itself and for all persons claiming through or under it, hereby expressly waives any and all rights which are, or in the future may be, conferred upon Tenant by any present or future law to redeem the Premises, or to any new trial in any action for ejection under any provisions of law, after reentry thereupon, or upon any part thereof, by Landlord, or after any warrant to dispossess or judgment in ejection. If Landlord shall acquire possession of the Premises by summary proceedings, or in any other lawful manner without judicial proceedings, it shall be deemed a reentry within the meaning of that word as used in this Lease. In the event that Landlord commences any summary proceedings or action for nonpayment of Rent or other charges provided for in this Lease, Tenant shall not interpose any non-compulsory counterclaim of any nature or description in any such proceeding or action. Tenant and Landlord both waive a trial by jury of any or all issues arising in any action or proceeding between the parties hereto or their successors, under or connected with this Lease, or any of its provisions.

ARTICLE 46.
RECORDING

46.1 Tenant shall not record this Lease but will, at the request of Landlord, execute a memorandum or notice thereof in recordable form satisfactory to both Landlord and Tenant specifying the date of commencement and expiration of the Term of this Lease and other information required by statute. Either Landlord or Tenant may then record said memorandum or notice of lease at the cost of the recording party.

ARTICLE 47.
MORTGAGEE PROTECTION

47.1 Tenant agrees to give any mortgagees and/or trust deed holders having a lien on Landlord's interest in the Project, by registered mail, a copy of any notice of default served upon Landlord, provided that prior to such notice Tenant has been notified, in writing of the address of such mortgagees and/or trust deed holders. Tenant further agrees that if Landlord shall have failed to cure such default within the time provided for in this Lease, then such mortgagees and/or trust deed holders shall have an additional thirty (30) days within which to cure such default or if such default cannot be cured within that time, then such additional time as may be necessary to cure such default (including but not limited to commencement of receivership or foreclosure proceedings, if necessary to effect such cure) in which event this Lease shall not be terminated while such remedies are being so diligently pursued.

ARTICLE 48.
OTHER LANDLORD CONSTRUCTION

48.1 Tenant acknowledges that portions of the Project may be under construction following Tenant's occupancy of the Premises, and that such construction may result in levels of noise, dust, odor, obstruction of access, etc. which are in excess of that present in a fully constructed project. Tenant hereby waives any and all rent offsets or claims of constructive eviction which may arise in connection with such construction. If any excavation or construction is made adjacent to, upon or within the Building, or any part thereof, Tenant shall afford to any and all persons causing or authorized to cause such excavation or construction ("Landlord's Construction Personnel") license to enter upon the Premises for the purpose of doing such work as such persons shall deem necessary to preserve the Building or any portion thereof from injury or damage and to support the same by proper foundations, braces and supports, without any claim for damages or indemnity or abatement of Rent (subject to the express provisions of this Lease), or of a constructive or actual eviction of Tenant. Notwithstanding anything to the contrary contained in this Lease, Landlord shall provide Tenant with written notice ten (10) days prior to any such entry of Landlord's Construction Personnel onto the Premises.

48.2 It is specifically understood and agreed that Landlord has no obligation and has made no promises to alter, remodel, improve, renovate, repair or decorate the Premises, the Building, or any part thereof and that no representations respecting the condition of the Premises or the Building have been made by Landlord to Tenant except as specifically set forth herein or in the Tenant Work Letter. However, Tenant hereby acknowledges that Landlord is currently renovating or may during the Term of this Lease renovate, improve, alter, or modify (collectively, the "Renovations") the Project, the Building and/or the Premises, including without limitation the Parking Facilities (as defined below), the Common Areas, and the systems and equipment, roof and structural portions of the same. Tenant hereby agrees that such Renovations and Landlord's actions in connection with such Renovations shall in no way constitute a constructive eviction of Tenant nor entitle Tenant to any abatement of Rent. Landlord shall have no responsibility and shall not be liable to Tenant for any direct or indirect injury to or interference with Tenant's business arising from the Renovations, nor shall Tenant be entitled to any compensation or damages from Landlord for loss of the use of the whole or any part of the

Premises or of Tenant's personal property or improvements resulting from the Renovations, or for any inconvenience or annoyance occasioned by such Renovations for Landlord's actions in connection with such Renovations, or for any inconvenience or annoyance occasioned by such Renovations or Landlord's actions in connection with such Renovations.

48.3 In exercising its rights under this Article 48, Landlord shall make commercially reasonable efforts to minimize the disruption to Tenant's business operations and shall comply with Tenant's reasonable security measures and operating procedures.

48.4 In addition, Landlord's access to the Premises under this Article 48 shall be subject to the limitations provided for in Section 7.2, above.

ARTICLE 49.
PARKING

49.1 The use by Tenant, its employees and invitees, of the parking facilities of the Project (the "Parking Facilities") shall be on the terms and conditions set forth in Exhibit D-1 attached hereto and by this reference incorporated herein and shall be subject to such other agreement between Landlord and Tenant as may hereinafter be established and to such other reasonable and nondiscriminatory rules and regulations as Landlord may establish. Tenant, its employees and invitees shall use no more than the Maximum Parking Allocation. Tenant's right to use the Maximum Parking Allocation shall be without direct charge, other than Operating Expenses and Taxes otherwise payable under Article 5 of this Lease. Tenant's use of the parking spaces shall be confined to the Project. If, in Landlord's reasonable business judgment, it becomes necessary, Landlord shall exercise due diligence to cause the creation of cross-parking easements and such other agreements as are necessary to permit Tenant, its employees and invitees to use parking spaces on properties and buildings which are separate legal parcels from, but are in reasonable proximity to, the Project. Tenant acknowledges that other tenants of the Project and the tenants of the other buildings, their employees and invitees, may be given the right to park at the Project. Landlord reserves the right to change any existing or future parking area, roads, or driveways, or increase or decrease the size thereof and make any repairs or alterations it deems necessary to the parking area, roads and driveways and Landlord agrees to use commercially reasonable efforts to minimize any interference with Tenant's parking in the course of such repairs or alterations. Landlord agrees not to grant rights to park in the Project that exceed the available parking spaces in the Project by more than is customary for parking for projects comparable to the Project.

ARTICLE 50.
ELECTRICAL CAPACITY

50.1 Tenant covenants and agrees that at all times, its use of electric energy shall never exceed the capacity of the existing feeders to the Building or the risers of wiring installation. Any riser or risers to supply Tenant's electrical requirements upon written request of Tenant shall be installed by Landlord at the sole cost and expense of Tenant, if, in Landlord's sole judgment, the same are necessary and will not cause or create a dangerous or hazardous condition or entail excess or unreasonable alterations, repairs or expense or interfere with or disrupt other tenants or occupants. In addition to the installation of such riser or risers, Landlord will also, at the sole cost and expense of Tenant, install all other equipment proper and necessary in connection therewith subject to the aforesaid terms and conditions.

ARTICLE 51.
OPTION TO EXTEND LEASE

51.1 Extension Option. Tenant shall have the option to extend this Lease (the "Extension Option") for one additional term of five (5) years (the "Extension Period"), upon the terms and conditions hereinafter set forth:

(a) If the Extension Option is exercised, then the Base Rent per annum for such Extension Period (the "Option Rent") shall be an amount equal to the Fair Market Rental Value (as defined hereinafter) for the Premises as of the commencement of the Extension Option for such Extension Period.

(b) The Extension Option must be exercised by Tenant, if at all, only at the time and in the manner provided in this Section 51.1(b).

(i) If Tenant wishes to exercise the Extension Option, Tenant must, on or before the date occurring twelve (12) months before the expiration of the initial Lease Term (but not before the date that is fifteen (15) months before the expiration of the initial Lease Term), exercise the Extension Option by delivering written notice (the "Exercise Notice") to Landlord. If Tenant timely and properly exercises its Extension Option, the Lease Term shall be extended for the Extension Period upon all of the terms and conditions set forth in the Lease, as amended, except that the Base Rent for the Extension Period shall be as provided in Section 51.1(a) and Tenant shall have no further options to extend the Lease Term.

(ii) If Tenant fails to deliver a timely Exercise Notice, Tenant shall be considered to have elected not to exercise the Extension Option.

(c) It is understood and agreed that the Extension Option hereby granted is personal to Original Tenant and is not transferable except to a Permitted Transferee in connection with an assignment of Tenant's entire interest in this Lease. In the event of any assignment of this Lease or subletting of all of the Premises for a period ending in the last one hundred eighty (180) days of the Term thereof (other than to a Permitted Transferee), the Extension Option shall automatically terminate and shall thereafter be null and void.

(d) Tenant's exercise of the Extension Option shall, if Landlord so elects in its absolute discretion, be ineffective in the event that (i) an Event of Default by Tenant remains uncured at the time of delivery of the Exercise Notice, or (ii) Tenant shall have reduced the size of the Premises below one (1) full floor of the Building by agreement with Landlord or pursuant to an express right in this Lease.

51.2 Fair Market Rental Value. The provisions of this Section shall apply in any instance in which this Lease provides that the Fair Market Rental Value is to apply.

(a) "Fair Market Rental Value" means the annual amount per square foot that a willing tenant would pay and a willing landlord would accept in arm's length

negotiations, without any additional inducements, for a lease of the applicable non-sublease, non-equity, unencumbered space on the applicable terms and conditions for the applicable period of time. Fair Market Rental Value shall be determined considering the most recent new direct leases (and market renewals, extensions and expansions, if applicable) in the Building and in Comparable Buildings in the Market Area.

(b) In determining the rental rate of comparable space, the parties shall include all escalations and take into consideration the following concessions:

(i) Rental abatement concessions, if any, being granted to tenants in connection with the comparable space; and

(ii) Tenant improvements or allowances provided or to be provided for the comparable space, taking into account the value of the existing improvements in the Premises, based on the age, quality, and layout of the improvements.

(c) If in determining the Fair Market Rental Value the parties determine that the economic terms of leases of comparable space include a tenant improvement allowance, Landlord may, at Landlord's sole option, elect to do the following:

(i) Grant some or all of the value of the tenant improvement allowance as an allowance for the refurbishment of the Premises; and

(ii) Reduce the Base Rent component of the Fair Market Rental Value to be an effective rental rate that takes into consideration the total dollar value of that portion of the tenant improvement allowance that Landlord has elected not to grant to Tenant (in which case that portion of the tenant improvement allowance evidenced in the effective rental rate shall not be granted to Tenant).

51.3 Determination of Fair Market Rental Value. The determination of Fair Market Rental Value shall be as provided in this Section 51.3.

(a) Negotiated Agreement. Landlord and Tenant shall diligently attempt in good faith to agree on the Fair Market Rental Value on or before the date (the "Outside Agreement Date") that is five (5) months prior to the date upon which the Extension Period is to commence.

(b) Parties' Separate Determinations. If Landlord and Tenant fail to reach agreement on or before the Outside Agreement Date, Landlord and Tenant shall each make a separate determination of the Fair Market Rental Value and notify the other party of this determination within ten (10) business days after the Outside Agreement Date.

(i) Two Determinations. If each party makes a timely determination of the Fair Market Rental Value, those determinations shall be submitted to arbitration in accordance with subsection (c).

(ii) One Determination. If Landlord or Tenant fails to make a determination of the Fair Market Rental Value within the ten (10) business day period, that failure shall be conclusively considered to be that party's approval of the Fair Market Rental Value submitted within the ten (10) business day period by the other party.

(c) Arbitration. If both parties make timely individual determinations of the Fair Market Rental Value under subsection (b), the Fair Market Rental Value shall be determined by arbitration under this subsection (c).

(i) Scope of Arbitration. The determination of the arbitrators shall be limited to the sole issue of whether Landlord's or Tenant's submitted Fair Market Rental Value is the closest to the actual Fair Market Rental Value as determined by the arbitrators, taking into account the requirements of Section 51.2.

(ii) Qualifications of Arbitrator(s). The arbitrators must be licensed real estate brokers who have been active in the leasing of commercial multi-story properties in the Market Area over the five-year period ending on the date of their appointment as arbitrator(s).

(iii) Parties' Appointment of Arbitrators. Within twenty (20) days after the Outside Agreement Date, Landlord and Tenant shall each appoint one arbitrator and notify the other party of the arbitrator's name and business address.

(iv) Appointment of Third Arbitrator. If each party timely appoints an arbitrator, the two (2) arbitrators shall, within ten (10) days after the appointment of the second arbitrator, agree on and appoint a third arbitrator (who shall be qualified under the same criteria set forth above for qualification of the initial two (2) arbitrators) and provide notice to Landlord and Tenant of the arbitrator's name and business address.

(v) Arbitrators' Decision. Within thirty (30) days after the appointment of the third arbitrator, the three (3) arbitrators shall decide whether the parties will use Landlord's or Tenant's submitted Fair Market Rental Value and shall notify Landlord and Tenant of their decision. The decision of the majority the three (3) arbitrators shall be binding on Landlord and Tenant.

(vi) If Only One Arbitrator is Appointed. If either Landlord or Tenant fails to appoint an arbitrator within twenty (20) days after the Outside Agreement Date, the arbitrator timely appointed by one of them shall reach a decision and notify Landlord and Tenant of that decision within thirty (30) days after the arbitrator's appointment. The arbitrator's decision shall be binding on Landlord and Tenant.

(vii) If Only Two Arbitrators Are Appointed. If each party appoints an arbitrator in a timely manner, but the two (2) arbitrators fail to agree on and appoint a third arbitrator within the required period, the arbitrators shall be dismissed without delay and the issue of Fair Market Rental Value shall be submitted to binding arbitration under the real estate arbitration rules of JAMS, subject to the provisions of this section.

(viii) If No Arbitrator Is Appointed. If Landlord and Tenant each fail to appoint an arbitrator in a timely manner, the matter to be decided shall be submitted without delay to binding arbitration under the real estate arbitration rules of JAMS subject the provisions of this Section 51.3(c).

51.4 Cost of Arbitration. Each party shall pay the costs of its arbitrator and one-half of the cost of the third arbitrator, if applicable.

ARTICLE 52.
TELECOMMUNICATIONS LINES AND EQUIPMENT

52.1 Tenant may install, maintain, replace, remove or use any electrical, communications or computer wires and cables (collectively, the "Lines") at the Building in or serving the Premises, provided that (i) Tenant shall obtain Landlord's reasonable prior written consent, use an experienced and qualified contractor reasonably approved in writing by Landlord, and comply with all of the other provisions of Articles 8 and 15 of this Lease, (ii) an acceptable number of spare Lines and space for additional Lines shall be maintained for existing and future occupants of the Building, as determined in Landlord's reasonable opinion, (iii) the Lines therefor (including riser cables) shall be appropriately insulated to prevent excessive electromagnetic fields or radiation, and shall be surrounded by a protective conduit reasonably acceptable to Landlord, (iv) any new or existing Lines servicing the Premises shall comply with all applicable governmental laws and regulations, (v) as a condition to permitting the installation of new Lines, Landlord may require that Tenant remove existing Lines located in or serving the Premises and repair any damage in connection with such removal, and (vi) Tenant shall pay all costs in connection therewith. Landlord reserves the right to require that Tenant remove any Lines located in or serving the Premises which are installed in violation of these provisions, or which are at any time in violation of any laws or represent a dangerous or potentially dangerous condition. Landlord further reserves the right to require that Tenant remove any and all additional Lines installed by Tenant and located in or serving the Premises upon the expiration of the Term or upon any earlier termination of this Lease.

ARTICLE 53.
ERISA

53.1 Tenant represents, warrants and covenants to Landlord that, as of the date hereof and throughout the term of this Lease, Tenant is not, and is not entering into this Lease on behalf of, (i) an employee benefit plan, (ii) a trust holding assets of such a plan or (iii) an entity holding assets of such a plan. Notwithstanding any terms to the contrary in this Lease, in no event may Tenant assign or transfer its interest under this Lease to a third party who is, or is entering into this Lease on behalf of, (i) an employee benefit plan, (ii) a trust holding assets of such a plan or (iii) an entity holding assets of such a plan if such transfer would could cause Landlord to incur any prohibited transaction excise tax penalties or other materially adverse consequences under the Employee Retirement Income Security Act of 1974, as amended, Section 4975 of the Internal Revenue Code of 1986, as amended or similar law. Tenant represents and warrants to Landlord that (i) neither Tenant nor any of its "affiliates" has the authority (A) to appoint or terminate PGIM, Inc. ("PGIM") as investment manager of the PRISA II fund, (B) to negotiate the terms of a management agreement between PGIM and the PRISA II fund or (C) to cause an investment in or withdrawal from PRISA II fund and (ii) Tenant is not "related" to PGIM (within the meaning of Part VI(h) of Department of Labor Prohibited Transaction Exemption 84-14).

ARTICLE 54.
INTENTIONALLY OMITTED

ARTICLE 55.
TENANT'S ROOFTOP RIGHTS

55.1 Right to Install and Maintain Rooftop Equipment. During the Term and subject to the terms of this Article 55, Tenant may install on the roof of the Building telecommunications antennae, microwave dishes or other communication equipment, as necessary for the operation of Tenant's business within the Premises, including any cabling or wiring necessary to connect this rooftop equipment to the Premises (collectively, the "Rooftop Equipment"). If Tenant wishes to install any Rooftop Equipment, Tenant shall first notify Landlord in writing, which notice shall fully describe the Rooftop Equipment, including, without limitation, its purpose, weight, size and desired location on the roof of the Building and its intended method of connection to the Premises. All of Tenant's Rooftop Equipment must be located within a total aggregate area not to exceed 4 square feet, at locations reasonably approved by Landlord prior to any installation. Landlord hereby consents to the installation of Rooftop Equipment consisting of one (1) antennae and/or satellite dishes (the "Initial Rooftop Equipment"). Landlord also reserves the right to restrict the number and size of dishes, antennae and other Rooftop Equipment in addition to the Initial Rooftop Equipment installed on the roof of the Building in its sole discretion.

55.2 Additional Charges for Rooftop Equipment. Tenant will be solely responsible, at Tenant's sole expense, for the installation, maintenance, repair and removal of the Rooftop Equipment, and Tenant shall at all times maintain the Rooftop Equipment in good condition and repair. Landlord agrees that the named Tenant hereunder shall not pay any rental charge for Tenant's use of the rooftop pursuant to the terms of this Article 55 for the Initial Rooftop Equipment, provided, however, if any successor to the named Tenant, other than a Permitted Transferee, wishes to utilize rooftop space or if Tenant seeks to use rooftop space for Rooftop Equipment in addition to the Initial Rooftop Equipment, Landlord reserves the right to impose a charge for such use, which shall be consistent with market rates.

55.3 Conditions of Installation. The installation of the Rooftop Equipment shall constitute an alteration and shall be performed in accordance with and subject to the provisions of Article 15 of this Lease. Tenant shall comply with all applicable laws, rules and regulations relating to the installation, maintenance and operation of Rooftop Equipment at the Building (including, without limitation, all construction rules and regulations) and will pay all costs and expenses relating to such Rooftop Equipment, including the cost of obtaining and maintaining any necessary permits or approvals for the installation, operation and maintenance thereof in compliance with applicable laws, rules and regulations. The installation, operation and maintenance of the Rooftop Equipment at the Building shall not adversely affect the structure or operating systems of the Building or the business operations of any other tenant or occupant at the Building. For purposes of determining Landlord's and Tenant's respective rights and obligations with respect to the use of the roof, the portion of the roof affected by the Rooftop

Equipment shall be deemed to be a portion of the Premises (provided that such portion shall not be measured for purposes of determining the area of the Premises and Tenant shall have no obligation to perform routine repair and maintenance thereof); consequently, all of the provisions of this Lease respecting Tenant's obligations hereunder shall apply to the installation, use and maintenance of the Rooftop Equipment, including without limitation provisions relating to compliance with requirements as to insurance and indemnity. Tenant may install cabling and wiring through the Building interior conduits, risers, and pathways of the Building in accordance with Article 52 in order to connect Rooftop Equipment with the Premises.

55.4 Non-Exclusive Right. Tenant's right to install and maintain Rooftop Equipment is non-exclusive and is subject to termination or revocation as set forth herein, including pursuant to Section 22.2(b) of this Lease. Landlord shall be entitled to all revenue from use of the roof other than revenue from the Rooftop Equipment installed by Tenant. Subject to the terms set forth below in this Section 55.4, Landlord at its election may require the relocation, reconfiguration or removal of the Rooftop Equipment, if in Landlord's reasonable judgment the Rooftop Equipment is interfering with the use of the rooftop for the helipad or other Building operations (including without limitation maintenance, repairs and replacements of the roof) or the business operations of other tenants or occupants of the Building, causing damage to the Building or if Tenant otherwise fails to comply with the terms of this Article 55. If relocation or reconfiguration becomes necessary due to interference difficulties, Landlord and Tenant will reasonably cooperate in good faith to agree upon an alternative location or configuration that will permit the operation of the Rooftop Equipment for Tenant's business at the Premises without interfering with other operations at the Building or communications uses of other tenants or occupants. If removal is required due to an Event of Default because of any breach or default by Tenant under the terms of this Article 55, Tenant shall remove the Rooftop Equipment upon thirty (30) days' written notice from Landlord. Any relocation, removal or reconfiguration of the Rooftop Equipment as provided above shall be at Tenant's sole cost and expense. In addition to the other rights of relocation and removal as set forth herein, Landlord reserves the right to require relocation of Tenant's Rooftop Equipment at any time at its election at Landlord's cost (but not more frequently than once per year) so long as Tenant is able to continue operating its Rooftop Equipment in substantially the same manner as it was operated prior to its relocation. In connection with any relocation of Tenant's Rooftop Equipment at the request of or required by Landlord (other than in the case of an Event of Default by Tenant hereunder), Landlord shall provide Tenant with at least thirty (30) days' prior written notice of the required relocation and will conduct the relocation in a commercially reasonable manner and in such a way that will, to the extent reasonably possible, prevent interference with the normal operation of Tenant's Rooftop Equipment. In connection with any relocation, Landlord further agrees to work with Tenant in good faith to relocate Tenant's Rooftop Equipment to a location that will permit its normal operation for Tenant's business operations. Landlord acknowledges that relocation of Tenant's Rooftop Equipment may be disruptive to Tenant's business and, without limiting its rights to require such removal, confirms that it will not exercise its rights hereunder in a bad faith manner or for the purpose of harassing or causing a hardship to Tenant.

55.5 Costs and Expenses. If Tenant fails to comply with the terms of this Article 55 within thirty (30) days following written notice by Landlord (or such longer period as may be reasonably required to comply so long as Tenant is diligently attempting to comply), Landlord may take such action as may be necessary to comply with these requirements. In such

event, Tenant agrees to reimburse Landlord for all costs incurred by Landlord to effect any such maintenance, removal or other compliance subject to the terms of this Article 55, including interest on all such amounts incurred at the Agreed Rate, accruing from the date which is ten 10) days after the date of Landlord's demand until the date paid in full by Tenant, with all such amounts being Additional Rent under this Lease.

55.6 Indemnification; Removal. Tenant agrees to indemnify Landlord, its partners, agents, officers, directors, employees and representatives from and against any and all liability, expense, loss or damage of any kind or nature from any suits, claims or demands, including reasonable attorneys' fees, arising out of Tenant's installation, operation, maintenance, repair, relocation or removal of the Rooftop Equipment, except to the extent any such liability, expense, loss or damage results from the gross negligence or intentional misconduct of Landlord or its agents, partners, officers, directors, employees, contractors or representatives. At the expiration or earlier termination of the Lease, Tenant may and, upon request by Landlord, shall remove all of the Rooftop Equipment, including any wiring or cabling relating thereto, at Tenant's sole cost and expense and will repair at Tenant's cost any damage resulting from such removal. If Landlord does not require such removal, any Rooftop Equipment remaining at the Building after the expiration or earlier termination of this Lease which is not removed by Tenant shall be deemed abandoned and shall become the property of Landlord.

55.7 Roof Access; Rules and Regulations. Subject to compliance with the construction rules for the Building and Landlord's reasonable and nondiscriminatory rules and regulations regarding access to the roof and, upon receipt of Landlord's prior written consent to such activity (which shall not be unreasonably withheld, conditioned or delayed), Tenant and its representatives shall have access to and the right to go upon the roof of the Building, on a seven (7) day per week, twenty-four (24) hour basis, to exercise its rights and perform its obligations under this Article 55. Tenant acknowledges that, except in the case of an emergency or when a Building engineer is not made available to Tenant in sufficient time to allow Tenant to avoid or minimize interruption of use of the Rooftop Equipment, advance notice is required and a Building engineer must accompany all persons gaining access to the rooftop. Tenant may install Rooftop Equipment at the Building only in connection with its business operations at the Premises, and may not lease or license any rights or equipment to third parties or allow the use of any rooftop equipment by any party other than Tenant. Tenant acknowledges that Landlord has made no representation or warranty as to Tenant's ability to operate Rooftop Equipment at the Building and Tenant acknowledges that helicopters, other equipment installations and other structures and activities at or around the Building may result in interference with Tenant's Rooftop Equipment. Except as set forth in this Article 55, Landlord shall have no obligation to prevent, minimize or in any way limit or control any existing or future interference with Tenant's Rooftop Equipment.

ARTICLE 56.
GENERATOR

56.1 Subject to the terms and conditions set forth below, Tenant shall have the right to install in such location adjacent to the Building as Landlord and Tenant shall reasonably and mutually agree, at Tenant's sole expense, one back-up generator and related fuel storage, cabling and equipment (collectively, a "UPS") to provide uninterrupted power to certain

equipment in the Premises, provided that the UPS (i) does not adversely affect the safety of the Building or any warranty relating to the Building or adversely affect in any material respect any structural component of the Building, (ii) does not adversely affect any electrical, mechanical or any other system of the Building or the functioning thereof; (iii) does not materially interfere with the operation of the Building or the provision of services or utilities to the Building; (iv) complies with all Applicable Laws, and (v) is otherwise approved by Landlord in writing (which approval shall not be unreasonably, withheld, conditioned or delayed), including approval by Landlord of the exact location, type, style, dimensions, weight, plans and installation procedures for the UPS and the characteristics and type of fuel powering such UPS. Prior to the installation of the UPS by Tenant: (a) Tenant shall obtain Landlord's reasonable approval of the contractor which shall undertake such installation; (b) Tenant shall obtain all permits and governmental approvals required for the installation of the UPS; (c) Tenant and the contractor approved by Landlord to undertake such installation shall obtain such insurance coverages as Landlord may reasonably require and, if requested by Landlord, cause Landlord to be named as an insured under such insurance policies; and (d) Tenant shall submit to Landlord for its reasonable approval, plans for the installation of the UPS, prepared by qualified engineers, showing all aesthetic, structural, mechanical and electrical details of the UPS, as well as all associated conduit and related equipment, all in accordance with all Applicable Laws, including without limitation all Environmental Requirements. Tenant shall ensure that the UPS does not interfere with any other equipment serving the Building or any portion thereof. At Tenant's sole cost, the UPS shall be fully screened from view and sound in a manner reasonably acceptable to Landlord at the time that the UPS is approved by Landlord, which may include without limitation the installation of an additional screening wall and sound baffling. Throughout the Term, Tenant shall (A) ensure that the UPS complies with all Applicable Laws, including any Environmental Requirements; (B) cause engineers, including environmental engineers, reasonably acceptable to Landlord to inspect the UPS at least twice yearly to insure that such equipment is functioning properly and that no Hazardous Materials are emanating therefrom; (C) maintain the UPS in good order and repair; (D) maintain insurance coverages with respect thereto as are reasonably required by Landlord from time to time; and (E) maintain all permits and governmental approvals necessary for the operation of the UPS. Tenant shall promptly report to Landlord if Tenant determines that the UPS is not functioning properly, is leaking or is in violation of any Applicable Laws. At the end of the Term, if requested by Landlord, Tenant, at Tenant's sole cost and expense, shall remove the UPS and restore the area in which it was located to its condition immediately prior to the installation of the UPS. Tenant shall obtain at Tenant's expense all permits and governmental approvals necessary for such removal.

ARTICLE 57.
LETTER OF CREDIT

57.1 Letter of Credit. Tenant agrees to provide, at Tenant's sole cost and expense, a Letter of Credit (as defined below) in the Letter of Credit Required Amount (as defined below) as additional security for the faithful performance and observance by Tenant of all of the provisions of this Lease, on the terms and conditions set forth below. The use, application or retention of the Letter of Credit, or any portion thereof, by Landlord shall not prevent Landlord from exercising any other right or remedy provided by this Lease or by law, it being intended that Landlord shall not first be required to proceed against the Letter of Credit and the Letter of Credit shall not operate as a limitation on any recovery to which Landlord may otherwise be entitled. As used herein the term Letter of Credit Required Amount initially means $4,131,719.96.

57.2 Delivery of Letter of Credit. (a) Tenant shall cause a Letter of Credit, in the amount of the Letter of Credit Required Amount to be issued by the L/C Bank (as defined below) in favor of Landlord; (b) Tenant will cause the Letter of Credit to remain in full force and effect during the entire Term and thereafter until sixty (60) days after expiration or earlier termination of the Lease; and (c) the initial Letter of Credit will be delivered to Landlord upon the execution and delivery of this Lease by Tenant. So long as no Event of Default then exists, Landlord shall return the Letter of Credit to Tenant within sixty (60) days after the Expiration Date or the Termination Date. The specific requirements for the Letter of Credit and the rights of Landlord to make draws thereon will be as set forth in this Article 57.

57.3 Draws on the Letter of Credit. Immediately upon, and at any time or from time to time after, the occurrence of any one or more Draw Events (as defined below), Landlord will have the unconditional right to draw on the Letter of Credit in accordance with this Article 57. Upon the payment to Landlord of the Draw Proceeds, Landlord will hold the Draw Proceeds in its own name and for its own account, without liability for interest, to use and apply any and all of the Draw Proceeds only (a) to cure any Event of Default by Tenant; (b) to pay any other sum to which Landlord becomes obligated by reason of Tenant's failure to carry out its obligations under this Lease; or (c) to compensate Landlord for any monetary loss or damage which Landlord suffers thereby arising from Tenant's failure to carry out its obligations under this Lease. In addition, if the Draw Event is the failure of Tenant to renew the Letter of Credit as required hereunder, then Landlord shall be entitled to draw the entire Letter of Credit as a cash security deposit, held as a pledge under the California Uniform Commercial Code to secure Tenant's obligations under this Lease. Following any such draw, however, Tenant shall have the right to deliver to Landlord a substitute Letter of Credit, whereupon Landlord shall refund to Tenant the entire amount of such cash security deposit. Among other things, it is expressly understood that the Draw Proceeds will not be considered an advance payment of Base Rent or Additional Rent or a measure of Landlord's damages resulting from any Event of Default hereunder (past, present or future). Further, immediately upon the occurrence and during the continuance of any one or more Draw Events, Landlord may, from time to time and without prejudice to any other remedy, use the Draw Proceeds (whether from a contemporaneous or prior draw on the Letter of Credit) to the extent necessary to make good any arrearages of Base Rent or Additional Rent, to pay to Landlord any and all amounts to which Landlord is entitled in connection with the pursuit of any one or more of its remedies hereunder, and to compensate Landlord for any and all other damage, injury, expense or liability caused to Landlord by any and all such Events of Default. Any delays in Landlord's draw on the Letter of Credit or in Landlord's use of the Draw Proceeds as provided in this Article 57 will not constitute a waiver by Landlord of any of its rights hereunder with respect to the Letter of Credit or the Draw Proceeds. Following any such application of the Draw Proceeds, Tenant will either pay to Landlord on demand the cash amount so applied in order to restore the Draw Proceeds to the full amount thereof immediately prior to such application or cause the Letter of Credit to be replenished to its full amount thereunder. Failure to either pay that cash amount or cause the Letter of Credit to be replenished to its full amount thereunder within five (5) business days after Landlord's written notice to Tenant of that application of the Draw Proceeds shall constitute an Event of Default without the right to any notice or cure period. Landlord will not be liable for any indirect,

consequential, special or punitive damages incurred by Tenant arising from a claim that Landlord violated the bankruptcy code's automatic stay in connection with any draw by Landlord of any Draw Proceeds, Landlord's liability (if any) under such circumstances being limited to the reimbursement of direct costs as and to the extent expressly provided in this Section 57.3. Nothing in this Lease or in the Letter of Credit will confer upon Tenant any property rights or interests in any Draw Proceeds; provided, however, that upon the expiration or earlier termination of this Lease, and so long as there then exist no Draw Events or Events of Default hereunder, Landlord agrees to return of any remaining unapplied balance of the Draw Proceeds then held by Landlord to Tenant, and the Letter of Credit itself (if and to the extent not previously drawn in full) to the L/C Bank. Landlord may draw on the Letter of Credit and/or apply any Security Deposit in any order.

57.4 Applicable Definitions.

Draw Event means each of the following events:

(a) the occurrence of any one or more of the following which shall have also been preceded, simultaneously accompanied, or succeeded by an Event of Default under this Lease regardless of the absence of any notice of default which might otherwise be required with respect to an Event of Default if the giving of notice to Tenant about such breach by Tenant is stayed or barred due to one of the following events: (i) Tenant's filing of a petition under any chapter of the Bankruptcy Code, or under any federal, state or foreign bankruptcy or insolvency statute now existing or hereafter enacted, or Tenant's making a general assignment or general arrangement for the benefit of creditors, (ii) the filing of an involuntary petition under any chapter of the Bankruptcy Code, or under any federal, state or foreign bankruptcy or insolvency statute now existing or hereafter enacted, or the filing of a petition for adjudication of bankruptcy or for reorganization or rearrangement, by or against Tenant and such filing not being dismissed within sixty (60) days, (iii) the entry of an order for relief under any chapter of the Bankruptcy Code, or under any federal, state or foreign bankruptcy or insolvency statute now existing or hereafter enacted, (iv) the appointment of a custodian, as such term is defined in the Bankruptcy Code (or of an equivalent thereto under any federal, state or foreign bankruptcy or insolvency statute now existing or hereafter enacted), for Tenant, or the appointment of a trustee or receiver to take possession of substantially all of Tenant's assets located at the Premises or of Tenant's interest in this Lease and possession not being restored to Tenant within sixty (60) days, or (v) the subjection of all or substantially all of Tenant's assets located at the Premises or of Tenant's interest in this Lease to attachment, execution or other judicial seizure and such subjection not being discharged within sixty (60) days;

(b) the failure of Tenant, not less than thirty (30) days prior to the stated expiration date of the Letter of Credit then in effect, to cause an extension, renewal or replacement issuance of the Letter of Credit, to be effected, which extension, renewal or replacement issuance will be made by the L/C Bank, will otherwise meet all of the requirements of the initial Letter of Credit hereunder;

(c) the failure of Tenant to make when due any payment of Rent within five (5) days after the amount is due; provided that in the event Tenant is entitled to a notice prior to the occurrence of an Event of Default for non-payment of Rent pursuant to

Section 22.1(a), this Draw Event shall not be deemed to have occurred until expiration of five (5) days after that notice (or, if Landlord is prevented from giving notice by application of the bankruptcy code's automatic stay, any failure of Tenant to make when due any payment of Rent within five (5) days after the amount is due); and

(d) the payment by Landlord of any sum to cure a non-monetary Event of Default by Tenant hereunder (or, if Landlord is prevented from giving notice by application of the bankruptcy code's automatic stay, the payment of Landlord of any sum to cure a failure by Tenant to comply with any non-monetary obligation hereunder that Tenant has not cured within thirty (30) days from the date of the breach).

Draw Proceeds means the proceeds of any draw or draws made by Landlord under the Letter of Credit, together with any and all interest accruing thereon.

L/C Bank means any United States bank which is approved by Landlord in Landlord's reasonable discretion. Landlord approves Silicon Valley Bank as an L/C Bank.

Letter of Credit means that certain one-year irrevocable letter of credit, in the Letter of Credit Required Amount, as such amount may be reduced pursuant to Section 57.8 below, issued by the L/C Bank, as required under Section 57.2 and, if applicable, as extended, renewed, replaced or modified from time to time in accordance with this Lease, which letter of credit will be transferable and in substantially the same form as attached Exhibit K.

57.5 Transfer of Letter of Credit. The Letter of Credit shall not be mortgaged, assigned or encumbered in any manner whatsoever by Tenant. Tenant acknowledges that Landlord has the right to transfer or mortgage its interest in the Premises and the Building and in this Lease and Tenant agrees that in the event of any such transfer or mortgage, Landlord shall have the right to transfer or assign the Letter of Credit and/or the Draw Proceeds to the transferee or mortgagee, and in such event, Tenant shall look solely to such transferee or mortgagee for return of the Letter of Credit and/or the Draw Proceeds so transferred. Tenant shall pay all fees and charges of the L/C Bank with respect to any transfer of the Letter of Credit. Tenant shall, within five (5) business days of request by Landlord, execute such further instruments or assurances as Landlord may reasonably deem necessary to evidence or confirm Landlord's transfer or assignment of the Letter of Credit and/or the Draw Proceeds to such transferee or mortgagee.

57.6 Letter of Credit is Not Security Deposit. Landlord and Tenant acknowledge and agree that in no event or circumstance shall the Letter of Credit, any renewal thereof or substitute therefor or the proceeds thereof be (i) deemed to be or treated as a security deposit within the meaning of California Civil Code Section 1950.7, (ii) subject to the terms of such Section 1950.7, or (iii) intended to serve as a security deposit within the meaning of such Section 1950.7. The parties hereto (A) recite that the Letter of Credit is not intended to serve as a security deposit and such Section 1950.7 and any and all other laws, rules and regulations applicable to security deposits in the commercial context (Security Deposit Laws) shall have no applicability or relevancy thereto and (B) waive any and all rights, duties and obligations either party may now or, in the future, will have relating to or arising from the Security Deposit Laws. Notwithstanding the foregoing, to the extent California Civil Code 1950.7 in any way: (a) is

determined to be applicable to this Lease or the Letter of Credit (or any proceeds thereof); or (b) controls Landlord's rights to draw on the Letter of Credit or apply the proceeds of the Letter of Credit to any amounts due under this Lease or any damages Landlord may suffer following termination of this Lease, then Tenant fully and irrevocably waives the benefits and protections of Section 1950.7 of the California Civil Code, it being agreed that Landlord may recover from the Letter of Credit (or its proceeds) all of Landlord's damages under this Lease and California law including, but not limited to, any damages accruing upon the termination of this Lease in accordance with this Lease and Section 1951.2 of the California Civil Code.

57.7 Substitute Letter of Credit. In the event the L/C Bank is declared insolvent by the FDIC or is closed for any reason, Tenant shall immediately provide a substitute Letter of Credit meeting the requirements of this Article 57 from another United States bank which is approved by Landlord in Landlord's reasonable discretion.

57.8 Letter of Credit Reduction. So long as no material monetary Event of Default of Tenant then exists hereunder, as of the fourth (4th) anniversary of the Commencement Date (the "LOC Reduction Date"), Tenant shall have the right to deliver a new Letter of Credit, or amend the existing Letter of Credit, to reduce the amount of the Letter of Credit to Two Million Sixty-Five Thousand Eight Hundred Fifty-Nine and 98/100 Dollars ($2,065,859.98), provided that on or before the LOC Reduction Date either of the following (the "LOC Reduction Conditions") shall have occurred: (i) both (a) an initial public offering of equity securities which results in Tenant's stock being traded on a national securities exchange, including, without limitation, the NYSE, the NASDAQ Stock Market or the NASDAQ Small Cap Market System or any sale thereafter of equity securities on such a national securities exchange, and (b) Tenant has a market capitalization of not less than One Hundred Million Dollars ($100,000,000.00), or (ii) an infusion of not less than Seventy Million Dollars ($70,000,000.00), cumulatively and in the aggregate after the date of this Lease, of additional equity capital in Tenant as evidenced by Tenant's audited financial statements. If a material monetary Event of Default of Tenant exists as of the LOC Reduction Date, Tenant shall have the right to deliver a new Letter of Credit or amend the existing Letter of Credit as described herein upon the cure of any such monetary Event of Default so long as at least one of the LOC Reduction Conditions is still then satisfied. Similarly, if neither of the LOC Reduction Conditions has been satisfied as of the LOC Reduction Date, then Tenant shall have the right to deliver a new Letter of Credit or amend the existing Letter of Credit as described herein upon the subsequent satisfaction of either of the LOC Reduction Conditions so long as no material monetary Event of Default then exists. Landlord shall cooperate reasonably with Tenant to effect the reduction in the amount of the Letter of Credit, including, without limitation, returning any existing Letter of Credit to Tenant for cancellation concurrently with Tenant's delivery of a replacement or amended Letter of Credit to Landlord.

ARTICLE 58.
REASONABLE APPROVALS

58.1 Whenever this Lease grants Landlord or Tenant a right to take action, exercise discretion, or make an allocation, judgment or other determination (collectively, and "Act"), Landlord or Tenant shall act reasonably and in good faith (meaning that no action shall be taken which would materially contravene the reasonable expectations of a sophisticated

landlord operating a first-class office building and a sophisticated tenant in a first-class office building concerning the benefits and rights granted under this Lease but not contravening the plain and clear intent of the specific language of this Lease governing the specific issue in question), and shall not take any action which might result in the frustration of the reasonable expectations of a sophisticated landlord and a sophisticated tenant concerning the benefits to be enjoyed under this Lease, provided, however, that:

(a) Wherever this Lease elsewhere provides another standard which specifically defines or limits Landlord's or Tenant's discretion with respect to any Act, such other standard and not this Article 58 shall then control as to such Act;

(b) Nothing in this Article 58 shall require Landlord to consent to (i) any use of the Premises for purposes other than those permitted in Article 3, (ii) any alterations to which Landlord is not otherwise required to consent under Section 15.1, or (iii) any proposed assignment of or subletting under this Lease to which Landlord is not otherwise required to consent under Article 18;

(c) Except for an obligation to act in good faith, and except for any action or determination expressly required to be reasonable or subject to a standard of reasonableness in Article 19 or Article 20, this Article 58 shall not apply to an election by Landlord or Tenant to terminate the Lease under Article 19 or Article 20 (but only if Landlord or Tenant (as applicable) strictly complies with the parameters for termination set forth in those Articles);

(d) This Article 58 shall not apply to an act taken by Landlord pursuant to Article 22 of this Lease; and

(e) Nothing contained in this Article 58 shall be deemed to limit the discretion of Landlord or Tenant with respect to any matter (including, without limitation, a proposal to amend or otherwise modify the Lease) which is not otherwise within the contemplation of the Lease.

[SIGNATURES FOLLOW]

IN WITNESS WHEREOF, Landlord and Tenant, acting herein through duly authorized individuals, have caused these presents to be executed as of the date first above written.

TENANT:

ADICET BIO, INC., a Delaware corporation

By: /s/ Brian Hogan
Brian Hogan, CFO
[Printed Name and Title]

By: _____

[Printed Name and Title]

If Tenant is a corporation, this instrument must be executed by the chairman of the board, the president or any vice president and the secretary, any assistant secretary, the chief financial officer or any assistant financial officer or any assistant treasurer of such corporation, unless the bylaws or a resolution of the board of directors shall otherwise provide, in which case the bylaws or a certified copy of the resolution, as the case may be, must be attached to this instrument.

Tenant's NAICS Code: 541700

LANDLORD:

WESTPORT OFFICE PARK, LLC,
a California limited liability company

By: PR II LHC Bayshore Technology Center, LLC,
a Delaware limited liability company, its managing member

By: PRISA II LHC, LLC, a Delaware limited liability company, its sole member

By: /s/ Jeffrey D. Mills
Name: Jeffrey D. Mills
Title: Vice President

Exhibit 10.38

TENANT: ADICET BIO, INC.

LEASE

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BUSINESS PARK LEASE

THIS LEASE is made this 30th day of September 2015, between DAVID D. BOHANNON ORGANIZATION, a California corporation, herein referred to as "Landlord," and ADICET BIO, INC., a Delaware corporation, herein referred to as "Tenant".

WITNESSETH:

ARTICLE 1 - Premises and Term

Section 1.1. Landlord hereby leases to Tenant and Tenant hereby leases from Landlord the demised premises consisting of the building located at 200 Constitution Drive in Menlo Park, California, as described in Exhibit "A" and located substantially as shown on Exhibit "B" attached hereto, upon and subject to the terms and provisions of this Lease for a demised term of seventy-four (74) months (plus any partial period prior to the commencement of the first full calendar month). Landlord shall deliver possession of the demised premises to Tenant upon execution and delivery of this Lease by the parties and Tenant shall commence the construction of the Tenant Improvements described in Section 3.2 promptly thereafter. The demised term and commencement of rent shall occur (the "Commencement Date") on the earlier of (i) February 1, 2016, or (ii) the date Tenant's Work has been substantially completed and Tenant's business operations within the demised premises commence, and the demised term shall end on the last day of the seventy-fourth (74th) full calendar month (exclusive of any partial period prior to the commencement of the first full calendar month) after such commencement.

Upon execution and delivery of this Lease, Tenant shall have the right to access the demised premises for the purposes of performing the Tenant Improvements described in Section 3.2 and installing Tenant's fixtures and equipment prior to the commencement of the demised term hereof, provided that Tenant does not unreasonably interfere with or delay Landlord's work in the building or demised premises. Landlord agrees to use reasonable efforts to not unreasonably interfere with or delay Tenant's Work in the demised premises. From and after the date Tenant first accesses any portion of the demised premises, all of the provisions of this Lease shall be applicable to said portion notwithstanding that the demised term has not yet commenced. Specifically, but without limitation, Tenant's obligations with respect to insurance and indemnities shall be operable as of the date Tenant accesses any portion of the demised premises or building, and Tenant shall provide certificates of insurance for the insurance required of Tenant pursuant to Articles 9 and 10 of this Lease prior to accessing any portion thereof. Tenant shall not pay rent during such early access period; however, notwithstanding any other provision of this Lease to the contrary, Tenant shall pay for all utilities used by Tenant in the demised premises from and after the date Tenant first accesses any portion of the demised premises and throughout the entire demised term. Tenant shall indemnify Landlord against any and all claims arising out of Tenant's access therein and/or construction work or other activity in the demised premises or building.

Section 1.2. Landlord hereby notifies Tenant that neither the demised premises nor any portions of the building or Parking and Accommodation Areas have undergone inspection by a California Certified Access Specialist to determine if the demised premises, building or Parking and Accommodation Areas meet applicable accessibility standards with regard to the Americans With Disabilities Act (ADA). Landlord makes no warranty as to compliance with applicable codes, ordinances and laws, including the ADA, with respect to any improvements in the demised premises existing on the date Tenant first accesses the demised premises.

Section 1.3. Subject to Landlord's termination right in subparagraph (g) of this Section 1.3 below, provided this Lease is in full force and effect and Tenant is not, at the time of giving the notice described below or at any time thereafter until commencement of the option term, in default beyond applicable notice and cure periods under any of the terms, conditions and covenants of this Lease, and subject to the terms and conditions set forth herein, Tenant shall be granted the option to extend the term of this Lease for one (1) consecutive period of five (5) years (the "option term") as provided below:

A. Tenant shall notify Landlord in writing of Tenant's exercise of the option to extend the Lease not less than nine (9), nor more than twelve (12), full calendar months prior to the expiration of the initial term;

B. The option term will commence on the day after the expiration of the initial term and shall terminate five (5) years later;

C. There shall be no further option to extend, there shall be no Landlord inducement, and Landlord shall not be required to perform any improvements in the demised premises or the building (other than items such as maintenance or restoration after a casualty as required under this Lease) prior to or during the option term;

D. The option to extend can be exercised only by Adicet Bio, Inc. or any Permitted Transferee (defined below) for its sole use of the demised premises and may not be transferred or assigned to any sublessee, assignee or other party other than a Permitted Transferee, nor may this option be exercised by Adicet Bio, Inc. for the use of the demised premises by any sublessee, assignee or party other than Adicet Bio, Inc. and any Permitted Transferee;

E. The then current payments for additional rent shall continue to be adjusted during the option term pursuant to the provisions of this Lease;

F. The base rent as described hereinbelow for each year of the option term shall (subject to the provisions hereof) equal the Fair Market Rental Value (hereinafter defined). "Fair Market Rental Value" shall mean the market rent, including annual increases (if any), being charged on the first day of the option term for similar space in buildings of comparable quality as the building on the demised premises which are located in similar areas of the Cities of Menlo Park, Palo Alto and Redwood City. In determining the Fair Market Rental Value comparable transactions shall be considered, including without limitation, length of lease term, landlord and tenant inducements and

rent increases, if and to the extent then a part of market conditions. The rent on comparable leases shall be adjusted to reflect the value or cost of such inducements since neither Landlord nor Tenant shall have any obligation to pay or perform any such inducements (except for rent increases if applicable). For purposes of the determination of Fair Market Rental Value it shall be assumed the Landlord and Tenant are each ready, willing and able to enter into such a lease but are under no compulsion to do so.

Within twenty (20) calendar days after Tenant's written notice of exercise, Tenant shall advise Landlord of its estimate of the Fair Market Rental Value for the demised premises. Landlord, within twenty (20) calendar days thereafter, shall advise Tenant in writing of its estimate of the Fair Market Rental Value. During the next twenty (20) calendar days the parties shall meet and confer for the purpose of agreeing upon Fair Market Rental Value. If the parties are then unable to agree, then the Fair Market Rental Value shall be determined by an appraisal as herein set forth and the Fair Market Rental Value as so determined shall be binding upon Landlord and Tenant. Within ninety (90) calendar days after the Tenant's notice of exercise, Landlord and Tenant shall each appoint an appraiser and notify the other party in writing of its choice. Thereupon, the two appraisers so elected shall elect a third appraiser within thirty (30) calendar days of their appointment, unless during such period the two appraisers shall have agreed upon a Fair Market Rental Value, or have reconciled their appraisals to within ten percent (10%) of each other in which event the average of the two appraisals will be the Fair Market Rental Value, in which case their determination shall be final and binding. If the two appraisers shall be unable to agree upon a third appraiser, then the Landlord and Tenant shall immediately request the Presiding Judge of the San Mateo County Superior Court to make such selection. The three appraisers shall meet and confer for a period not to exceed sixty (60) calendar days and the determination of Fair Market Rental Value by a majority of the three shall be final and binding. In the event that a majority cannot agree, then the third (neutral) appraiser shall direct each of the party appraisers to review their appraisals for a period of seven (7) calendar days and return to a meeting of the three appraisers within five (5) calendar days thereafter with each respective party appraiser having indicated their final appraisal of Fair Market Rental Value in a sealed envelope and signed by that appraiser. The third appraiser will do the same. The envelopes will be opened in the presence of the three appraisers and the Fair Market Rental Value of the party appraiser which is closest to the Fair Market Rental Value of the third appraiser will be the final Fair Market Rental Value and binding on the parties. Each party shall bear the cost of the appraiser selected by it and the cost of the third appraiser shall be shared equally (including all costs associated with an appointment by the Superior Court of San Mateo, if applicable, regardless of which party filed the application). To be appointed as an appraiser the person so appointed shall hold the professional designation of MAI awarded by the American Institute of Real Estate Appraisers or such designation as may then be the preeminent professional designation, hold any licenses which may then be required by law, and have at least five (5) years current experience appraising commercial/light industrial properties in San Mateo County. The third (neutral) appraiser shall not have had any personal, social or business relationship with either party or any of its personnel during the preceding five (5) years.

Notwithstanding the foregoing to the contrary, in no event shall the base rent for each year of the option term be reduced below the base rent payable by Tenant for the last year (or partial year) of the initial demised term.

When the base rent for the option term is determined pursuant to the above provisions, the parties shall promptly execute an amendment to this Lease stating the base rent to be paid during the option term. In the event Tenant has retained the services of a real estate broker to represent Tenant during the negotiations of the option term, it is expressly understood that Landlord shall have no obligation for the payment of all or any part of a real estate commission or other brokerage fee to Tenant's real estate broker in connection therewith. Tenant shall be solely responsible for the payments of fees for services rendered to Tenant by such broker in connection with the option term.

G. Notwithstanding the foregoing, Landlord shall have the unilateral right to terminate this Lease at any time during the option term, or effective on the last day of the initial demised term of this Lease, by delivering to Tenant not less than twelve (12) months' prior written notice if Landlord determines that it will require the demised premises for redevelopment or related purposes. For the avoidance of doubt, Landlord's right to terminate this Lease in accordance with the provisions of this subparagraph (g) shall not be for purposes of leasing the demised premises in its existing configuration to a third party.

ARTICLE 2 - Rent

Section 2.1. Tenant covenants and agrees to pay to Landlord without set-off, recoupment, deduction or demand of any nature whatsoever, base rent for each year during the demised term as follows: for the first (1st) through the sixth (6th) full calendar months during the demised term the amount of Twenty Five Thousand One Hundred Sixty and 40/100 Dollars ($25,160.40) per month; for the seventh (7th) through twelfth (12th) full calendar months during the demised term the amount of Forty Three Thousand Three Hundred Eighty Dollars ($43,380.00) per month; for the thirteenth (13th) through twenty fourth (24th) full calendar months during the demised term the amount of Five Hundred Thirty Six Thousand One Hundred Seventy Six and 80/100 Dollars ($536,176.80) per annum, payable in twelve (12) equal monthly installments of Forty Four Thousand Six Hundred Eighty One and 40/100 Dollars ($44,681.40); for the twenty fifth (25th) through thirty sixth (36th) full calendar months during the demised term the amount of Five Hundred Fifty Two Thousand Two Hundred Sixty Two and 10/100 Dollars ($552,262.10) per annum, payable in twelve (12) equal monthly installments of Forty Six Thousand Twenty One and 84/100 Dollars ($46,021.84); for the thirty seventh (37th) through forty eighth (48th) full calendar months during the demised term the amount of Five Hundred Sixty Eight Thousand Eight Hundred Twenty Nine and 96/100 Dollars ($568,829.96) per annum, payable in twelve (12) equal monthly installments of Forty Seven Thousand Four Hundred Two and 50/100 Dollars ($47,402.50); for the forty ninth (49th) through sixtieth (60th) full calendar months during the demised term the amount of Five Hundred Eighty Five Thousand Eight Hundred Ninety Four and 86/100 Dollars ($585,894.86) per annum, payable in twelve (12) equal monthly installments of Forty Eight Thousand Eight Hundred Twenty Four and 57/100 Dollars ($48,824.57); for the sixty first (61st) through seventy

second (72nd) full calendar months during the demised term the amount of Six Hundred Three Thousand Four Hundred Seventy One and 71/100 Dollars ($603,471.71) per annum, payable in twelve (12) equal monthly installments of Fifty Thousand Two Hundred Eighty Nine Thousand and 31/100 Dollars ($50,289.31); and for the seventy third (73rd) and seventy fourth (74th) full calendar months during the demised term the amount of Fifty One Thousand Seven Hundred Ninety Seven and 99/100 Dollars ($51,797.99) per month. Base rent shall be paid monthly in advance on the first (1st) day of each calendar month.

Section 2.2. For the purpose of this Lease, a year shall be twelve (12) calendar months, commencing with the first day of the first full calendar month of the demised term and the succeeding anniversaries thereof. For any period prior to the commencement of the first year or subsequent to the end of the last year of the demised term, rent shall be prorated on the basis of the rental rate then payable.

Section 2.3. All sums payable and all statements deliverable to Landlord by Tenant under this Lease shall be paid and delivered at Sixty 31st Avenue, San Mateo, California 94403-3404, or at such other place as Landlord may from time to time direct by notice to Tenant and all such sums shall be paid in lawful money of the United States.

Section 2.4. Upon execution of this Lease, Tenant shall pay to the Landlord the following:

A. Twenty Five Thousand One Hundred Sixty and 40/100 Dollars ($25,160.40) which shall be applied by Landlord to the first base rent to become due and payable under this Lease, and

B. Two Hundred Fifty Thousand Dollars ($250,000.00) which shall be held as a Security Deposit pursuant to the terms of Section 19.9.

In lieu of a cash Security Deposit, Tenant shall have the right to provide Landlord with an unconditional, clean, irrevocable, standby letter of credit (the “Letter of Credit”) payable on sight with the bearer’s draft in the amount of Two Hundred Fifty Thousand Dollars ($250,000.00) issued by and drawn on an institution acceptable to Landlord (the “Issuing Bank”) which shall be held by Landlord as a Security Deposit pursuant to the terms of Section 19.9. Landlord hereby approves Silicon Valley Bank as the Issuing Bank. Tenant shall provide Landlord with a draft letter of credit in advance for Landlord’s approval and the Letter of Credit shall be substantially in form attached hereto as Exhibit “L”. The Letter of Credit shall permit partial drawings and shall state that it shall be payable against sight drafts presented by Landlord, accompanied by Landlord’s statement that either (i) a default beyond any applicable notice and cure periods exists under the Lease, or (ii) the Letter of Credit is scheduled to expire within thirty (30) days of the date of Landlord’s statement and Landlord has not received a replacement Letter of Credit, or (iii) Tenant has been declared bankrupt, and that said drawing is in accordance with the terms and conditions of the Lease; no other document or certification from Landlord shall be required to negotiate the Letter of Credit. Landlord may designate any bank as Landlord’s advising bank for collection purposes and any sight drafts for the

collection of the Letter of Credit may be presented by the advising bank on Landlord's behalf. The Letter of Credit shall be for an initial term of at least one (1) year and shall be acceptable to Landlord in both form and substance. The Letter of Credit shall be automatically renewed, without amendment, for continuing consecutive one (1) year (or longer) periods unless, at least thirty (30) days prior to any such date of expiration, the issuer gives written notice to Landlord that the Letter of Credit will not be renewed, in which case, if Tenant does not provide a replacement letter of credit that complies with the terms hereof at least thirty (30) days prior to such expiration date, Landlord shall be able to draw the full amount of the Letter of Credit. The Letter of Credit shall not expire until the date which is at least ninety (90) days after the scheduled expiration date of the Lease, subject to the provisions of Section 19.9.

Upon a default beyond any applicable notice and cure period by Tenant under the Lease, Landlord shall be entitled to draw against the Letter of Credit in the amount of the delinquent base rent or additional rent or any other expense, loss or damage that Landlord may suffer because of Tenant's default. Upon Tenant's bankruptcy, Landlord shall be entitled to draw against the entire amount of the Letter of Credit and any excess amounts shall be held by Landlord as collateral for Lease obligations. Landlord shall not be required to exhaust its remedies against Tenant before having recourse to the Letter of Credit or to any other form of collateral held by Landlord or to any other remedy available to Landlord at law or in equity.

The beneficiary designation in the Letter of Credit shall include Landlord and Landlord's "successors and/or assigns as their interests may appear" and the Letter of Credit shall be assignable and shall include the Issuing Bank's acknowledgment and agreement that the Letter of Credit is assignable by Landlord and that, in such event, the Issuing Bank agrees to treat the assignee as a beneficiary thereunder, entitling such assignee to the same rights afforded to Landlord, as beneficiary thereunder.

Section 2.5. In addition to base rent under Section 2.1, all other payments to be made under this Lease by Tenant to Landlord shall be deemed to be and shall become additional rent hereunder, whether or not the same to be designated as such, and shall be included in the term "rent" wherever used in this Lease; and, unless another time shall be expressly provided for the payment thereof, all rent and additional rent shall be due and payable together with the next succeeding installment of base rent; and Landlord shall have the same remedies for failure to pay the same as for a nonpayment of base rent.

Section 2.6. Any amount due from Tenant to Landlord that is not paid when due shall bear interest at the lesser of ten percent (10%) per annum or the highest rate then permitted to be charged on late payments under leases under California law; provided, however, the payment of any such interest shall not excuse or cure the default upon which such interest accrued. Tenant acknowledges and agrees that payment of such interest on late payments is reasonable compensation to Landlord for the additional costs incurred by Landlord caused by such late payment, including, but not limited to, collection and administration expenses and the loss of the use of the money that was late in payment.

ARTICLE 3 - Landlord's Work - Tenant's Work

Section 3.1.

A. Tenant accepts the demised premises in a so-called "as-is" condition and agrees that, except for the work described in Section 3.1.B and Section 3.1.C, Landlord shall not be required to perform any work whatsoever therein. In the event the Tenant Improvements require demolition of any existing improvements within the demised premises, Tenant agrees to undertake same at Tenant's sole cost and expense as a portion of Tenant's work.

B. Landlord shall replace the heating and air conditioning (HVAC) units described in Exhibit "C-1" hereto and repair the remaining HVAC units which are necessary for Tenant's use and occupancy of the demised premises to good working condition within ninety (90) days of the later of (i) the date Landlord has approved Tenant's plans and specifications for the Tenant Improvements described in Section 3.2 below which plans shall include Tenant's HVAC requirements, or (ii) the date this Lease has been fully executed and delivered by the parties. In addition, as of the commencement of the demised term hereof the existing electrical, lighting and plumbing systems serving the demised premises shall be in good working order. In the event Tenant provides written notice to Landlord of the need for maintenance or repair of the roof or any building systems or any HVAC units, electrical or plumbing items within ninety (90) days after commencement of the demised term hereof, Landlord shall, at Landlord's sole expense (provided the need for such maintenance and repairs was not caused by Tenant), perform any such maintenance and repairs. After the end of such 90-day period, any maintenance, repair or replacement thereof shall be performed by Landlord, and the costs reimbursed by Tenant, pursuant to the provisions of Section 11.3 hereof, subject to Section 18.3. If, as a direct result of Landlord's failure to perform the work in accordance with the provisions of Section 3.1.B and Section 3.1.C, Tenant is delayed in completing the Tenant Improvement work in the demised premises beyond the Commencement Date described in Section 1.1 such that Tenant cannot operate its business therein, then the Commencement Date shall be delayed by one (1) day for each one (1) day of delay, if any, caused thereby.

C. Landlord shall, at Landlord's expense, perform any improvements required to make the exterior of the demised premises and the Parking and Accommodation Areas comply with the Americans with Disabilities Act ("ADA") which are identified by the applicable governmental authorities as a condition of issuance of the building permits for the Tenant Improvements to be constructed by Tenant pursuant to Section 3.2. Tenant shall, at Tenant's expense, perform any improvements required to make the demised premises comply with the ADA which are identified by the applicable governmental authorities as a condition of issuance of the building permits for the Tenant Improvements to be constructed by Tenant pursuant to Section 3.2. After completion of the Tenant Improvements and commencement of the demised term hereof, the responsibility for compliance with the ADA shall be as set forth in Section 7.5.

Section 3.2. Tenant shall provide certain interior improvements in the demised premises that Tenant desires to construct in accordance with detailed plans and specifications therefor which shall include full construction drawings including without limitation architectural, structural, mechanical, plumbing and electrical drawings (herein, "plans and specifications") which must be approved, in writing, by Landlord before work is commenced (collectively, the "Tenant Improvements") and which plans and specifications, once approved, shall become Exhibit "C" hereto. Landlord acknowledges that Tenant may construct the Tenant Improvements in phases within twenty-four (24) months after Tenant first accesses the demised premises. All such Tenant Improvements shall be made at the sole cost of Tenant in accordance with Exhibit "C" hereto.

Landlord and Tenant hereby approve the preliminary plan for the Tenant Improvements shown on Exhibit "E" hereto; provided, however, that Landlord's approval of the preliminary plan does not supersede or waive Tenant's obligation to provide Landlord with the detailed plans and specifications for the Tenant Improvements nor does Landlord's approval of the preliminary plan supersede or waive Landlord's right to review and approve the plans and specifications for the Tenant Improvements in accordance with the provisions hereof. Subject to Landlord's approval of the plans and specifications and subject to the provisions of Section 12.2 with regard to wiring, Landlord agrees that the improvements shown on Exhibit "E" may be surrendered at the expiration or sooner termination of the demised term of the Lease.

The Tenant Improvements will be constructed in accordance with the plans and specifications therefor to be prepared by a reputable licensed architect, under Tenant's direction, which architect shall be approved by Landlord (the "Architect"), which approval shall not be unreasonably withheld, conditioned, or delayed. Landlord hereby approves DGA as an acceptable architect. Following approval of the plans and specifications, Tenant shall apply for all requisite building permits and approvals for construction of the Tenant Improvements. Following issuance of building permits, Tenant shall cause the Tenant Improvements to be constructed by a reputable general contractor licensed to do business in the State of California which contractor shall be approved by Landlord (the "General Contractor") (which approval shall not be unreasonably withheld, conditioned, or delayed) and diligently prosecuted to completion in a good and workmanlike manner in accordance with the approved plans and specifications. Tenant shall have the right to make changes to the plans and specifications from time to time provided such changes are approved in advance in writing by Landlord, which approval shall not be unreasonably withheld, conditioned, or delayed. Landlord hereby approves MAI and CP Construction as acceptable General Contractors.

Landlord shall have the right to monitor the construction of the Tenant Improvements for conformance with the plans and specifications. Any deviations from the plans and specifications reported by Landlord to Tenant shall be corrected promptly. Tenant agrees to hold, or cause the General Contractor to hold, on site periodic construction meetings at a time made known to Landlord's representative who shall have the right to attend such meetings for the purpose of monitoring the progress of the construction. Landlord's representative shall also have access to the demised premises at all times during construction for the purpose of inspecting the work in progress.

In connection with Tenant's Work in the demised premises, including the Tenant Improvements, Tenant and its General Contractor agree to abide by the provisions of the Insurance Requirements, attached hereto as Exhibit "D" and made a part hereof. In addition, Tenant shall, during the course of Tenant's Work, including the Tenant Improvements, obtain and maintain, at its expense, builders' risk insurance for the amount of the completed value thereof on all-risk form, and flood insurance, insuring the interests of Tenant, Landlord, and any contractors and subcontractors.

Within ten (10) days following Tenant's completion thereof, Tenant shall furnish Landlord with a complete set of the final "For Construction" plans therefor in AutoCAD format, including all x-refs, fonts and plot files.

Notwithstanding anything to the contrary herein, Tenant shall not be required to perform any Tenant Improvements and Tenant shall be entitled to reduce or eliminate the scope of the Tenant Improvements in its discretion, subject to compliance with applicable laws and Landlord's approval of any revisions to the plans and specifications for such changes.

If Tenant finds that there was any Hazardous Material in the demised premises at the time of delivery of possession thereof to Tenant (and Tenant, its employees, agents, contractors and invitees were not responsible for bringing the same onto the demised premises), or if any seismic upgrades are required to the demised premises which are not required or triggered by the specific nature of (i) Tenant's use of the demised premises or (ii) Tenant's work (including the Tenant Improvements) or alterations (as opposed to seismic upgrades required for any general construction in the demised premises), or Tenant's negligent acts or omissions or those of its employees, contractors, agents, invitees or servants, Tenant shall immediately notify Landlord in writing and it will be Landlord's responsibility to perform whatever work is required by law to remove or render harmless such Hazardous Materials or perform such upgrades, any and all such work to be performed in a manner and by a procedure meeting the requirements of applicable federal, state and local laws, ordinances and regulations at no cost to Tenant. In the event of the presence of Hazardous Materials in the demised premises or if seismic upgrades are required, Landlord may by notice to Tenant (which may be verbal) require that Tenant immediately stop performing the Tenant Improvement work in the demised premises. If Tenant, in its reasonable business judgment or by notice from Landlord, is required to stop performing the Tenant Improvement work in the demised premises as a direct result of the presence of Hazardous Materials or requirement of such upgrades, and provided this Lease has not terminated pursuant to the provisions hereof, then the Commencement Date shall be delayed by one (1) day for each one (1) day of delay, if any, caused by Landlord's Hazardous Materials removal work or such upgrade work. Notwithstanding anything contained in this Lease to the contrary, in the event the work required to remove or render harmless any Hazardous Materials and/or perform any seismic upgrade is estimated by Landlord to cost, in the aggregate, One Hundred Fifty Thousand Dollars ($150,000.00) or more, then Landlord shall have the right to either (a) terminate this Lease by written notice to Tenant, in which case Landlord shall reimburse Tenant for the following reasonable and actual out-of-pocket costs (up to the maximum amount of Ten Thousand Dollars [$10,000.00]): (i) attorneys' fees incurred by

Tenant in negotiating this Lease, and (ii) costs incurred by Tenant for designing and constructing the Tenant Improvements prior to the date Landlord required Tenant to stop work in the demised premises or the date Tenant actually stopped work if earlier, LESS the amount of the Inducement or any portion thereof which has been paid by Landlord to Tenant in accordance with Section 19.21 of this Lease, and such amount shall be payable within thirty (30) days after Tenant provides Landlord with all of the appropriate documentation to support and substantiate such costs, or (b) perform the work. In the event Landlord terminates this Lease, Landlord shall have no obligation to provide Tenant with the Inducement described in Section 19.21 or any portion thereof. Notwithstanding the foregoing, Landlord may not exercise option (a) in this paragraph if Tenant agrees, by written notice to Landlord within five (5) days after Landlord's written termination notice, to pay for such Hazardous Materials or seismic upgrade costs in excess of One Hundred Fifty Thousand Dollars ($150,000.00).

Section 3.3. Any additional work to be performed during the demised term hereof shall be performed at the sole cost of Tenant in accordance with detailed plans and specifications therefor which must be approved, in writing, by Landlord or Landlord's Architect before work is commenced and otherwise pursuant to the provisions of Section 3.2 above.

ARTICLE 4 - Streets

Section 4.1. Tenant agrees to use reasonable efforts to require employees, and to direct customers and other persons visiting Tenant, to park in the parking area provided in the Parking and Accommodation Areas and to allow Landlord to post the streets for no parking.

ARTICLE 5 - Utility Services

Section 5.1. Landlord has at its own cost and expense secured the installation of water, gas, sanitary sewers and electrical services to the demised premises and made all necessary connections thereof to the building. Tenant shall pay all meter or service charges made by public utilities companies and shall pay for the water, gas and/or electricity used on the demised premises and sewer use fees and charges whether ad valorum or not and any so called "sewer connection charges" based on increased wastewater discharge from the demised premises exclusively. Tenant shall maintain such connections of utilities to the demised premises and the building.

Section 5.2. Landlord shall not be liable to Tenant for the failure of any utility services.

ARTICLE 6 - Assignment - Change of Ownership

Section 6.1.

A. Except as otherwise provided herein, Tenant shall not, by operation of law or otherwise, transfer, assign, sublet, enter into license or concession agreements, mortgage or hypothecate this Lease or the Tenant's interest in and to the demised

premises without first procuring the written consent of Landlord. Any attempted transfer, assignment, subletting, license or concession agreement, mortgage or hypothecation without Landlord's written consent shall be void and confer no rights upon any third person. Landlord's consent to a proposed assignment or sublease shall not be unreasonably withheld, conditioned or delayed provided that the proposed assignee or sublessee shall have: (i) a net worth, at the time of the assignment or sublease, determined in accordance with good accounting principles, sufficient to perform its obligations under this Lease and the applicable transfer as determined by Landlord in Landlord's sole but reasonable judgment, and (ii) a good reputation in the business community; provided further that Tenant shall give Landlord not less than thirty (30) days' prior notice prior to the effective date of any such assignment or sublease, and Landlord shall have the option to terminate this Lease with respect to the space to be assigned or a sublease of all or substantially all of the demised premises for all or substantially all of the remaining Lease term (in each case, except with respect to a Permitted Transferee) by notice to Tenant given within thirty (30) days of Landlord's receipt of Tenant's notice. Nothing herein contained shall relieve Tenant from its covenants and obligations for the demised term. Tenant agrees to reimburse Landlord for Landlord's reasonable outside attorneys' fees incurred in conjunction with the processing and documentation of any such requested transfer, assignment, subletting, licensing or concession agreement, mortgage or hypothecation of this Lease or Tenant's interest in and to the demised premises, not to exceed $1,000.00 per request. If Landlord consents to any assignment or sublease pursuant to this Article, Tenant shall pay Landlord, as additional rent:

(a) in the case of each and every assignment (except with respect to a Permitted Transferee), an amount equal to one-half (1/2) of all monies, property, and other consideration of every kind whatsoever paid or payable to Tenant by the assignee for such assignment and for all property of Tenant transferred to the assignee as part of the transaction (including, but not limited to, fixtures, other leasehold improvements, furniture, equipment, and furnishings), less the Transfer Costs, as defined below (with reference to an assignment rather than a sublease); and

(b) in the case of each and every sublease (except with respect to a Permitted Transferee), one-half (1/2) of the amount by which all rent, and/or other monies, property, and consideration of every kind whatsoever paid or payable to Tenant by the subtenant under the sublease exceeds the sum of:

(i) all base rent and additional rent under this Lease accruing during the term of the sublease in respect of the subleased space (as reasonably determined by Landlord, taking into account the useable area of the premises demised under the sublease); plus

(ii) attorney's fees up to $2,500.00 actually paid by Tenant to an independent outside attorney and commissions actually paid by Tenant in connection with the sublease to an independent third party licensed real estate broker; plus

(iii) the actual cost of leasehold improvements undertaken by Tenant (subject to Landlord's prior written consent) solely to prepare the sublease space for the subtenant, amortized over the period of the term of the sublease, commencing with the date on which the sublease commences (the foregoing clauses (ii) and (iii) are herein collectively referred to as the "Transfer Costs").

B. Each transfer, assignment, subletting, license, concession agreement, mortgage and hypothecation to which there has been consent or for which no consent is required (other than to a Permitted Transferee where the Tenant is the surviving entity) shall be by an instrument in writing in form satisfactory to Landlord, and shall be executed by the transferor, assignor, sublessor, licensor, concessionaire, hypothecator or mortgagor and the transferee, assignee, sublessee, licensee, concessionaire or mortgagee in each instance, as the case may be; and each transferee, assignee, sublessee, licensee, concessionaire or mortgagee shall agree in writing for the benefit of Landlord herein to assume, to be bound by, and to perform the applicable terms, covenants and conditions of this Lease to be done, kept and performed by Tenant, including the payment of all applicable amounts due or to become due under this Lease directly to Landlord. One (1) executed copy of such written instrument shall be delivered to Landlord. Failure to first obtain in writing Landlord's consent or failure to comply with the provisions of this Article shall operate to prevent any such transfer, assignment, subletting, license, concession agreement, mortgage, or hypothecation from becoming effective.

C. If Tenant hereunder is a corporation which, under the then current laws of the State of California, is not deemed a publicly traded corporation, as defined in California Corporations Code Section 1502.1 or any successor to such section, or is an unincorporated association or partnership, the transfer, assignment or hypothecation of any stock or interest in such corporation, association or partnership in the aggregate in excess of fifty percent (50%) shall be deemed an assignment within the meaning and provisions of this Section 6.1.

D. The consent of Landlord to any transfer, assignment, sublease, license or concession agreement, mortgage or hypothecation of this Lease is not and shall not operate as a consent to any future or further transfer, assignment, sublease, license or concession agreement, mortgage or hypothecation, and Landlord specifically reserves the right to refuse to grant any such consents except as otherwise provided in this Section 6.1.

E. Landlord's rights to assign this Lease are and shall remain unqualified. Upon any sale of the demised premises and provided the purchaser assumes all obligations under this Lease, Landlord shall thereupon be entirely released of all obligations of Landlord hereunder and shall not be subject to any liability resulting from any act or omission or event occurring after such sale.

F. Notwithstanding anything to the contrary herein, Tenant may, without Landlord's prior written consent, provided that (i) the rights granted to Tenant herein are not intended as a subterfuge to circumvent Landlord's rights under this Article 6, and

(ii) Tenant is not in default under this Lease beyond applicable notice and cure periods, and (iii) such assignee or sublessee shall comply with all of the terms and conditions of this Lease, without any modification of this Lease, sublet the demised premises or assign the Lease to a Permitted Transferee under the conditions contained herein. For the purposes hereof, a Permitted Transferee is defined as: (a) the parent corporation of Tenant or a subsidiary or affiliate of Tenant; or (b) any entity which results from a merger or consolidation (provided the surviving entity has financial capacity to fulfill the obligations under the Lease, as determined by Landlord in its sole, but reasonable, business judgment; and further provided that all of the assets then held by Tenant remain or become assets of the surviving entity); or (c) a purchaser of all or substantially all of Tenant's assets or stock as a going concern; or (d) Tenant, following a change in control described in Section 6.1.0 above. Any such Permitted Transferee pursuant to clauses (a) and (c) above shall agree in writing, in form satisfactory to Landlord, to assume, to be bound by, and to perform the terms, covenants and conditions of this Lease to be done, kept and performed by Tenant, including the payment of all amounts due or to become due under this Lease directly to Landlord, without any modification of this Lease. Tenant shall provide Landlord with the following no later than ten (10) days after the effective date of the proposed transfer: (i) the name and address of the Permitted Transferee, and (ii) a copy of the proposed sublet or assignment agreement, and (iii) such reasonable information as may be requested by Landlord to substantiate that the proposed assignee or sublessee qualifies as a Permitted Transferee under the definition set forth hereinabove. Failure of Tenant to so provide Landlord with such information or a copy of the written instrument effecting the proposed sublease or assignment shall operate to prevent any such sublease or assignment from becoming effective and any such transaction shall be null and void. Nothing herein contained shall be construed as releasing Tenant from any of its liabilities or other obligations hereunder, including the payment of rent.

Notwithstanding anything herein to the contrary, the following shall not be deemed to constitute an assignment under this Lease: (i) the sale or issuance of stock by Tenant on a public exchange or in connection with a public offering or the subsequent sale of stock on a public exchange or the sale, transfer or issuance of stock by Tenant in a private financing intended to raise capital for Tenant and not intended to circumvent Landlord's rights under this Article 6, or (ii) the transfer of stock among existing shareholders of Tenant, family members or for estate planning purposes.

None of the transactions permitted under this Section 6.F shall require the consent of Landlord but Tenant shall notify Landlord in writing of the same as provided hereinabove.

ARTICLE 7 - Tenant's Additional Agreements

Section 7.1. Tenant agrees at all times during the demised term to: (A) Keep the demised premises in a neat and clean condition. (B) Promptly remove all waste, garbage or refuse from the demised premises. (C) Promptly comply with all laws and ordinances and all rules and regulations of duly constituted governmental authorities affecting the demised premises, and the cleanliness, safety, use and occupation thereof,

but this clause (C) shall not be construed to require Tenant to comply with any such laws, ordinances, rules or regulations which require structural changes in the demised premises unless the same are made necessary by act or work or alterations performed by Tenant (including the Tenant Improvements, subject to Landlord's obligations in Section 3.1.C) or the particular nature of Tenant's business (other than general office use). (D) Prevent the escape from the demised premises of all fumes, odors and other substances which are offensive or may constitute a nuisance or interfere with other tenants.

Section 7.2. Tenant agrees that it will not at any time during the demised term without first obtaining the Landlord's written consent: (A) Conduct or permit any fire, bankruptcy or auction sale in the demised premises. (B) Place on the exterior walls (including both interior and exterior surfaces of windows and doors), the roof of any buildings or any other part of the demised premises, any sign, symbol, advertisement, neon light, other light or other object or thing visible to public view outside of the demised premises. (C) Change the exterior color of the building on the demised premises, or any part thereof, or the color, size, location or composition of any sign, symbol or advertisement that may have been approved by Landlord. (D) Park, operate, load or unload, any truck or other delivery vehicle on any place other than the loading area designated for Tenant's use. (E) Use the plumbing facilities for any purpose other than that for which they were constructed or dispose of any foreign substance therein. (F) Install any exterior lighting or plumbing facilities, shades or awnings, amplifiers or similar devices, or use any advertising medium which may be heard or experienced outside the demised premises, such as loudspeakers, phonographs, or radio broadcasts. (G) Deface any portion of the building or improvements on the demised premises, normal usage excepted. In the event any portion of the building is defaced or damaged, Tenant agrees to repair such damage. (H) Permit any rubbish or garbage to accumulate on the demised premises, or any part thereof, unless confined in metal containers so located as not to be visible to members of the public. (I) Install, maintain or operate any sign on the exterior of the building except as approved in writing by Landlord. (J) Store materials, supplies, equipment, finished products, raw materials or articles of any nature outside of the demised premises. (K) Use the demised premises for retail or residential purposes. (L) Use, store, generate or dispose of any "hazardous material", "hazardous substance" or "hazardous waste" as those terms are defined from time to time under applicable laws and regulations ("Hazardous Materials") except as are reasonably required for the conduct by Tenant of its business in the demised premises for the permitted use, provided that (i) Tenant's indemnities set forth in this Lease shall not be affected or limited thereby, and (ii) any such Hazardous Materials shall be used with due care and in accordance with the instructions of the manufacturer of such products and used only strictly in accordance with all permits therefor and all applicable laws.

Landlord shall allow Tenant to install, at Tenant's expense, Tenant's signage on the monument sign for the building, subject to Landlord's approval, in Landlord's reasonable discretion, as to the size, type, installation procedure and location of the sign, and subject to approval by the City of Menlo Park; provided that, at the expiration or sooner termination of this Lease, at Landlord's election, Tenant shall, at Tenant's sole cost and expense, remove such signage and repair any damage caused by such removal.

In addition, Tenant may install only such vinyl signage on the front windows of the building for which Tenant has received approval from the City of Menlo Park and also which have been approved in advance in writing by Landlord, which approval shall be in Landlord's reasonable discretion.

Section 7.3. Tenant agrees that it will not at any time during the demised term: (A) Perform any act or carry on any practice which may injure the demised premises. (B) Burn anything in or about the demised premises. (C) Keep or display any merchandise or other object on or otherwise obstruct any sidewalks, walkways or areaways. (D) Use or permit the use of any portion of the demised premises as living quarters, sleeping apartments, lodging rooms, or for any unlawful purpose. (E) Use or permit the demised premises to be used for any purpose which is or shall not then be allowed under the Zoning Ordinance of the City of Menlo Park, California, in that area.

Section 7.4. Tenant shall, at its expense, comply with all applicable laws, regulations, rules and orders, regardless of when they become or became effective, including, without limitation, those relating to health, safety, noise, environmental protection, waste disposal, and water and air quality, and furnish satisfactory evidence of such compliance upon request of Landlord.

Should any discharge, leakage, spillage, emission or pollution of any type occur upon or from the demised premises due to Tenant's use and occupancy thereof, Tenant, at its expense, shall be obligated to remedy the same to the reasonable satisfaction of Landlord and to the satisfaction of any governmental body having jurisdiction thereover or reasonably recommended by Landlord's environmental consultant pursuant to the following paragraph. Tenant agrees to indemnify, hold harmless, and defend Landlord against all liability, cost, and expense (including without limitation any fines, penalties, judgments, litigation costs, and attorneys' fees) incurred by Landlord as a result of Tenant's breach of this section, or as a result of any such discharge, leakage, spillage, emission, or pollution, regardless of whether such liability, cost, or expense arises during or after the demised term, unless such liability, cost or expense is proximately caused solely by the active negligence of Landlord.

Tenant shall provide Landlord with a copy of its application(s) for all Hazardous Materials permits for Tenant's operation of its business in the demised premises and shall provide Landlord with all information obtained by Tenant from, and/or provided to, the San Mateo County Department of Environmental Health or the Menlo Park Fire Protection District (MPFPD) (or other appropriate governmental authorities) pertaining to Tenant's generation, discharge or use of Hazardous Materials in or from the demised premises. Landlord reserves the right to contract with an environmental consultant to perform walk throughs of the demised premises from time to time during the demised term, subject to the terms of Section 19.1, to review Tenant's generation, discharge and/or use of Hazardous Materials in or from the demised premises and compliance with the applicable permits, and to make reasonable recommendations with respect thereto. Tenant shall undertake those activities necessary to timely comply with Landlord's environmental consultant's reasonable recommendations and all other activities required by the San Mateo County Department of Environmental Health or MPFPD or other governmental authorities responsible for Hazardous Materials, and shall provide Landlord with satisfactory evidence of such compliance.

Tenant shall pay all amounts due Landlord under this section, as additional rent, within ten (10) days after any such amounts become due.

Tenant shall, at least thirty (30) days prior to the termination of the demised term, or any earlier termination of this Lease, submit a plan to the San Mateo County Department of Environmental Health or MPFPD in accordance with applicable provisions of the Uniform Fire Code (or other appropriate governmental authorities), with a copy to Landlord, demonstrating how any Hazardous Materials which were stored, dispensed, handled or used in, at or upon the demised premises will be transported, disposed of or reused at the expiration or sooner termination of the demised term of this Lease; and Tenant shall, at the expiration or sooner termination of the demised term, comply with all applicable laws, regulations, rules and orders of any governmental body having jurisdiction thereover (including without limitation the MPFPD or other appropriate governmental authorities) regarding the disposal of any such Hazardous Materials. In addition, at the expiration or earlier termination of the demised term Tenant shall close all Hazardous Materials permits with respect to the demised premises.

Tenant's obligations under this Section 7.4 shall survive the expiration or earlier termination of this Lease, including without limitation any termination resulting from any default by Tenant under the Lease.

Section 7.5. Landlord and Tenant agree and acknowledge that, from and after the commencement of the demised term hereof, if the Parking and Accommodation Areas, or any portion thereof, are required to be modified to comply with the ADA, then Landlord shall make the improvements necessary to make any such areas comply with the provisions of the ADA and, except for Landlord's obligations at Landlord's sole cost under Section 3.1.C, the cost thereof shall be reimbursed by Tenant to Landlord as a portion of the management, maintenance and repair expenses of the Parking and Accommodation Areas pursuant to the provisions of Article 18. Tenant agrees and acknowledges that at any time during the demised term hereof (including if required as a condition of issuance of any building permit for the Tenant Improvements or subsequent improvements or alterations within the demised premises) that the demised premises are required to be modified to comply with the ADA, then Tenant shall, at Tenant's sole cost and expense, make the improvements necessary to make the demised premises comply with the provisions of the ADA.

ARTICLE 8 - Use of Premises

Section 8.1. Tenant shall use the demised premises solely for general office, research and development, laboratory and pilot plant, and for no other purposes without Landlord's written consent.

Section 8.2. Tenant covenants and agrees that it will not knowingly use or permit to be used the demised premises or any part thereof for any unlawful purpose whatsoever. Tenant shall obtain and maintain all governmental licenses and permits required for the lawful and proper conducting of Tenant's business in the demised premises.

ARTICLE 9 - Indemnity and Public Liability Insurance

Section 9.1. Tenant agrees to indemnify and save harmless Landlord from and against all claims arising from any act, omission or negligence of Tenant, or its contractors, licensees, agents, servants, invitees or employees, or arising from any accident, injury or damage whatsoever caused to any person, or to the property of any person occurring during the demised term in the demised premises and on the sidewalks (if any) in the Parking and Accommodation Areas adjoining the same, or arising in connection with Tenant's use of generators, sheds and/or other improvements in accordance with Section 18.1 hereof, and from and against all costs, expenses and liabilities incurred in or in connection with any such claim or proceeding brought thereon, including, but not limited to, reasonable attorneys' fees and court costs. Notwithstanding anything to the contrary herein, Landlord shall not be released or indemnified from, and shall indemnify, defend, protect and hold harmless Tenant from, all losses, damages, liabilities, claims, attorneys' fees, costs and expenses to the extent arising from the gross negligence or willful misconduct of Landlord or its agents, contractors or licensees.

Section 9.2. Tenant agrees to maintain in full force during the demised term a policy of public liability and property damage insurance under which Landlord (and such other persons, firms or corporations as are designated by Landlord and are properly includible as additional insureds under the terms of any such policies of insurance) and Tenant are named as insureds, and the insurer agrees to indemnify and hold Landlord and Landlord's said designees harmless from and against all cost, expense and/or liability arising out of or based upon any and all claims, accidents, injuries and damage mentioned in Section 9.1. All public liability and property damage policies shall contain a provision that Landlord, although named as an additional insured, shall nevertheless be entitled to recovery under said policies for any loss occasioned to it, its servants, agents and employees, by reason of the negligence of Tenant. Each such policy shall be approved as to form by Landlord, such approval not to be unreasonably withheld, be noncancelable with respect to the Landlord and Landlord's said designees without advance written notice to the Landlord and Landlord's said designees, and a duplicate original or certificate thereof shall be delivered to Landlord prior to commencement of the demised term and thereafter thirty (30) days prior to expiration of the term of each policy. The limits of liability of such comprehensive general liability insurance shall be Two Million Dollars ($2,000,000.00) for injury or death to one or more persons and damage to property, combined single limit.

Tenant shall maintain Pollution Legal Liability Insurance, which insurance shall cover Tenant against both Bodily Injury Liability and Property Damage Liability, with limits of $1,000,000.00 per occurrence and $2,000,000.00 in the aggregate. Such insurance shall cover Pollution Conditions on the Premises. "Pollution Conditions" means the discharge, disposal, release or escape of smoke, vapors, fumes, acids, alkalis, toxic chemicals, liquids or gases (including gasoline), waste materials, or other irritants,

contaminants or pollutants into or upon land, the atmosphere, or any water course, groundwater or body of water. Landlord (and such other persons, firms or corporations as are designated by Landlord) shall be named as additional insured under said insurance.

All public liability, property damage, pollution legal liability insurance and other casualty policies shall be written as primary policies, not contributing with and not in excess of coverage which Landlord may carry. Notwithstanding anything contained herein to the contrary, all insurance carried by Tenant shall be issued by responsible insurance companies licensed to do business in the State of California with an A.M. Best Company rating of A-VIII or better.

If Tenant shall not comply with its covenants to maintain insurance made above, or if Tenant fails to provide duplicate originals or certificates thereof to Landlord as is provided above, Landlord may, but shall not be required to, obtain any such insurance; and if Landlord does obtain any such insurance, Tenant shall, on demand, reimburse Landlord for the premium for any such insurance.

Section 9.3. Tenant agrees to use and occupy the demised premises, the Parking and Accommodation Areas and to use all other portions of the Business Park (which it is herein given the right to use) at its own risk and hereby releases to the full extent permitted by law the Landlord, and its agents, servants, contractors, and employees, from all claims and demands of every kind resulting from any accident, damage or injury occurring therein. Landlord shall have no responsibility or liability for any loss of or damage to fixtures or other personal property of Tenant. The provisions of this Section shall apply during the whole of the demised term.

ARTICLE 10 - Fire Insurance and Casualty

Section 10.1. If the building on the demised premises should be damaged or destroyed during the demised term by any casualty insurable under Landlord’s standard fire and extended coverage insurance policies, Landlord shall (unless Landlord terminates the Lease in accordance with Subparagraph (g) of Section 1.3 and except as hereinafter provided) repair and/or rebuild the same to substantially the condition in which the same existed immediately prior to such damage or destruction. Landlord’s obligation under this Section shall in no event exceed either (A) the scope of the work existing as of the date of this Lease, or (B) the proceeds of any such insurance policy if Landlord keeps the building and the demised premises insured against loss or damage by such fire and extended coverage insurance to the extent of the full replacement value of the building if reasonably obtainable from responsible insurance companies licensed to do business in California, unless Landlord nevertheless elects to repair and/or rebuild the building and the demised premises. Tenant shall in the event of any such damage or destruction, unless this Lease shall be terminated as hereinafter provided, be responsible for replacing or repairing all exterior signs, trade fixtures, equipment, display cases, and other installations originally installed by the Tenant. Tenant shall have no interest in the proceeds of any insurance carried by Landlord.

Section 10.2. Tenant's base rent shall be abated proportionately during any period in which, by reason of any such damage or destruction, the building is rendered partially or totally untenantable. Such abatement shall continue for the period commencing with such destruction or damage and ending with the substantial completion by the Landlord of such work or repair and/or reconstruction as Landlord is obligated to do.

Section 10.3. If the building on the demised premises should be damaged or destroyed to the extent of 33-1/3% or more of the then monetary value thereof by an event described in Section 10.1, then Landlord may terminate this Lease by written notice to Tenant; provided, however, so long as there are at least three (3) years remaining in the demised term (excluding any option term) as of the date of such damage or destruction, Landlord may not terminate the Lease pursuant to this Section 10.3 or Section 10.7 below if Landlord (in its sole and unfettered discretion) intends to repair and/or rebuild the building to substantially the condition in which it existed immediately prior to such damage or destruction (including the same footprint), provided that Landlord actually completes such restoration within one (1) year (the "Restoration Date") of the date of damage or destruction. If Landlord elects not to rebuild the existing building or does not complete the restoration of the building to substantially the condition in which it existed immediately prior to such damage or destruction (including the same footprint) by the Restoration Date, then Landlord may terminate the Lease by written notice to Tenant given within thirty (30) days after the Restoration Date.

If during the last four (4) years of the demised term hereof the demised premises should be damaged from any cause (excluding Tenant's willful misconduct) and the time needed to repair and/or rebuild the same is reasonably estimated by Landlord to exceed two hundred seventy (270) days from the date Landlord receives permits, then Tenant may terminate this Lease by written notice to Landlord as follows:

Landlord shall notify Tenant within thirty (30) days following any damage to or destruction of the demised premises of the length of time Landlord reasonably estimates to be necessary for repair or restoration of the demised premises. Tenant shall have the right to terminate the Lease within fifteen (15) days following receipt of such notice if restoration or repair of the demised premises is estimated by Landlord to take more than two hundred seventy (270) days from the date Landlord receives permits for such restoration or repair. Tenant shall have the additional right to terminate the Lease if restoration or repair in fact takes longer (subject to Unavoidable Delays or delays caused by Tenant) than two hundred seventy (270) days (or such longer period of time as stated in Landlord's original estimate) from the date Landlord received permits for such restoration or repair and Tenant notifies Landlord of its intention to terminate the Lease before the date that restoration and repair is actually completed.

If neither Landlord nor Tenant elects to terminate this Lease then Landlord shall repair and/or rebuild the same as provided in Section 10.1. If such damage or destruction occurs and this Lease is not so terminated, this Lease shall remain in full force and effect and the parties waive the provisions of any law to the contrary. The Landlord's obligation under this Section shall in no event exceed the scope of the work existing as of the date of this Lease.

Section 10.4. Tenant agrees to comply with all of the regulations and rules of the Insurance Service Office or any similar body and will not do, suffer, or permit an act to be done in or about the demised premises which will increase any insurance rate with respect thereto.

Section 10.5. Tenant agrees, in addition to any rent provided for herein, to pay to the Landlord the cost of the fire and extended coverage insurance policy carried by Landlord on the demised premises during the entire demised term or any renewal or extension thereof. Landlord shall carry standard fire and extended coverage policies to the extent of one hundred percent (100%) of the insurable value of the building.

Section 10.6. During the demised term, Tenant shall carry, at its expense, insurance against loss and damage by fire including "Special Perils" provisions for the full insurable value of Tenant's merchandise and personal property, including wall coverings, carpeting and drapes, and the trade fixtures, furnishings and operating equipment in the demised premises, whether supplied by Tenant or existing in the demised premises upon commencement of the Lease. Landlord and Landlord's mortgagee shall be named as additional insureds under said policy, which shall be noncancellable with respect to Landlord and Landlord's mortgagee without prior written notice. A certificate evidencing such coverage shall be delivered to Landlord prior to commencement of the demised term and thereafter thirty (30) days prior to the expiration of the term of such policy. Such insurance shall be written as a primary policy, not contributing with and not in excess of coverage Landlord may carry. If Tenant shall not comply with its covenants to maintain said insurance, or if Tenant fails to provide a certificate thereof to Landlord, Landlord may, but shall not be required to, obtain any such insurance, and if Landlord does obtain any such insurance, Tenant shall, on demand, reimburse Landlord for the premium for any such insurance.

Section 10.7. In the event the building on the demised premises shall be damaged as a result of any flood, earthquake, act of war, nuclear reaction, nuclear radiation or radioactive contamination, or from any other casualty not covered by Landlord's fire and extended coverage insurance, to any extent whatsoever, Landlord may within ninety (90) days following the date of such damage, commence repair, reconstruction or restoration of the building and prosecute the same diligently to completion, in which event this Lease shall continue in full force and effect, or within said ninety (90) day period elect not to so repair, reconstruct or restore the building, in which event this Lease shall cease and terminate. In either such event Landlord shall give Tenant written notice of its intention within said ninety-day period.

Section 10.8. Upon any termination of this Lease under the provisions of this Article 10, the rent shall be adjusted as of the date of such termination and the parties shall be released without further obligation to the other party upon the surrender of possession of the demised premises to Landlord, except for items that have been theretofore accrued and are then unpaid, and except for obligations that are designated as surviving such termination.

Section 10.9. Notwithstanding anything in this Article 10 or elsewhere in this Lease to the contrary, Landlord may maintain any insurance on the demised premises that Landlord deems necessary or advisable, including, but not limited to, any rental insurance, owner's protective liability insurance, pollution insurance, or any insurance required by any mortgagee of Landlord; and Landlord may include the amount of the premiums for such insurance in the total of the insurance premiums which Tenant is required to pay under the terms hereof.

Section 10.10. Notwithstanding anything to the contrary herein, the parties hereto release each other and their respective agents, employees, successors, assignees and subtenants from all liability for damage to any property that is caused by or results from a risk which is actually insured against or which is required to be insured against under this Lease, without regard to the negligence or willful misconduct of the entity so released. All of Landlord's and Tenant's repair and indemnity obligations under the Lease shall be subject to the waiver contained in this Section.

ARTICLE 11 - Repair

Section 11.1. Landlord agrees, at Landlord's sole expense, to repair structural defects of the building on the demised premises throughout the life of the Lease. Structural defects and maintenance shall not be deemed to include cracks or fissures in walls or floors, nor the requirement of painting or caulking.

Section 11.2. Tenant agrees during the demised term or any extension thereof to maintain the interior of the building on the demised premises, and every part thereof, except as to work to be performed by Landlord under Sections 11.1 and 11.3. Tenant further agrees to clean, inside and out, all of the glass on the exterior of the building. If Tenant should fail to faithfully perform its maintenance obligations hereunder then Landlord shall, upon having given notice to Tenant of the need for said maintenance, have the right to perform, or cause to be performed, said maintenance and Tenant shall on demand reimburse Landlord for Landlord's costs of providing such maintenance. Landlord's reservation of the right to enter upon the demised premises to perform any repairs or maintenance or other work in, to, or about the demised premises which in the first instance is the Tenant's obligation pursuant to this Lease shall not be deemed to impose any obligation on Landlord to do so, nor shall Landlord be rendered liable to Tenant or any third party for the failure to do so, and Tenant shall not be relieved from any obligation to indemnify Landlord as otherwise provided elsewhere in this Lease.

Section 11.3. Landlord shall provide the following services and Tenant shall, in addition to all other payments required to be made under other provisions of this Lease, reimburse Landlord, within twenty (20) days after demand therefor, for Landlord's gross costs of the following, subject to the provisions of Section 11.5 and Section 18.3 of this Lease: (i) maintaining, repairing and replacing the roof; (ii) painting, maintaining and repairing the exterior of the building; (iii) maintaining, repairing and replacing the elevator

and elevator equipment room (if any); (iv) maintenance and repair associated with the mechanical and electrical rooms and base utility systems of the building (including utility meters, pipes, conduits, fixtures and equipment within the demised premises); (v) maintenance and repair of the trash enclosure utilized in connection with the building; (vi) maintenance, repair and replacement of the glass on the exterior of the building; and (vii) any other maintenance and repair other than that which Landlord is required to perform at Landlord's expense per Section 11.1. After the ninety (90) day notice period described in Section 3.1.B hereof has elapsed, subject to Section 11.5 below, Tenant shall also, on demand, reimburse Landlord for Landlord's gross costs of maintaining, repairing and replacing the heating and air conditioning equipment serving the demised premises, whether furnished by Landlord or Tenant. Landlord's said gross costs as used in this Section 11.3 shall include all costs and expenses of every kind or nature incurred by Landlord in the performance of such maintenance, repair or replacements and Landlord's determination of the amount of said costs and expenses will be final.

Section 11.4. If during the term of this Lease Landlord or Landlord's insurance carrier requires the installation of a specialized fire control system, or any fire detection device, because of the nature of the particular activities being carried on by Tenant in the demised premises (other than general office use), then said system or device shall be installed at the sole cost of the Tenant within the time specified.

Section 11.5. Notwithstanding the provisions of Section 11.3 and Section 18.3 hereof to the contrary, Tenant's obligation to reimburse Landlord for (i) costs associated with the replacement (as opposed to repairs and maintenance) of the roof membrane and underlayment and the heating, ventilating and air-conditioning units furnished by Landlord and (ii) the cost of any capital improvement [not described in (i)] made by Landlord pursuant to Article 11 and/or Article 18 of this Lease during the demised term and typically amortized under good accounting practice (as used in this Section 11.5, the term "capital improvement" shall mean the replacement of an existing improvement or the addition of a permanent structural improvement costing in excess of Twelve Thousand Five Hundred Dollars ($12,500.00) for any one (1) individual replacement item), shall be limited to a proportionate share of such replacement or capital improvement costs (the "Reimbursement Amounts") calculated as follows:

A. if such costs are incurred during the initial demised term of this Lease, by multiplying such replacement costs by a fraction, the numerator of which is the number of days in the original demised term and the denominator of which is the number of days in the estimated useful life of the replacement as determined in accordance with good accounting practices; and

B. if such costs are incurred during any option term or any holdover or extended term of this Lease, by multiplying such replacement costs by a fraction, the numerator of which is the number of days in the demised term of this Lease (including the extended term) and the denominator of which is the number of days in the estimated useful life of the replacement as determined in accordance with good accounting practices.

If a Reimbursement Amount has been determined under subsection (a) above with respect to any replacement costs, and Tenant subsequently extends the term of this Lease, Tenant shall also be responsible for another Reimbursement Amount with respect to such replacement costs determined by multiplying such replacement costs by a fraction, the numerator of which is the number of days in the extended term of this Lease and the denominator of which is the number of days in the estimated useful life of the replacement.

The foregoing limitation shall not apply to equipment furnished by Tenant and maintained by Landlord. Tenant shall pay any Reimbursement Amounts, as additional rent, monthly on a straight-line basis amortized over the remaining demised term of the Lease using an interest rate equal to ten percent (10%) per annum.

The limitations on Tenant's liability for expenses hereunder shall in no event apply to any costs for replacements occasioned by (x) Tenant's negligent acts or omissions or those of its employees, contractors, agents, invitees or servants, or (y) the particular nature of Tenant's business, all of which costs shall be borne solely by Tenant.

ARTICLE 12 - Fixtures & Alterations

Section 12.1. All trade fixtures owned by Tenant and installed in the demised premises shall remain the property of Tenant and may be removed from time to time and shall be removed at the expiration of the demised term. Tenant shall repair any damage to the demised premises caused by the removal of said fixtures. If Tenant fails to remove such fixtures on or before the last day of the demised term, all such fixtures shall become the property of Landlord, unless Landlord elects to require their removal, in which case Tenant shall promptly remove them and restore the demised premises to its condition prior to such removal. Landlord may also, at Landlord's sole discretion, store such fixtures at Tenant's expense.

Section 12.2. Tenant shall not make any alterations, additions or improvements in or to the demised premises or the building without submitting plans and specifications therefor for the prior written consent of Landlord, which consent shall not be unreasonably withheld, provided that the proposed alterations, additions or improvements do not impact the storefront, exterior walls, sprinkler and life support systems, or materially affect the mechanical/electrical system [including any increase in electrical service], or erect or increase the size of an existing mezzanine, or require or result in any penetration into or through the roof or the floor of the demised premises.

Any such alterations, additions or improvements shall comply with all applicable codes and standards, shall be consented to by Landlord, and shall be made at Tenant's sole cost and expense in accordance with the plans and specifications therefor. Within ten (10) days following Tenant's completion thereof, Tenant shall furnish Landlord with a complete set of the final "For Construction" plans therefor in AutoCAD format, including all x-refs, fonts and plot files. Tenant shall secure any and all governmental permits, approvals or authorizations required in connection with any such work, and shall hold Landlord harmless from any and all liability, costs, damages, expenses (including attorneys' fees) and any and all liens resulting therefrom. All alterations, additions and

improvements (and expressly including all light fixtures and floor coverings installed by Tenant), except furniture, removable paneling, wall fixtures, trade fixtures, appliances and equipment which do not become a part of the demised premises, shall be deemed to belong to Tenant, but shall be deemed to have been attached to the demised premises or the building and to have become the property of Landlord upon the termination of the demised term. Upon the expiration or sooner termination of the demised term hereof, Tenant shall, at Tenant's sole cost and expense, forthwith remove (i) all alterations, decorations, additions or improvements installed by or for Tenant and designated by Landlord for removal at the time of Landlord's consent thereto, and (ii) all wiring installed by or for Tenant in the demised premises and/or the building, unless excused from doing so in writing by Landlord, and Tenant shall forthwith at its sole cost and expense repair any damage to the demised premises or the building caused by such removal. In the event Tenant does not so remove all such alterations, decorations, additions, improvements and wiring from the demised premises and/or the building, or repair any damage caused by such removal, then Tenant agrees that Landlord may apply such sums from the Security Deposit, or recover such sums from Tenant by judgment if Tenant did not provide a Security Deposit, or if insufficient funds exist in the Security Deposit, to compensate Landlord for the removal and disposal of any of the same and/or repair of any damage therefrom to the demised premises or the building.

ARTICLE 13 - Remedies

Section 13.1. Should Tenant default in the performance of any of its obligations under this Lease with reference to the payment of rent and such default continue for five (5) days after the date Tenant receives written notice from Landlord that such payment is past-due, or should Tenant default in the performance of any other obligations under this Lease and such default continue for thirty (30) days after receipt of written notice from Landlord specifying such default or beyond the time reasonably necessary to cure if such default is of a nature to require more than thirty (30) days to remedy, then, in addition to all other rights and remedies Landlord may have under this Lease or under applicable law, Landlord shall have the following rights and remedies:

A. The Landlord has the remedy described in California Civil Code Section 1951.4 (Landlord may continue the lease in effect after Tenant's breach and abandonment and recover Rent as it becomes due, if Tenant has the right to sublet or assign, subject only to reasonable limitations). If Tenant breaches any covenants of this Lease or if any event of default occurs, whether or not Tenant abandons the demised premises, this Lease shall continue in effect until Landlord terminates Tenant's right to possession, and Tenant shall remain liable to perform all of its obligations under this Lease and Landlord may enforce all of Landlord's rights and remedies, including the right to recover rent as it falls due. If Tenant abandons the demised premises or fails to maintain and protect the same as herein provided, Landlord shall have the right to do all things necessary or appropriate to maintain, preserve and protect the demised premises, including the installation of guards, and may do all things appropriate to a re-letting of the demised premises, and none of said acts shall be deemed to terminate Tenant's right of possession, unless Landlord elects to terminate the same by written notice to Tenant to the extent permitted hereunder. Tenant agrees to reimburse Landlord on demand for all

amounts reasonably expended by Landlord in maintaining, preserving and protecting the demised premises, together with interest on the amounts expended from time to time at the maximum legal rate. Landlord shall also have the right to repair, remodel and renovate the demised premises at the expense of Tenant and as deemed necessary by Landlord.

B. Landlord shall have the right to terminate this Lease and Tenant's possession of the Premises, and if Tenant's right to possession of the Premises is terminated by Landlord by reason of a breach of this Lease by Tenant, or by reason of the happening of an event of default, or by reason of abandonment of the Premises by Tenant, Landlord shall be entitled, at Landlord's election, to recover damages in an amount as set forth in Section 1951.2 of the Civil Code of California as then in effect, which damages shall include (1) the worth at the time of award of any unpaid rent and additional rent which had been earned at the time of such termination; plus (2) the worth at the time of award of the amount by which the unpaid rent and additional rent which would have been earned after termination until the time of award exceeds the amount of such rental loss Tenant proves could have been reasonably avoided; plus (3) the worth at the time of award of the amount by which the unpaid rent and additional rent for the balance of the term after the time of award exceeds the amount of such rental loss that Tenant proves could be reasonably avoided; plus (4) all other amounts due Landlord from Tenant under the terms of this Lease, or necessary to compensate Landlord for all detriment caused by Tenant's failure to perform its obligations under this Lease. The right to possession of the Premises by Tenant should not be deemed terminated until Landlord gives Tenant written notice of such termination or until Landlord re-lets all or a portion of the Premises. Landlord shall be required to mitigate damages by making a good faith effort to re-let the Premises.

As used in subparagraphs (1) and (2) above, the "worth at the time of award" is computed by allowing interest at the legal rate of ten percent (10%) per annum. As used in subparagraph (3) above, the "worth at the time of award" is computed by discounting such amount at the discount rate of the Federal Reserve Bank of San Francisco at the time of award plus one percent (1%).

C. No right or remedy herein conferred upon or reserved to Landlord is intended to be exclusive of any other right or remedy herein or by law, provided that each shall be cumulative and in addition to every other right or remedy given herein or now hereafter existing at law or in equity or by statute.

Section 13.2. Landlord shall in no event be in 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 such additional times as is reasonably required to correct any such default after notice by Tenant to the Landlord properly specifying wherein the Landlord has failed to perform any such obligation.

ARTICLE 14 - Bankruptcy

Section 14.1. Tenant shall give written notice to Landlord of its intention to commence proceedings under any state or federal insolvency or bankruptcy law, or any comparable law that is now or hereafter may be in effect, whereby Tenant seeks to be, or would be, discharged of its debts or the payment of its debts is sought to be delayed, at least thirty (30) days prior to the commencement of such proceedings.

Section 14.2. If any of the following events occur:

A. The entry of an order for relief under Title 11 of the United States Code as to Tenant or its executors, administrators or assigns, if any, or the adjudication of Tenant or its executors, administrators or assigns, if any, as insolvent or bankrupt pursuant to the provisions of any state insolvency or bankruptcy act;

B. The appointment of a receiver, trustee or other custodian of the property of Tenant by reason of the insolvency or inability of Tenant to pay its debts;

C. The assignment of the property of Tenant for the benefit of creditors;

D. The commencement of any proceedings under any state or federal insolvency or bankruptcy law, or any comparable law that is now or hereafter may be in effect, whereby Tenant seeks to be, or would be, discharged of its debts or the payment of its debts is sought to be delayed;

E. The failure of Tenant to give written notice to Landlord provided for in Section 14.1 above;

then Landlord may, at any time thereafter, in addition to any and all other rights or remedies of Landlord under this Lease or under applicable law, upon written notice to Tenant, terminate this Lease, and upon such notice this Lease shall cease and terminate with the same force and effect as though the date set forth in said notice were the date originally set forth herein and fixed for the expiration of the demised term. Tenant shall thereupon vacate and surrender the demised premises, but shall remain liable as herein provided.

ARTICLE 15 - Surrender of Premises

Section 15.1. Tenant shall, upon termination of the demised term, or any earlier termination of this Lease, surrender to Landlord the demised premises, including, without limitation, all building equipment and apparatus, and fixtures (except as provided in Sections 12.1 and 12.2) then upon the demised premises without any damage, injury, or disturbance thereto, or payment therefor, except damages due to ordinary wear and tear, repairs and maintenance that are Landlord's responsibility hereunder, acts of God, fire and other perils to the extent the demised premises are not required to be repaired or restored as hereinbefore provided, and Tenant shall dispose of any Hazardous Materials stored, dispensed, handled or used in, at or upon the demised premises due to Tenant's use and occupancy of the demised premises in accordance with the provisions of Section 7.4.

ARTICLE 16 - Eminent Domain

Section 16.1. If more than thirty-three percent (33%) of the floor area of the building on the demised premises shall be taken under the power of eminent domain and the portion not so taken will not be reasonably adequate for the operation of Tenant's business after the Landlord completes such repairs or alterations as the Landlord is obligated or elects to make, Tenant shall have the right to elect either to terminate this Lease, or, subject to Landlord's right to terminate the Lease pursuant to Section 16.4, to continue in possession of the remainder of the demised premises and shall notify Landlord in writing within ten (10) days after such taking of Tenant's election. In the event less than thirty-three percent (33%) of the floor area of the building on the demised premises shall be taken or Tenant elects to remain in possession, as provided in the first sentence hereof, all of the terms herein provided shall continue in effect, except that the base rent shall be reduced in the same proportion that the floor area of the building on the demised premises taken bears to the original floor area of the building on the demised premises, and Landlord shall at its own cost and expense make all necessary repairs or alterations to the building so as to constitute the portion of the building not taken a complete architectural unit and the demised premises a complete unit for the purposes allowed by this Lease, but such work shall not exceed the scope of the work to be done by Landlord in originally constructing said building.

Section 16.2. Each party waives the provisions of Code of Civil Procedure Section 1265.130 allowing either party to petition the Superior Court to terminate this Lease in the event of a partial taking.

Section 16.3. All damages or awards for any taking under the power of eminent domain whether for the whole or a part of the demised premises shall belong to and be the property of Landlord whether such damages or awards shall be awarded as compensation for diminution in value to the leasehold or to the fee of the demised premises; provided however, that Landlord shall not be entitled to the award made to Tenant or Landlord for loss of business, depreciation to, and cost or removal of stock and fixtures and for leasehold improvements which have been installed by Tenant at its sole cost and expense less depreciation which is to be computed on the basis of completely depreciating such leasehold improvements during the initial term of this Lease, and any award made to Tenant in excess of the then depreciated value of leasehold improvements shall be payable to the Landlord.

Section 16.4. If more than thirty-three percent (33%) of the floor areas of the building on the demised premises shall be taken under power of eminent domain, or if any part of the Parking and Accommodation Areas shall be so taken, Landlord may, by written notice to Tenant delivered on or before the date of surrendering possession to the public authority pursuant to such taking, terminate this Lease as of such date.

Section 16.5. If this Lease is terminated as provided in this Article, the rent shall be paid up to the day that possession is so taken by public authority and Landlord shall make a prorata refund of any rent and all deposits paid by Tenant in advance and not yet earned.

ARTICLE 17 - Real Property Taxes

Section 17.1. Tenant shall reimburse Landlord for all real property taxes, assessments and ongoing sewer fees applicable to the demised premises. Taxes shall be prorated to lease years for purpose of making this computation. Such payment shall be made by Tenant within thirty (30) days after receipt of Landlord's written statement setting forth the amount of such computation thereof. If the demised term of this Lease shall not expire concurrently with the expiration date of the fiscal tax year, Tenants liability for taxes for the last partial lease year shall be prorated on an annual basis.

Tenant shall not be required to pay any tax or assessment or any increase therein imposed on land and improvements other than the demised premises, the Parking and Accommodation Areas and any improvements thereon. As to any special assessment that goes to bond or is bonded, Tenant shall be required to reimburse Landlord the portion thereof applicable to the demised premises which is charged on the Real Property Tax bill for any period applicable during the demised term. In addition, Tenant shall not be responsible for any increase in real property taxes due to transfers of the demised premises or ownership interests therein between Landlord and its affiliates, principals, shareholders, partners or investors or entities controlling, controlled by or under common control with Landlord or its affiliates, principals, shareholders, partners or investors.

Section 17.2. If the demised premises are not separately assessed, Tenant's liability shall be an equitable proportion of the real property taxes for all of the land and improvements included within the tax parcel assessed, such proportion to be determined by Landlord from the respective valuations assigned in the assessor's work sheets or such other information as may be reasonably available. Landlord's reasonable determination thereof, in good faith, shall be conclusive.

Section 17.3. Tenant shall pay prior to delinquency all taxes assessed against and levied upon trade fixtures, furnishings, equipment and all other personal property contained in the demised premises or elsewhere. Tenant shall cause said trade fixtures, furnishings, equipment and all other personal property to be assessed and billed separately from the real property of Landlord.

If any of Tenant's said personal property shall be assessed with Landlord's real property, Tenant shall pay Landlord the taxes attributable to Tenant within ten (10) days after receipt of a written statement setting forth the taxes applicable to Tenant's property.

Section 17.4. In addition to all other payments provided for herein, the Tenant shall on demand reimburse Landlord for any surcharges, fees, and any similar charges required to be paid by any instrumentality of local, state or federal government in connection with charged parking in the parking area, including policing; supervising with

attendants; other costs in connection with providing charged parking; repairs, replacements and maintenance not properly chargeable to capital account under good accounting principles; interest and depreciation of the actual cost of modification or improvements to the areas, facilities and improvements maintained in this Article either (i) required by any instrumentality of local, state or federal government, or (ii) installed by Landlord on account of government requirements to facilitate payment of a parking charge by the general public for parking in the parking area, or both, and other similar costs (subject to the provisions of Section 11.5 with respect to a capital improvement therefor); and there shall be excluded (a) cost of construction of such improvements which is properly chargeable to capital account and (b) depreciation of the original cost of construction of all items not previously mentioned in this sentence. If Landlord shall on account of governmental requirements require the payment of a parking charge by the general public for parking in the parking area, then during any period in which such a charge is made the total revenue (after deducting excise and similar taxes thereon and taxes, fees or surcharges imposed by any agency or instrumentality of local, state or federal government) actually received in cash or its equivalent by Landlord for such parking charge shall be credited against said gross costs.

Section 17.5. Notwithstanding the provisions of Article 17 hereinabove, Tenant shall pay any increase in "real property taxes" resulting from any and all improvements of any kind whatsoever placed on or in the demised premises for the benefit of or at the request of Tenant regardless of whether said improvements were installed or constructed either by Landlord or Tenant.

Section 17.6. In addition to all other payments provided for herein, the Tenant shall on demand reimburse Landlord for any tax (excluding income tax) and/or business license fee or other levy that may be levied, assessed or imposed upon the rent or other payments provided for herein or on the square footage of the demised premises, on the act of entering into this Lease, or on the occupancy of the Tenant however described, as a direct substitution in whole or in part for, or in addition to, any real property taxes, whether pursuant to laws presently existing or enacted in the future.

ARTICLE 18 - Parking and Accommodation Areas

Section 18.1. Subject to the provisions herein, Landlord grants to Tenant during the demised term the exclusive right to use the parking facilities and other areas provided and designated as "Parking and Accommodation Areas" on Exhibit "B" hereto for the accommodation and parking of such automobiles of the Tenant, its officers, agents, employees and its customers while working or visiting Tenant. Landlord shall not be responsible to enforce such exclusive right to use the parking facilities and other areas in the Parking and Accommodation Areas, and the use of any such parking facilities and other areas by persons other than Tenant or its employees, contractors, agents and invitees shall not be deemed a breach by Landlord of any provision of this Lease. In addition, Tenant may use the generators, sheds and other improvements existing on the Parking and Accommodation Areas which were left by previous occupants and acknowledges and agrees to the following: (i) Landlord makes no warranty about the condition of the generators, sheds and other improvements for Tenant's use thereof at

the commencement of and during the demised term hereof, (ii) Tenant shall be solely responsible, at Tenant's cost, for the maintenance, repair and replacement of such generators, sheds and other improvements to the extent Tenant desires to continue to use same, and (iii) Tenant hereby releases Landlord from any and all costs, expenses and liabilities incurred in connection with Tenant's use thereof and acknowledges that Landlord has no liability with respect to the generators, sheds and other improvements or Tenant's use thereof. Tenant agrees that its officers, agents and employees will park their automobiles only in the parking areas provided in the Parking and Accommodation Areas, and Tenant specifically agrees that such officers, agents and employees will not park on any public streets in the vicinity of the demised premises. Except as provided in Section 17.4, Landlord shall not charge parking fees for such right to use parking facilities.

Section 18.2. All parking areas and facilities furnished by Landlord including, but not limited to, pedestrian sidewalks, landscaped areas and parking areas shall at all times be subject to the control and management of Landlord so that Landlord will be in a position to make available efficient and convenient use thereof, and Landlord shall have the right from time to time to establish, modify and enforce reasonable rules and regulations with respect to all facilities and areas mentioned in this Article, and Tenant agrees to abide by and conform therewith. Landlord shall have the right to construct, maintain and operate lighting facilities on all of said areas and improvements, to police the same, from time to time to change the area, location and arrangement of parking areas and facilities, to restrict employee parking to employee parking areas, to construct surface, subterranean and/or elevated parking areas and facilities, to establish and from time to time change the level of parking surfaces, to close (if necessary) all or any portion of said areas or facilities to such extent as may in the opinion of Landlord's counsel be legally sufficient to prevent a dedication thereof or the accrual of any rights of any person or of the public therein, and to do and perform such other acts in and to said areas and improvements respectively as in the use of good business judgment the Landlord shall determine to be advisable with a view to the improvement of the convenience and use thereof by Tenant, other lessees, and their respective employees and visitors.

Section 18.3. Tenant agrees during the demised term to pay to Landlord an annual charge which shall be Landlord's actual gross costs of operating, maintaining and/or replacing all of the areas and facilities mentioned in this Article. The annual charge shall be an estimate computed on the basis of periods of twelve (12) consecutive calendar months, commencing and ending on such dates as may be designated by Landlord, and shall be paid in monthly installments on the first day of each calendar month in the amount estimated by Landlord. Within ninety (90) days after the end of each such annual period, Landlord will determine (and furnish to Tenant a statement showing in reasonable detail) the actual annual charge for such period and the amounts so estimated and paid during such period shall be adjusted within such ninety (90) days (including adjustments on a prorata basis of any partial such period at either end of the demised term) and one party shall pay to the other on demand whatever amount is necessary to effectuate such adjustment.

Landlord's said gross costs shall consist of and include all costs and expenses of every kind or nature incurred by Landlord in the operation, maintenance and/or

replacement of all of the areas, facilities and improvements mentioned in this Article determined in accordance with good accounting practice by an accountant employed by Landlord. The determination of such accountant shall be conclusive. Without otherwise limiting the generality of the foregoing, there shall be included in such gross costs public liability and property damage insurance, landscape maintenance, maintenance of utilities, water, cleaning of areas, facilities and improvements, operation of lighting, common area taxes and assessments determined in the same manner as taxes and assessments on the demised premises, policing and sweeping of parking areas, supervising with attendants, repairs, replacements and maintenance, and an amount equal to three percent (3%) of the total of all rent (i.e., base rent and additional rent) payable under this Lease for administration of the Parking and Accommodation Areas.

Tenant shall not be required to reimburse Landlord for any expenses or taxes otherwise due under this Lease if Landlord first notifies Tenant of such expenses in a statement received by Tenant more than twenty four (24) months after such expenses or taxes are incurred.

Notwithstanding anything to the contrary in this Lease, Tenant shall have no obligation to perform or to pay directly, or to reimburse Landlord for, the following costs and expenses (collectively, "Costs"):

A. Costs occasioned by the act, omission or violation of any law affecting the building by Landlord or Landlord's agents, employees or contractors, and not covered by insurance carried or required to be carried under this Lease;

B. Costs occasioned by fire, acts of God, or other casualties (excluding deductibles which shall not be restricted, except as set forth below);

C. Costs to correct any construction defect in the demised premises or the building or to comply with any covenant, condition, restriction or law applicable to the demised premises or the building prior to the date of delivery of possession thereof to Tenant (unless required as a result of the Tenant Improvements or alterations or improvements performed by Tenant or the particular nature of Tenant's use of the demised premises or building other than general office use), but Costs shall not include items for which Landlord is responsible under Section 3.1.C or the last paragraph of Section 3.2;

D. Reserves for anticipated future expenses to the extent not budgeted to be incurred within the year in which they are collected or the immediately following two (2) years during the demised term (including any option term);

E. Interest, charges and fees incurred on debt or mortgages;

F. Costs incurred in connection with Hazardous Materials which are present in the demised premises or building (except that Costs that are incurred by reason of the storage, use or disposal of Hazardous Materials by Tenant or any of its agents, employees, contractors, licensees, invitees, affiliates, sublessees, successors, assigns or other representatives shall be borne one hundred percent (100%) by Tenant); and

G. insurance deductibles in excess of $25,000 per occurrence.

Section 18.4. The Parking and Accommodation Areas included for the purpose of this Article are those shown on Exhibit "B" outside of the building area.

Section 18.5. Tenant shall have the right no more than once annually to inspect the books and records of Landlord with respect to the operating and other costs referred to in Article 11 and this Article 18. Such inspections shall be completed in Landlord's offices during normal business hours within one hundred twenty (120) days after delivery of Landlord's annual report for said year setting forth such costs and shall be performed by a certified public accountant employed by Tenant, and the cost thereof shall be paid by Tenant. Tenant shall give Landlord no less than thirty (30) days' advance written notice of its intent to inspect. Tenant's right to inspect is conditioned upon Tenant, and Tenant's accountant, executing and delivering to Landlord appropriate confidentiality agreements acceptable to Landlord agreeing to keep the results of any such inspection confidential. Upon completion thereof, Tenant shall deliver a copy of the inspection report and accompanying data to Landlord.

ARTICLE 19 - Miscellaneous

Section 19.1. Landlord and its designee shall have the right during reasonable business hours and upon at least 24 hours' prior notice to enter the demised premises except restricted areas as established by or on behalf of the Federal Government for security purposes (and in emergencies at all times with no notice), (i) to inspect the same, (ii) for any purpose connected with Landlord's rights or obligations under this Lease and, (iii) for all other lawful purposes. Any entry by Landlord and Landlord's agents shall not impair Tenant's operations more than reasonably necessary and shall to the extent practicable comply with Tenant's reasonable security measures.

Section 19.2. Tenant shall not be entitled to make repairs at Landlord's expense, and Tenant waives the provisions of Civil Code Sections 1941 and 1942 with respect to Landlord's obligations for tenantability of the demised premises and Tenant's right to make repairs and deduct the expenses of such repairs from rent.

Section 19.3. This Lease shall be governed exclusively by the provisions hereof and by the laws of the State of California as the same from time to time exist. This Lease expresses the entire understanding and all agreements of the parties hereto with each other and neither party hereto has made or shall be bound by any agreement or any representation to the other party which is not expressly set forth in this Lease. If any provision of this Lease shall be invalid, unenforceable or ineffective for any reason whatsoever, all other provisions hereof shall be and remain in full force and effect.

Section 19.4. If Tenant should hold over with Landlord's consent after the demised term and any extension thereof as herein provided for, then such holding over shall be construed as a tenancy from month to month at a rent equal to 125% of that provided for under the last monthly rental of the principal term of this Lease. In the event of Tenant's holdover without Landlord's consent (and without prejudice to Landlord's

other remedies for such unlawful holdover), then the rent required to be paid hereunder shall be doubled. In no event shall any provision hereof be deemed Landlord's consent permitting Tenant to retain possession of the demised premises after the expiration of the demised term or earlier termination thereof.

Section 19.5. Tenant agrees to maintain all toilet and washroom facilities within the demised premises in a neat, clean and sanitary condition.

Section 19.6. Landlord covenants and agrees that Tenant, subject to the terms and provisions of this Lease, on paying the rent and observing, keeping and performing all of the terms and provisions of this Lease on its part to be observed, kept and performed, shall lawfully, peaceably and quietly have, hold, occupy and enjoy the demised premises during the demised term without hindrance or ejection by any person lawfully claiming under or against the Landlord.

Section 19.7. Subject to Article 6, the terms and provisions hereof shall be construed as running with the land and shall be binding upon and inure to the benefit of heirs, executors, administrators, successors and assigns of Landlord and Tenant.

Section 19.8.

A. Tenant shall promptly pay all sums of money with respect to any labor, services, materials, supplies or equipment furnished or alleged to have been furnished to Tenant in, at or about the demised premises, or furnished to Tenant's agents, employees, contractors or subcontractors, that may be secured by any mechanic's, materialmen's, supplier's or other liens against the demised premises or Landlord's interest therein. In the event any such or similar liens shall be filed, Tenant shall, within three (3) days of receipt thereof, give notice to Landlord of such lien, and Tenant shall, within ten (10) days after receiving notice of the filing of the lien, discharge such lien by payment of the amount due to the lien claimant. However, Tenant may in good faith contest such lien provided that within such ten (10) day period Tenant provides Landlord with a surety bond from a company acceptable to Landlord, protecting against said lien in an amount at least one and one-half (1-1/2) times the amount claimed or secured as a lien or such greater amount as may be required by applicable law; and provided further that Tenant, if it should decide to contest such lien, shall agree to indemnify, defend and save harmless Landlord from and against all costs arising from or in connection with any proceeding with respect to such lien. Failure of Tenant to discharge the lien, or, if contested, to provide such bond and indemnification, shall constitute a default under this Lease and in, addition to any other right or remedy of Landlord, Landlord may, but shall not be obligated, to discharge or secure the release of any lien by paying the amount claimed to be due, and the amount so paid by Landlord, and all costs and expenses incurred by Landlord therewith, including, but not limited to, court costs and reasonable attorneys' fees, shall be due and payable by Tenant to Landlord forthwith on demand.

B. At least fifteen (15) days before the commencement by Tenant of any material construction or remodeling work on the demised premises, Tenant shall give written notice thereof to Landlord. Landlord shall have the right to post and maintain on the demised premises such Notices of Non-Responsibility, or similar notices, provided for under applicable laws.

Section 19.9.

A. Tenant shall deposit with Landlord the amount of $250,000.00 in cash or in the form of a Letter of Credit in strict accordance with the provisions of Section 2.4 hereof (as applicable, the "Security Deposit"). The Security Deposit shall be held by Landlord as security for the faithful performance of all the terms of this Lease to be observed and performed by Tenant. The Security Deposit shall not be mortgaged, assigned, transferred or encumbered by Tenant without the written consent of Landlord and any such act on the part of Tenant shall be without force and effect and shall not be binding upon Landlord.

Provided that (i) this Lease is in full force and effect, (ii) Tenant has completed the Tenant Improvements pursuant to the provisions of this Lease and the plans and specifications therefor as such have been approved by Landlord, and (iii) Tenant is not in default under any of the terms, conditions and covenants of this Lease beyond applicable notice and cure periods at the time of giving Tenant's written notices(s) described herein, and subject to the terms and conditions set forth herein, (a) if Landlord is then holding a cash Security Deposit in the amount of $250,000.00, Landlord shall return a portion of the Security Deposit in the amount of One Hundred Thousand Dollars ($100,000.00) within thirty (30) days after Tenant's written request to Landlord (herein, the "Tenant's First Notice"), which Tenant's First Notice may be given no earlier than the first day of the twenty fifth (25th) full calendar month after the commencement of the demised term of this Lease (and the Security Deposit to be held by Landlord pursuant to the provisions herein shall be the amount of One Hundred Fifty Thousand Dollars ($150,000.00)); and if Landlord is then holding a Letter of Credit in the amount of $250,000.00 as the Security Deposit, then no earlier than the first day of the twenty fifth (25th) full calendar month after the commencement of the demised term of this Lease, Tenant may deliver to Landlord a replacement Letter of Credit in the amount of $150,000.00, at which time (provided the replacement Letter of Credit complies with the provisions of Section 2.4) Landlord shall return the Letter of Credit in the amount of $250,000.00 to Tenant or to the issuing bank; and (b) if Landlord is then holding a cash Security Deposit, Landlord shall return an additional portion of the Security Deposit in the amount of One Hundred Thousand Dollars ($100,000.00) within thirty (30) days after Tenant's written request to Landlord (herein, the "Tenant's Second Notice"), which Tenant's Second Notice may be given no earlier than the first day of the forty ninth (49th) full calendar month after the commencement of the demised term of this Lease (and upon the return of the amount of $100,000.00 to Tenant after Tenant's First Notice and another $100,000.00 after Tenant's Second Notice, the Security Deposit to be held by Landlord pursuant to the provisions herein shall be the amount of Fifty Thousand Dollars ($50,000.00)); and if Landlord is then holding a Letter of Credit as the Security Deposit, then no earlier than the first day of the forty ninth (49th) full calendar month after the commencement of the demised term of this Lease, Tenant may deliver to Landlord the amount of $50,000.00 in cash which shall be held by Landlord as a Security Deposit pursuant to the provisions herein, and Landlord shall return the Letter of Credit in Landlord's possession to Tenant or to the issuing bank.

B. If any of the rents herein reserved or any other sum payable by Tenant to Landlord shall be overdue and unpaid beyond applicable notice and cure periods, or should Landlord make payments on behalf of Tenant, or should Tenant fail to perform any of the terms of this Lease within applicable notice and cure periods, then Landlord may, at its option and without prejudice to any other remedy which Landlord may have on account thereof, apply the entire Security Deposit, or so much thereof as may be necessary, to compensate Landlord toward the payment of rent or additional rent, loss, or damage sustained by Landlord due to such breach on the part of Tenant, and Tenant shall forthwith upon demand restore said Security Deposit to the original sum deposited. Any portion of said Security Deposit remaining at the expiration of the demised term shall be returned in full to Tenant at the end of the demised term.

C. In the event of bankruptcy or other similar proceedings listed in Article 14 hereof, the Security Deposit shall be deemed to be applied first to the payment of rent and other charges due Landlord for all periods prior to the filing of such proceedings.

D. In the event Landlord delivers the Security Deposit to the purchaser of Landlord's interest in the demised premises, Landlord, after written notice to Tenant of said delivery, shall be discharged from any further liability with respect to the Security Deposit. This provision shall also apply to any subsequent transferees.

Section 19.10. All notices, statements, demands, requests, consents, approvals, authorizations, offers, agreements, appointments or designations hereunder by either party to the other shall be in writing and shall be sufficiently given and served upon the other party if sent by United States certified mail, return receipt requested, postage prepaid, or overnight courier (provided a receipt is given), and addressed as follows:

If sent by mail to Tenant, the same shall be addressed to the Tenant at or at such other place as Tenant may from time to time designate by notice to Landlord.

If sent by mail to Landlord, the same shall be addressed to Landlord at Sixty 31st Avenue, San Mateo, California 94403-3404, or at such other place as Landlord may from time to time designate by notice to Tenant.

Any such notice when sent by certified mail as above provided shall be deemed duly served on the third business day following the date of such mailing. Any such notice when sent by overnight courier as above provided shall be deemed duly served on the first business day following the date of such mailing.

Section 19.11. As used in this Lease and when required by the context, each number (singular or plural) shall include all numbers, and each gender shall include all genders; and unless the context otherwise requires, the word "person" shall include corporation, firm or association.

Section 19.12. In case of litigation with respect to the mutual rights, obligations, or duties of the parties hereunder, the prevailing party shall be entitled to reimbursement from the other party of all costs and reasonable attorneys' fees actually incurred.

Section 19.13. Each term and each provision of this instrument performable by Tenant shall be construed to be both a covenant and a condition.

Section 19.14. Except as otherwise expressly stated, each payment provided herein to be made by Tenant to Landlord shall be in addition to and not in substitution for the other payments to be made by Tenant to Landlord.

Section 19.15. Time is and shall be of the essence of this Lease and all of the terms, provisions, covenants and conditions hereof.

Section 19.16. The Tenant warrants that it has not had any dealings with any realtor, broker, or agent in connection with the negotiation of this Lease excepting only Newmark Cornish & Carey, whom Landlord agrees to pay whatever commission may be due. Each party agrees to hold the other harmless from any cost, expense or liability for any compensation, commissions or charges claimed by any realtor, broker, or agent with respect to this Lease and/or the negotiation thereof with whom the other party has or purportedly has dealt.

Section 19.17. Tenant agrees that its interest in this Lease shall be subordinate to any mortgage, deed of trust and/or other security indenture hereafter placed upon the demised premises and to any and all advances made or to be made thereunder and to the interest thereon made and all renewals, replacements, and extensions thereof, but nothing herein contained shall be deemed to alter or limit Tenant's rights as set forth in Section 19.6. Tenant shall, at the request of Landlord or any mortgagee, trustee or holder of any such security instrument, execute in writing an agreement subordinating its rights under this Lease to the lien of such mortgage, deed of trust and/or other security indenture. If any mortgagee, trustee or holder of such security instrument elects to have the Tenant's interest in this Lease superior to any such instrument by notice to Tenant, then this Lease should be deemed superior to the lien of any such mortgage, deed of trust or security indenture whether this Lease was executed before or after said mortgage, deed of trust and/or security indenture.

Section 19.18. Landlord reserves the right during the last six months of the demised term of this Lease or the last six months of any extension hereof to enter the property during normal working hours for the purpose of showing the demised premises (except restricted areas established by, or on behalf of, the Federal Government for security purposes) to prospective tenants or purchasers and to place signs (for the last year) on the demised premises advertising the property for lease or sale.

Section 19.19. The following terms as used in this Lease shall have the following meaning:

A. "Unavoidable Delay" means any prevention, delay or stoppage due to strike(s), lockout(s), labor dispute(s), act(s) of God, inability to obtain labor or materials or reasonable substitutes therefor, governmental restrictions, governmental regulations, governmental controls, enemy or hostile governmental action, civil commotion, fire or other casualty, and other conditions or causes beyond the reasonable control of the party obligated to perform.

Section 19.20. Tenant shall at any time during the demised term, within ten (10) days after written notice from Landlord, execute, acknowledge and deliver to Landlord or, at Landlord's request, Landlord's mortgagee, an estoppel certificate in writing (i) certifying that this Lease is unmodified and in full force and effect (or, if modified, stating the nature of such modification and certifying that this Lease, as so modified, is in full force and effect) and the date to which the rent and other charges are paid in advance, if any, (ii) acknowledging that there are not, to Tenant's knowledge, any uncured defaults on the part of Landlord hereunder, or specifying such defaults, if any, are claimed, and (iii) ratifying and certifying any such other matters as may reasonably be requested. Any such certificate may be conclusively relied upon by any prospective purchaser or encumbrancer of the demised premises. Tenant's failure to deliver such certificate within such time shall be conclusive upon Tenant that this Lease is in full force and effect, without modification except as may be represented by Landlord; that there are no uncured defaults in Landlord's performance, and that not more than one month's rent has been paid in advance.

Section 19.21. As an inducement to Tenant to lease the demised premises from Landlord, and subject to the provisions hereof, in consideration of Tenant performing its obligations as set forth in this Lease, Landlord agrees to provide to Tenant the lesser of (i) the amount of Seven Hundred Eighty Thousand Eight Hundred Forty Dollars ($780,840.00) or (ii) an amount equal to the actual costs of the design and construction of the Tenant Improvements referenced in Section 3.2 hereof which are performed by Tenant within the initial twenty four (24) months of the demised term hereof (the lesser amount being the "Inducement"), payable to Tenant in installments based on costs incurred to date as follows:

A. the first installment and each subsequent installment of the Inducement (up to an amount equal to ninety percent (90%) of that portion of the Inducement applicable to a given phase of the Tenant Improvement work) will be payable within thirty (30) days after all of the following conditions have been met: (i) the Lease has been executed and delivered by the parties and is in full force and effect; (ii) Tenant is not in default beyond applicable notice and cure periods under the terms of the Lease, including without limitation Section 19.8 hereof; (iii) Tenant has accepted delivery of the demised premises and commenced construction of the Tenant Improvements in accordance with the Landlord-approved plans and specifications therefor; (iv) Tenant has expended no less than the amount so requested with respect to the Tenant Improvements in the demised premises performed pursuant to Tenant's plans as approved by Landlord and has provided Landlord with paid invoices, cancelled checks, contracts and other appropriate documentation to support and substantiate the cost of the Tenant Improvements and amounts actually expended by Tenant (including applicable AIA documents); (v) Tenant has provided Landlord with lien releases from Tenant's general contractor(s), suppliers, materialmen, and all subcontractors who have done work on the demised premises to date, and no liens have been filed; and (vi) Tenant has provided Landlord with a written request therefor. Such requests shall be made not more often than once per calendar month.

B. the final ten percent (10%) of that portion of the Inducement applicable to a given phase of the Tenant Improvement work will be payable within thirty (30) days after all of the following conditions are satisfied: (i) Tenant has satisfied, and continues to satisfy, the conditions contained in subparagraph (a) above; (ii) Tenant has completed the phase of the Tenant Improvements for which reimbursement has been requested in accordance with the Landlord-approved plans and specifications therefor and has provided Landlord with a copy of the building permit for the Tenant Improvements (if any) properly signed off by the government body having jurisdiction thereof; (iv) Tenant has, within ten days after the Tenant Improvements have been completed, recorded a Notice of Completion in the San Mateo County Recorder's Office and has provided Landlord with a copy thereof (and if Tenant does not record a Notice of Completion in the San Mateo County Recorder's Office within said ten day period, then the final ten percent (10%) of the Inducement shall not be paid to Tenant prior to a date which is ninety (90) days after the completion of the Tenant Improvements); (v) Tenant has provided Landlord with final unconditional lien releases from Tenant's general contractor(s), suppliers, materialmen, and all subcontractors who have done work on the demised premises, and no liens have been filed; (vi) Tenant's Architect has provided Landlord with a statement certifying and warranting that the demised premises have been constructed in complete compliance with the mutually approved plans and specifications; (vii) Tenant is in occupancy of the demised premises and conducting its business therein; (viii) Tenant has commenced the payment of base rent to Landlord; (ix) Tenant has advised Landlord in writing of Tenant's actual cost of the Tenant Improvements including all necessary back-up documentation to substantiate the actual cost thereof, including copies of paid invoices, cancelled checks, contracts (including applicable AIA documents) and other appropriate documentation to support and substantiate said costs; and (x) Tenant has provided Landlord with a written request therefor. If any of the above conditions has not been met, or if Tenant does not provide Landlord with a written request for the Inducement or any portion thereof, within two (2) years after the date of this Lease, or in the event this Lease terminates prior to the date that the entire Inducement has been paid to Tenant, then Landlord shall have no obligation to pay the Inducement or such unpaid portion thereof.

The Inducement described above shall not exceed Tenant's actual costs of the design and construction of the Tenant Improvements incurred in accordance with plans approved by Landlord and may include cabling and construction of building improvements (including flooring and paint) but the Inducement shall not include costs for Tenant's fixtures, furniture, signage, equipment, inventory or other personal property (collectively, "Tenant's Fixtures").

In the event Tenant abandons the demised premises during the demised term of this Lease, or if this Lease terminates early as a result of Tenant's default, then Tenant shall immediately repay Landlord the unamortized portion of said Inducement determined from the date of such abandonment or termination until the scheduled expiration of the demised term, without limiting any of Landlord's other rights and remedies contained in this Lease.

In the event Tenant has fulfilled the requirements set forth above and Landlord fails to pay any installment of the foregoing Inducement when due, then Tenant may provide written notice of such failure to Landlord (herein, “Tenant’s notice of failure”). In the event Landlord fails to make any such payment within thirty (30) days after Tenant’s notice of failure, then Tenant may offset the base rent thereafter due by Tenant under the Lease in the amount of the portion of said Inducement which remains unpaid by Landlord to Tenant. Tenant’s right to offset contained herein shall be Tenant’s sole and exclusive remedy for Landlord’s failure to pay any installment of the Inducement as provided herein.

IN WITNESS WHEREOF, the parties have executed this instrument.

TENANT:
ADICET BIO, INC.,
a Delaware corporation

By: /s/ Aya Jakobovits
President

By: /s/ Aya Jakobovits
Secretary

LANDLORD:
DAVID D. BOHANNON ORGANIZATION,
a California corporation

By: /s/ Scott E. Bohannon
Senior Vice President

By: /s/ Ernest Lotti Jr.
Secretary

Exhibit 10.39

FIRST AMENDMENT TO BUSINESS PARK LEASE

THIS FIRST AMENDMENT TO BUSINESS PARK LEASE ("Amendment") is entered into as of September , 2019, by and between FACEBOOK, INC., a Delaware corporation (as successor-in-interest to David D. Bohannon Organization, a California corporation), herein called "Landlord", and ADICET BIO, INC., a Delaware corporation, herein called "Tenant".

RECITALS

A. Landlord's predecessor-in-interest and Tenant entered into a written Lease, dated September 30, 2015, hereinafter referred to as the "Lease", for the lease of certain premises currently identified as 200 Constitution Drive, and sometimes herein referred to as the "Existing Premises", located in the City of Menlo Park, State of California.

B. Tenant wishes to expand the Existing Premises to include the building known as 175-177 Jefferson Drive (the "Expansion Premises") in Menlo Park, California, consisting of approximately 7,973 rentable square feet and make certain other amendments to the Lease.

C. By this Amendment, Landlord and Tenant desire to amend the Lease in those particulars as hereinafter set forth.

AGREEMENT:

NOW, THEREFORE, for and in consideration of the Premises and the mutual agreements herein contained, and for other good and valuable consideration, the receipt and adequacy of which are hereby acknowledged, the parties agree as follows:

1. Definitions. Unless otherwise defined in this Amendment, all initially-capitalized terms used herein shall have the meanings described in the Lease.

2. Expansion Premises. Effective upon the Expansion Premises Commencement Date (as defined below), the "Premises" (as that term is used in the Lease) shall be amended to include the Expansion Premises. The Expansion Premises is more fully depicted on **Exhibit A**. Effective upon the Expansion Premises Commencement Date, the Existing Premises and the Expansion Premises shall be referred to collectively as the "Premises". Tenant hereby accepts the Expansion Premises in its "as is" condition with all faults, and with no representations or warranties by Landlord nor any employee or agent of Landlord with respect to any portion of the Expansion Premises (including the exterior areas of the Building) including, without limitation, any representation or warranty with respect to the suitability or fitness of the Expansion Premises for the conduct of Tenant's business. Without limiting the foregoing, Landlord is not required to perform or pay for any improvements in the Expansion Premises or otherwise, and is not offering any form of tenant improvement allowance, free rent, or similar concession. Tenant expressly acknowledges that the Expansion Premises does not include any parking or exterior signage rights. As such, Tenant shall not be required to pay any costs with respect to the parking lot or signage under the Lease (including, without limitation, costs for maintenance or taxes for the parking lot or signage, as applicable, under Sections 17 or 18 of the Lease).

3. Expansion Premises Term. The term of the Lease with respect to the Expansion Premises shall commence on October 1, 2019 (the "Expansion Premises Commencement Date"), and shall expire on March 31, 2021 (the "Expansion Premises Term"). Tenant shall have the option to extend the Expansion Premises Term for a period one (1) year (the "Expansion Premises Extension Option"), commencing on April 1, 2021 through March 31, 2022 (the "Expansion Premises Extension Term"). Tenant may exercise its right to extend the Expansion Premises Term by providing written notice to Landlord not earlier than twelve (12) months and no later than six (6) months prior to the end of the current Expansion Premises Term. Notwithstanding the foregoing, with respect to the Expansion Premises only, Landlord shall have the right to terminate the Lease at any time during the Expansion Premises Extension Term, effective on the date specified in Landlord's written notice to Tenant, which date shall be at least six (6) months after the date of such notice and shall be no earlier than October 1, 2021. In the event of such termination, the parties shall have no further obligations to each other, except for those which expressly survive termination. Tenant shall have the right to occupy the Expansion Premises commencing one (1) business day after the full execution of this Amendment for the sole purpose of painting, carpeting, constructing improvements, and installing its equipment, data, telecommunications systems and trade fixtures. Such occupancy prior to the Expansion Premises Commencement Date shall be subject to all of the terms of the Lease (including, without limitation, Tenant's obligation to provide insurance certificates to Landlord) except the obligation to pay rent.

4. Base Rent. Commencing on the Expansion Premises Commencement Date, the Base Rent payable under the Lease shall be as follows:

Total Base Rent Due

Month	Existing Premises	Expansion Premises	Total
Expansion Premises Commencement Date	$ 47,402.50	$ 22,324.40	$69,726.90
11/1/2019	$ 47,402.50	$ 22,324.40	$69,726.90
12/1/2019	$ 47,402.50	$ 22,324.40	$69,726.90
1/1/2020	$ 47,402.50	$ 22,324.40	$69,726.90
2/1/2020	$ 48,824.57	$ 22,324.40	$71,148.97
3/1/2020	$ 48,824.57	$ 22,324.40	$71,148.97
4/1/2020	$ 48,824.57	$ 22,324.40	$71,148.97
5/1/2020	$ 48,824.57	$ 22,324.40	$71,148.97
6/1/2020	$ 48,824.57	$ 22,324.40	$71,148.97
7/1/2020	$ 48,824.57	$ 22,324.40	$71,148.97
8/1/2020	$ 48,824.57	$ 22,324.40	$71,148.97
9/1/2020	$ 48,824.57	$ 22,324.40	$71,148.97
10/1/2020	$ 48,824.57	$ 22,994.13	$71,818.70
11/1/2020	$ 48,824.57	$ 22,994.13	$71,818.70
12/1/2020	$ 48,824.57	$ 22,994.13	$71,818.70
1/1/2021	$ 48,824.57	$ 22,994.13	$71,818.70
2/1/2021	$ 50,289.31	$ 22,994.13	$73,283.44
3/1/2021	$ 50,289.31	$ 22,994.13	$73,283.44
*4/1/2021	$ 50,289.31	$ 22,994.13	$73,283.44

*5/1/2021	$ 50,289.31	$ 22,994.13	$ 73,283.44
*6/1/2021	$ 50,289.31	$ 22,994.13	$ 73,283.44
*7/1/2021	$ 50,289.31	$ 22,994.13	$ 73,283.44
*8/1/2021	$ 50,289.31	$ 22,994.13	$ 73,283.44
*9/1/2021	$ 50,289.31	$ 22,994.13	$ 73,283.44
*10/1/2021	$ 50,289.31	$ 23,683.96	$ 73,973.27
*11/1/2021	$ 50,289.31	$ 23,683.96	$ 73,973.27
*12/1/2021	$ 50,289.31	$ 23,683.96	$ 73,973.27
*1/1/2022	$ 50,289.31	$ 23,683.96	$ 73,973.27
*2/1/2022	$ 51,797.99	$ 23,683.96	$ 75,481.95
*3/1/2022	$ 51,797.99	$ 23,683.96	$ 75,481.95

* if the Expansion Premises Extension Option is exercised and the Lease with respect to the Expansion Premises is not terminated by Landlord pursuant to Section 3 of this Amendment.

Tenant shall pay the base rent, as set forth above, in accordance with the terms and conditions of the Lease (as amended hereby).

Monetary payments (including base rent) shall be payable by wire transfer to Landlord at the following account:

Account Name: Facebook, Inc., Cushman & Wakefield U.S., Inc. AAF
Account #: *
For Wire Transfers:
Bank Routing and Transit Number: *
SWIFT Code: *
City and State: New York, New York

5. Security Deposit. The parties acknowledge that Landlord is the successor beneficiary of a letter of credit under the Lease in the amount of One Hundred Fifty Thousand Dollars ($150,000.00) (the "Original L/C"). As partial consideration for Landlord's agreement to lease the Expansion Premises to Tenant, Tenant agrees to deliver to Landlord the additional sum of One Hundred Eleven Thousand Six Hundred Twenty Dollars ($111,620.00) (the "Additional Security Deposit"). The Additional Security Deposit shall be paid in cash, wire transfer or other "same day" funds upon mutual execution hereof. Tenant's failure to deliver the Additional Security Deposit shall constitute a default under the Lease. The Security Deposit (which consists of the Original L/C and the Additional Security Deposit) shall be held by Landlord pursuant to the terms and conditions of Section 19.9 of the Lease, except that with respect to the return of the Additional Security Deposit to Tenant, references in Section 19.9 of the Lease to the expiration of the demised term shall be deemed a reference to the expiration of the Expansion Premises Term.

6. Capital Repairs and Improvements. When calculating costs to be reimbursed by Tenant in Sections 11.5(a) and (b) of the Lease with respect to the Expansion Premises, references therein to "initial demised term of this Lease" shall mean the Expansion Premises Term (as extended, if extended).

7. Notice Address. The addresses for notices to Landlord set forth in the Lease are hereby deleted and the following are hereby added in lieu thereof:

Address for notices to Landlord:	Facebook 1 Hacker Way Menlo Park, CA 94025 Attention: Facilities With a copy to: Facebook 1 Hacker Way Menlo Park, CA 94025 Attention: Real Estate Counsel

8. California Civil Code Section 1938. Tenant hereby acknowledges and agrees that, prior to the mutual execution and delivery of this Amendment, Landlord has disclosed to Tenant the following disclosures required by Section 1938 of the California Civil Code: (i) as of the Expansion Premises Commencement Date, Landlord has not had the property being leased hereunder inspected by a Certified Access Specialist ("**CASp**") (as that term is defined in California Civil Code Section 55.52); and (ii) "a CASp can inspect the subject premises and determine whether the subject premises comply with all of the applicable construction-related accessibility standards under state law. Although state law does not require a CASp inspection of the subject premises, the commercial property owner or lessor may not prohibit the lessee or tenant from obtaining a CASp inspection of the subject premises for the occupancy or potential occupancy of the lessee or tenant, if requested by the lessee or tenant. The parties shall mutually agree on the arrangements for the time and manner of the CASp inspection, the payment of the fee for the CASp inspection, and the cost of making any repairs necessary to correct violations of construction-related accessibility standards within the premises." Tenant (for itself and all others claiming through Tenant) hereby irrevocably waives and releases all rights and claims it may have under or in connection with Section 1938 of the California Civil Code, as such code section may be amended from time to time, and any successor statutes and similar applicable laws, now or hereafter in effect.

9. Tenant Certifications. Tenant represents and warrants to Landlord that (a) the Lease is in full force and effect; (b) to Tenant's knowledge, there exists no breach or default under the Lease on the part of Landlord, nor any state of facts which, with notice, the passage of time, or both, would constitute a breach or default under the Lease on the part of Landlord; (c) Tenant has no option or preferential right to purchase all or any part of the Premises (or the real property of which the Premises are a part); (d) Tenant has no option, right of first offer or right of first refusal to lease or occupy any other space within the property of which the Premises are a part; (e) there has not been filed by Tenant or against Tenant, a petition in bankruptcy, voluntary or otherwise, any assignment for the benefit of creditors, any petition seeking reorganization or arrangement under the bankruptcy laws of the United States, or any state thereof, or any other action brought under said bankruptcy laws with respect to Tenant; (f) all insurance as may be required under the terms of the Lease to be maintained by Tenant is being maintained by Tenant; and (g) to Tenant's knowledge, there is no defense, offset, claim or counterclaim by or in favor of Tenant against Landlord under the Lease or against the obligations of the Tenant under the Lease.

10. Effect of Amendment; Conflicts. Except as expressly provided herein, the Lease shall continue unmodified and in full force and effect and is hereby ratified and reaffirmed by the parties hereto. Tenant represents and warrants that to Tenant's knowledge, Landlord is not in default in any respect in the performance of the terms and provisions of the Lease nor is there now any fact or condition which, with notice or lapse of time or both, would constitute such a default. Should any provision of this Amendment conflict with any provisions of the Lease, the provisions containing such inconsistencies shall first be reconciled with one another to the maximum extent possible, and then to the extent of any remaining inconsistency, the provisions of this Amendment shall control.

11. Successors and Assigns. The provisions of this Amendment shall bind and inure to the benefit of the heirs, representatives, successors and assigns of the parties, subject to the applicable provisions of the Lease.

12. No Broker. Each party represents and warrants to the other that no broker or finder has been involved in this transaction, and that there are no claims for brokerage commissions or finders fees in connection with this transaction. If any claims for brokerage commissions or fees are ever made in connection with this transaction, the party whose representation and warrant was inaccurate shall indemnify, defend and hold harmless the other from all claims, suits, judgments, damages, liabilities and expenses arising from any such claim by any broker or finder including, without limitation, the cost of counsel fees.

13. Entire Agreement. This Amendment sets forth the entire understanding of the parties in connection with the subject matter of this Amendment. There are no agreements between Landlord and Tenant relating to the Lease or the Premises other than the Lease and this Amendment. Neither party has relied upon any understanding, representation or warranty not set forth in this Amendment, either oral or written, as an inducement to enter into this Amendment. All Exhibits attached to this Amendment are incorporated herein by this reference as though set forth in full.

14. Counterparts. This Amendment may be executed in two or more faxed, DocuSign or .pdf counterparts, each of which shall be an original, but all of which shall constitute one and the same agreement.

[Remainder of page intentionally left blank;
Signature page to follow.]

SIGNATURE PAGE TO
FIRST AMENDMENT TO
BUSINESS PARK LEASE
BY AND BETWEEN
FACEBOOK, INC.
&
ADICET BIO, INC.

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

LANDLORD:

FACEBOOK, INC.,
a Delaware corporation

By: /s/ Christopher Hom
Name: Christopher Hom
Title: Director: Real Estate & Facilities

TENANT:

ADICET BIO, INC.,
a Delaware corporation

By: /s/ Brian Hogan
Name: Brian Hogan
Title: CFO

By: /s/ Anil Singhal
Name: Anil Singhal
Title: President and CEO

Exhibit 10.40

ADICET BIO, INC.

LOAN AND SECURITY AGREEMENT

This LOAN AND SECURITY AGREEMENT (the "Agreement") is entered into as of April 28, 2020, by and between PACIFIC WESTERN BANK, a California state chartered bank ("Bank") and ADICET BIO, INC., a Delaware corporation ("Borrower").

RECITALS

Borrower wishes to obtain credit from time to time from Bank, and Bank desires to extend credit to Borrower. This Agreement sets forth the terms on which Bank will advance credit to Borrower, and Borrower will repay the amounts owing to Bank.

AGREEMENT

The parties agree as follows:

1. DEFINITIONS AND CONSTRUCTION.

1.1 Definitions. As used in this Agreement, all capitalized terms shall have the definitions set forth on Exhibit A. Any term used in the Code and not defined herein shall have the meaning given to the term in the Code.

1.2 Accounting Terms. Any accounting term not specifically defined on Exhibit A shall be construed in accordance with GAAP and all calculations shall be made in accordance with GAAP (except for non-compliance with FAS 123R in monthly reporting). The term "financial statements" shall include the accompanying notes and schedules.

2. LOAN AND TERMS OF PAYMENT.

2.1 Credit Extensions.

(a) Promise to Pay. Borrower promises to pay to Bank, in lawful money of the United States of America, the aggregate unpaid principal amount of all Credit Extensions made by Bank to Borrower, together with interest on the unpaid principal amount of such Credit Extensions at rates in accordance with the terms hereof.

(b) Term Loan.

(i) Subject to and upon the terms and conditions of this Agreement, Bank agrees to make one (1) or more term loans to Borrower in an aggregate principal amount not to exceed Twelve Million Dollars ($12,000,000) (each a "Term Loan" and collectively the "Term Loans"). Borrower may request Term Loans at any time from the date hereof through the Availability End Date. The proceeds of the Term Loans shall be used for general working capital purposes and for capital expenditures.

(ii) Interest shall accrue from the date of each Term Loan at the rate specified in Section 2.2(a), and prior to the Interest Only End Date for the applicable Term Loan shall be payable monthly beginning on the first (1st) day of the month next following such Term Loan, and continuing on the same day of each month thereafter. Any Term Loans that are

outstanding on the Interest Only End Date shall be payable in, (i) if Borrower achieves the IND Milestone, twenty-four (24) or (ii) if Borrower does not achieve the IND Milestone, thirty (30), equal monthly installments of principal, plus all accrued interest, beginning on the Amortization Start Date, and continuing on the same day of each month thereafter through the Maturity Date, at which time all amounts due in connection with the Term Loans and any other amounts due under this Agreement shall be immediately due and payable. Term Loans, once repaid, may not be reborrowed. Borrower may prepay any Term Loan without penalty or premium.

(iii) When Borrower desires to obtain a Term Loan, Borrower shall notify Bank (which notice shall be irrevocable) by email to be received no later than 12:30 Pacific time (3:30 p.m. Eastern time) on the day on which the Term Loan is to be made. Such notice shall be given by a Loan Advance/Paydown Request Form in substantially the form of Exhibit C. The notice shall be signed by an Authorized Officer. Bank shall be entitled to rely on any notice given by a person whom Bank reasonably believes to be an Authorized Officer, and Borrower shall indemnify and hold Bank harmless for any damages, loss, costs and expenses suffered by Bank as a result of such reliance.

2.2 Interest Rates, Payments, and Calculations.

(a) Interest Rate. Except as set forth in Section 2.2(b), the Term Loans shall bear interest, on the outstanding daily balance thereof, at a variable annual rate equal to the greater of: (A) 0.25% above the Prime Rate then in effect; or (B) 5.00%;

(b) Late Fee; Default Rate. If any payment is not made within 15 days after the date such payment is due, Borrower shall pay Bank a late fee equal to the lesser of (i) 5% of the amount of such unpaid amount or (ii) the maximum amount permitted to be charged under applicable law. After the occurrence and during the continuance of an Event of Default, all Obligations shall bear interest, upon notice of such increase given by Bank, at a rate equal to five (5) percentage points above the interest rate applicable immediately prior to the occurrence of the Event of Default (such rate, the "Default Rate"); provided, that, from and after the occurrence of any Event of Default described in Section 8.5, such increase shall be automatic and without the requirement of any notice from Bank. In all such events, and notwithstanding the date on which application of the Default Rate is communicated to Borrower, the Default Rate may be accrued (at the election of Bank) from the initial date of any Event of Default until all existing Events of Default are waived in writing in accordance with the terms of this Agreement;

(c) Payments. Interest on the Term Loans shall be due and payable on the first (1st) calendar day of each month during the term hereof. Borrower authorizes Bank, at Bank's option, to charge such interest, all Bank Expenses, all Periodic Payments, and any other amounts due and owing in accordance with the terms of this Agreement against any of Borrower's deposit accounts. Any interest not paid when due shall be compounded by becoming a part of the Obligations, and such interest shall thereafter accrue interest at the rate then applicable hereunder; and

(d) Computation. In the event the Prime Rate is changed from time to time hereafter, the applicable rate of interest hereunder shall be increased or decreased, effective as of the day the Prime Rate is changed, by an amount equal to such change in the Prime Rate. All interest chargeable under the Loan Documents shall be computed on the basis of a 360 day year for the actual number of days elapsed.

2.3 Crediting Payments. Prior to the occurrence of an Event of Default, Bank shall credit a wire transfer of funds, check or other item of payment to such deposit account or Obligation as Borrower specifies. After the occurrence and during the continuance of an Event of Default, Bank shall have the right, in its sole discretion to immediately apply any wire transfer of funds, check, or other item of payment Bank may receive to conditionally reduce Obligations, but such applications of funds shall not be considered a payment on account unless such payment is of immediately available federal funds or unless and until such check or other item of payment is honored when presented for payment. Notwithstanding anything to the contrary contained herein, any wire transfer or payment received by Bank after 12:30 p.m. Pacific time (3:30 p.m. Eastern time) shall be deemed to have been received by Bank as of the opening of business on the immediately following Business Day. Whenever any payment to Bank under the Loan Documents would otherwise be due (except by reason of acceleration) on a date that is not a Business Day, such payment shall instead be due on the next Business Day, and additional fees or interest, as the case may be, shall accrue and be payable for the period of such extension.

2.4 Fees. Borrower shall pay to Bank the following:

(a) Facility Fee. On or before the Closing Date, a fee equal to Three Thousand Dollars ($3,000), which shall be nonrefundable; and

(b) Bank Expenses. (i) On the Closing Date, all Bank Expenses incurred through the Closing Date in an amount not to exceed the sum of (A) $25,000 plus (B) fifty percent (50%) of Bank Expenses incurred in excess of $25,000, *provided* that the amount payable under this Section 2.4(b)(i) shall not exceed $35,000 in the aggregate, and, (ii) after the Closing Date, all Bank Expenses, as and when they become due.

2.5 Term. This Agreement shall become effective on the Closing Date and, subject to Section 12.7, shall continue in full force and effect for so long as any Obligations (other than contingent indemnity obligations) remain outstanding or Bank has any obligation to make Credit Extensions under this Agreement. Notwithstanding the foregoing, Bank shall have the right to terminate its obligation to make Credit Extensions under this Agreement immediately and without notice upon the occurrence and during the continuance of an Event of Default in accordance with Article 9.

3. CONDITIONS OF LOANS.

3.1 Conditions Precedent to Closing. The agreement of Bank to enter into this Agreement on the Closing Date is subject to the condition precedent that Bank shall have received, in form and substance satisfactory to Bank, each of the following items and completed each of the following requirements:

(a) this Agreement;

(b) a Corporate Resolution of Borrower with respect to incumbency and resolutions authorizing the execution and delivery of this Agreement;

(c) a financing statement (Form UCC-1);

(d) current SOS Reports indicating that except for Permitted Liens, there are no other security interests or Liens of record in the Collateral;

(e) current financial statements, including company-prepared statements for Borrower's most recently ended fiscal year; company prepared consolidated balance sheets, income statements, and statements of cash flows for the preceding twelve months and such other updated financial information as Bank may reasonably request;

(f) a current Compliance Certificate in accordance with Section 6.2;

(g) an executed copy of the Regeneron Agreement;

(h) the Warrant;

(i) a copy of the Amended and Restated Investors' Rights Agreement among Borrower and certain other parties thereto dated July 25, 2019;

(j) a Borrower Information Certificate;

(k) Borrower shall have opened and funded not less than Fifty Thousand Dollars ($50,000) in deposit accounts held with Bank; and

(l) such other documents or certificates, and completion of such other matters, as Bank may reasonably request.

3.2 Conditions Precedent to all Credit Extensions. The obligation of Bank to make each Credit Extension, and including the initial Credit Extension, is contingent upon the Borrower's compliance with Section 3.1 above, and is further subject to the following conditions:

(a) timely receipt by Bank of the Loan Advance/Paydown Request Form as provided in Section 2.1;

(b) Borrower shall be in compliance with Section 6.6 (provided that, for the avoidance of doubt, nothing herein shall require the Borrower to comply with such obligation prior to the applicable deadline as a condition to the Bank making any Credit Extension);

(c) in Bank's sole discretion, there has not been a Material Adverse Effect; and

(d) the representations and warranties contained in Section 5 shall be true and correct in all material respects on and as of the date of such Loan Advance/Paydown Request Form and on the effective date of each Credit Extension as though made at and as of each such date, and no Event of Default shall have occurred and be continuing, or would exist after giving effect to such Credit Extension (provided, however, that those representations and warranties expressly referring to another date shall be true and correct in all material respects as of such date, and provided further that any representation or warranty that contains a materiality

qualification therein shall be true and correct in all respects). The making of each Credit Extension shall be deemed to be a representation and warranty by Borrower on the date of such Credit Extension as to the accuracy of the facts referred to in this Section 3.2.

3.3 Post-Closing Covenant. Within 30 days from the Closing Date, Borrower shall deliver to Bank in form and substance satisfactory to Bank (a) a landlord waiver in favor of Bank for (i) 200 Constitution Drive, Menlo Park, CA 94025, and (ii) 175 Jefferson Drive, Menlo Park, CA 94025, (b) evidence that the insurance policies required by Section 6.5 hereof are in full force and effect, together with appropriate evidence showing loss payable and additional insured clauses or endorsements in favor of Bank, and (c) a bailee waiver in favor of Bank for 2910 Fortune Circle West Indianapolis, IN 46241 from Brook Life Sciences, Inc.; provided that a landlord waiver in favor of Bank for 1000 Bridge Parkway, Redwood City, CA 94065 shall be delivered within 45 days from the Closing Date.

4. CREATION OF SECURITY INTEREST.

4.1 Grant of Security Interest. Borrower grants and pledges to Bank a continuing security interest in the Collateral to secure prompt repayment of any and all Obligations and to secure prompt performance by Borrower of each of its covenants and duties under the Loan Documents. Except for Permitted Liens or as disclosed in the Schedule, such security interest constitutes a valid, first priority security interest in the presently existing Collateral, and will constitute a valid, first priority security interest in later-acquired Collateral. Borrower also hereby agrees not to sell, transfer, assign, mortgage, pledge, lease, grant a security interest in, or encumber any of its intellectual property. Notwithstanding any termination of this Agreement or of any filings undertaken related to Bank's rights under the Code, Bank's Lien on the Collateral shall remain in effect for so long as any Obligations are outstanding.

4.2 Perfection of Security Interest. Borrower authorizes Bank to file at any time financing statements, continuation statements, and amendments thereto that (i) either specifically describe the Collateral or describe the Collateral as all assets of Borrower of the kind pledged hereunder, and (ii) contain any other information required by the Code for the sufficiency of filing office acceptance of any financing statement, continuation statement, or amendment, including whether Borrower is an organization, the type of organization and any organizational identification number issued to Borrower, if applicable. Borrower shall have possession of the Collateral, except where expressly otherwise provided in this Agreement or where Bank chooses to perfect its security interest by possession in addition to the filing of a financing statement. Where Collateral is in possession of a third party bailee, Borrower shall take such steps as Bank reasonably requests for Bank to (i) subject to Section 3.3 and Section 7.11, obtain an acknowledgment, in form and substance reasonably satisfactory to Bank, of the bailee that the bailee holds such Collateral for the benefit of Bank, and (ii) obtain "control" of any Collateral consisting of investment property, deposit accounts, letter-of-credit rights or electronic chattel paper (as such items and the term "control" are defined in Revised Article 9 of the Code) by causing the securities intermediary or depositary institution or issuing bank to execute a control agreement in form and substance reasonably satisfactory to Bank. Borrower will not create any chattel paper without placing a legend on the chattel paper reasonably acceptable to Bank indicating that Bank has a security interest in the chattel paper. Borrower from time to time may deposit with Bank specific cash collateral to secure specific Obligations; Borrower authorizes

Bank to hold such specific balances in pledge and to decline to honor any drafts thereon or any request by Borrower or any other Person to pay or otherwise transfer any part of such balances for so long as the specific Obligations are outstanding. Borrower shall take such other actions as Bank reasonably requests to perfect its security interests granted under this Agreement.

4.3 Pledge of Collateral. Borrower hereby pledges, assigns and grants to Bank a security interest in all the Shares, together with all proceeds and substitutions thereof, all cash, stock and other moneys and property paid thereon, all rights to subscribe for securities declared or granted in connection therewith, and all other cash and noncash proceeds of the foregoing, as security for the performance of the Obligations. Borrower will deliver to Bank (i) on the Closing Date, the certificate or certificates for any then-certificated Shares of any Subsidiary (other than Adicet Israel), and (ii) with respect to any Shares uncertificated as of the Closing Date, immediately upon certification, the certificate or certificate for the Shares of any Subsidiary (other than Adicet Israel), in each case accompanied by an instrument of assignment duly executed in blank governing the Shares. Borrower shall cause the books of each entity whose Shares are part of the Collateral and any transfer agent to reflect the pledge of the Shares. Upon the occurrence of an Event of Default hereunder, Bank may effect the transfer of any securities included in the Collateral (including but not limited to the Shares) into the name of Bank and cause new certificates (if any) representing any such securities to be issued in the name of Bank or its transferee. Unless an Event of Default shall have occurred and be continuing, Borrower shall be entitled to exercise any voting rights with respect to the Shares and to give consents, waivers and ratifications in respect thereof, provided that no vote shall be cast or consent, waiver or ratification given or action taken which would be inconsistent with any of the terms of this Agreement or which would constitute or create any violation of any of such terms. All such rights to vote and give consents, waivers and ratifications shall terminate upon the occurrence and continuance of an Event of Default.

5. REPRESENTATIONS AND WARRANTIES.

Borrower represents and warrants as follows:

5.1 Due Organization and Qualification. Borrower and each Subsidiary is an entity duly existing under the laws of the jurisdiction in which it is organized and qualified and licensed to do business in any state in which the conduct of its business or its ownership of property requires that it be so qualified, except in each case where the failure to do so would not reasonably be expected to cause a Material Adverse Effect.

5.2 Due Authorization; No Conflict. The execution, delivery, and performance of the Loan Documents are within Borrower's powers, have been duly authorized, and are not in conflict with nor constitute a breach of any provision contained in Borrower's Certificate of Incorporation or Bylaws, nor will they constitute an event of default under any material agreement by which Borrower is bound. Borrower is not in default under any agreement by which it is bound, except to the extent such default would not reasonably be expected to cause a Material Adverse Effect.

5.3 Collateral. Borrower has rights in or the power to transfer the Collateral, and its title to the Collateral is free and clear of Liens, adverse claims, and restrictions on transfer

or pledge except for Permitted Liens. All Collateral is located solely in the United States, other than (i) certain patents and know-how held in Israel that have no material value, and (ii) certain immaterial value-added tax receivables. All Inventory is in all material respects of good and merchantable quality, free from all material defects, except for Inventory for which adequate reserves have been made. Except as set forth in the Schedule or as permitted in Section 6.6, none of Borrower's Cash is maintained or invested with a Person other than Bank or Bank's Affiliates.

5.4 Intellectual Property. Borrower is the sole owner of the intellectual property created or, to its knowledge, purchased by Borrower, except for (i) non-exclusive licenses granted by Borrower to its customers, suppliers and other business partners, (ii) licenses granted by Borrower to Regeneron or other interests or encumbrances imposed upon such intellectual property pursuant to the Regeneron Agreement and (iii) intellectual property that Borrower jointly owns with Regeneron. The intellectual property created, purchased or licensed by Borrower constitutes all material intellectual property necessary for the conduct of Borrower's business as now conducted and as presently proposed to be conducted. To Borrower's knowledge, (a) each of the copyrights, trademarks and patents created or purchased by Borrower is valid and enforceable, and (b) no part of the intellectual property created or purchased by Borrower has been judged invalid or unenforceable, in whole or in part, and no claim has been made to Borrower that any part of the intellectual property created or purchased by Borrower violates the rights of any third party except to the extent such claim would not reasonably be expected to cause a Material Adverse Effect.

5.5 Name; Location of Chief Executive Office. Except as disclosed in the Schedule, Borrower has not done business under any name other than that specified on the signature page hereof, and its exact legal name is as set forth in the first paragraph of this Agreement. The chief executive office of Borrower is located at the address indicated in Section 10 hereof.

5.6 Litigation. Except as set forth in the Schedule, there are no actions or proceedings pending by or against Borrower or any Subsidiary before any court, or administrative agency, in which a likely adverse decision would reasonably be expected to have a Material Adverse Effect.

5.7 No Material Adverse Change in Financial Statements. The financial statements related to Borrower and any Subsidiary that are delivered by Borrower to Bank fairly present in all material respects Borrower's consolidated (and consolidating, if consolidated and consolidating financial statements are required to be delivered by Borrower to Bank pursuant to Section 6.2) financial condition as of the date thereof and Borrower's consolidated (and consolidating, if applicable) results of operations for the period then ended. There has not been a material adverse change in the consolidated (and consolidating, if applicable) financial condition of Borrower since the date of the most recent of such financial statements submitted to Bank.

5.8 Solvency, Payment of Debts. Borrower and its Subsidiaries are able to pay their debts (including trade debts) as they mature; the fair saleable value of their assets (including goodwill minus disposition costs) exceeds the fair value of their liabilities; and Borrower and its Subsidiaries, on a consolidated basis, are not left with unreasonably small capital after the transactions contemplated by this Agreement.

5.9 Compliance with Laws and Regulations. Borrower and each Subsidiary have met the minimum funding requirements of ERISA with respect to any employee benefit plans subject to ERISA. No event has occurred resulting from Borrower's failure to comply with ERISA that is reasonably likely to result in Borrower's incurring any liability that could reasonably be expected to have a Material Adverse Effect. Borrower is not an "investment company", or a company "controlled" by an "investment company" within the meaning of the Investment Company Act of 1940. Borrower is not engaged principally, or as one of its important activities, in the business of extending credit for the purpose of purchasing or carrying margin stock (within the meaning of Regulations T and of the Board of Governors of the Federal Reserve System). Borrower has not violated any statutes, laws, ordinances or rules applicable to it, the violation of which could reasonably be expected to have a Material Adverse Effect. Borrower and each Subsidiary have filed or caused to be filed all income and other material tax returns required to be filed, and have paid, or have made adequate provision for the payment of, all taxes reflected therein except those being contested in good faith with adequate reserves under GAAP or where the failure to file such returns or pay such taxes could not reasonably be expected to have a Material Adverse Effect.

5.10 Subsidiaries. Borrower does not own any stock, partnership interest or other equity securities of any Person, except for its Subsidiaries disclosed to Bank in writing or Permitted Investments.

5.11 Government Consents. Borrower and each Subsidiary have obtained all consents, approvals and authorizations of, made all declarations or filings with, and given all notices to, all governmental authorities that are necessary for the continued operation of Borrower's business as currently conducted, except where the failure to do so would not reasonably be expected to cause a Material Adverse Effect.

5.12 Inbound Licenses. Except as disclosed on the Schedule or as disclosed in writing to Bank pursuant to Section 6.7, Borrower is not a party to, nor is bound by, any material license or other agreement important for the conduct of Borrower's business that prohibits or otherwise restricts Borrower from granting a security interest in Borrower's interest in such license or agreement or any other property important for the conduct of Borrower's business, other than this Agreement or the other Loan Documents.

5.13 Shares. Borrower has full power and authority to create a first lien on the Shares and no disability or contractual obligations exists that would prohibit Borrower from pledging the Shares pursuant to this Agreement. To Borrower's knowledge, there are no subscriptions, warrants, rights of first refusal or other restrictions on transfer relative to, or options exercisable with respect to the Shares. The Shares have been and remain duly authorized and validly issued, and are fully paid and non-assessable. To Borrower's knowledge, the Shares are not the subject of any present, or threatened in writing, suit, action, arbitration, administrative or other proceeding, and Borrower knows of no reasonable grounds for the institution of any such proceedings.

5.14 Full Disclosure. No representation, warranty or other statement made by Borrower in any certificate or written statement furnished to Bank taken together with all such certificates and written statements furnished to Bank contains any untrue statement of a material

fact or omits to state a material fact necessary in order to make the statements contained in such certificates or statements not misleading in light of the circumstances in which such statements were made, it being recognized by Bank that the projections and forecasts provided by Borrower in good faith and based upon reasonable assumptions are not to be viewed as facts and that actual results during the period or periods covered by any such projections and forecasts may differ from the projected or forecasted results.

6. AFFIRMATIVE COVENANTS.

Borrower covenants that, until payment in full of all outstanding Obligations, and for so long as Bank may have any commitment to make a Credit Extension hereunder, Borrower shall do all of the following:

6.1 Good Standing and Government Compliance. (a) Borrower shall maintain its and each of its Subsidiaries' organizational existence and good standing in its respective state of formation, shall maintain qualification and good standing in each other jurisdiction in which the failure to so qualify would reasonably be expected to have a Material Adverse Effect, and shall furnish to Bank the organizational identification number issued to Borrower by the authorities of the state in which Borrower is organized, if applicable; (b) Borrower shall meet, and shall cause each Subsidiary to meet, the minimum funding requirements of ERISA with respect to any employee benefit plans subject to ERISA; and (c) Borrower shall comply, and shall cause each Subsidiary to comply, with all material statutes, laws, ordinances and government rules and regulations to which it is subject, and shall maintain, and shall cause each of its Subsidiaries to maintain, in force all licenses, approvals and agreements, the failure to comply with which, or the loss of which, would reasonably be expected to have a Material Adverse Effect.

6.2 Financial Statements, Reports, Certificates, Collateral Audits. Borrower shall deliver to Bank:

(a) Each of the following:

(i) promptly upon becoming available, but in any event within thirty (30) days after the end of each calendar month, a company prepared consolidated balance sheet, income statement, and statement of cash flows covering Borrower's operations during such period, in a form reasonably acceptable to Bank and certified by a Responsible Officer, provided that such statement in consolidated and consolidating form shall be provided upon Bank's request;

(ii) promptly upon becoming available, but in any event within Two Hundred Seventy (270) days after the end of Borrower's fiscal year, audited consolidated financial statements of Borrower prepared in accordance with GAAP, consistently applied, together with an unqualified opinion (or an opinion qualified only for going concern due to Borrower's projected need for additional funding to continue operations so long as Borrower's investors provide additional equity as needed, or as otherwise consented to by Bank in writing) on such financial statements from an independent certified public accounting firm of nationally recognized standing or otherwise reasonably acceptable to Bank (the "Audited Financial Statements"); provided that, if Borrower's board of directors (the "Board") requires a different level of annual financial statements (e.g., company-prepared) for any applicable fiscal year, Borrower shall deliver to Bank such annual financial statements required by the Board for such fiscal year;

(iii) an annual budget approved by the Board promptly upon becoming available but no later than February 28 of each year during the term hereof;

(iv) if applicable, copies of all statements, reports and notices sent or made available generally by Borrower to its security holders or to any holders of Subordinated Debt and all reports on Forms 10-K and 10-Q filed with the Securities and Exchange Commission;

(v) promptly upon, but in any event within five (5) Business Days following, receipt by Borrower of notice thereof, a report of any legal actions pending or threatened against Borrower or any Subsidiary that would reasonably be expected to result in damages or costs to Borrower or any Subsidiary of $250,000 or more;

(vi) promptly upon, but in any event within five (5) Business Days following, receipt by Borrower, each management letter prepared by Borrower's independent certified public accounting firm regarding Borrower's management control systems;

(vii) such budgets, sales projections, operating plans, financial exhibits, material FDA correspondence or other financial information as Bank may reasonably request from time to time;

(viii) promptly upon becoming available, but in any event within forty five (45) days of the last day of each fiscal quarter, a report signed by Borrower, in form reasonably acceptable to Bank, describing in reasonable detail any clinical updates that have occurred during such quarter; and

(ix) promptly upon receipt of notice thereof, notice of all returns and recoveries and of all disputes and claims involving inventory having a book value of more than Two Hundred Fifty Thousand Dollars ($250,000).

(b) Within thirty (30) days after the last day of each month, Borrower shall deliver to Bank with the monthly financial statements a Compliance Certificate certified as of the last day of the applicable month and signed by a Responsible Officer in substantially the form of Exhibit D hereto;

(c) promptly upon becoming available, but in any event within thirty (30) days after the end of each calendar month, Borrower shall deliver to Bank copies of all bank account statements for accounts maintained at financial institutions other than Bank;

(d) as soon as possible, but in any event within three (3) Business Days after a Responsible Officer of Borrower becoming aware of the occurrence or existence of an Event of Default hereunder, Borrower shall deliver to Bank a written statement of a Responsible Officer setting forth details of the Event of Default, and the action which Borrower has taken or proposes to take with respect thereto; and

(e) Bank (through any of its officers, employees, or agents) shall have the right, upon reasonable prior notice, from time to time during Borrower's usual business hours but no more than twice a year (unless an Event of Default has occurred and is continuing), to inspect Borrower's Books and to make copies thereof and to check, test, inspect, audit and appraise the Collateral at Borrower's expense in order to verify Borrower's financial condition or the amount, condition of, or any other matter relating to, the Collateral.

Borrower may deliver to Bank on an electronic basis any certificates, reports or information required pursuant to this Section 6.2, and Bank shall be entitled to rely on the information contained in the electronic files, provided that Bank in good faith believes that the files were delivered by a Responsible Officer. Borrower shall include a submission date on any certificates and reports to be delivered electronically.

6.3 Inventory and Equipment; Returns. Borrower shall keep all Inventory and Equipment in good and merchantable condition, free from all material defects except for Inventory and Equipment (i) sold in the ordinary course of business, and (ii) for which adequate reserves have been made, in all cases in the United States. Returns and allowances, if any, as between Borrower and its account debtors shall be on the same basis and in accordance with the usual customary practices of Borrower, as they exist on the Closing Date.

6.4 Taxes. Borrower shall make, and cause each Subsidiary to make, due and timely payment or deposit of all material federal, state, and local taxes, assessments, or contributions required of it by law, including, but not limited to, those laws concerning income taxes, F.I.C.A., F.U.T.A. and state disability, and will execute and deliver to Bank, on demand and to the extent readily obtainable by Borrower from the applicable taxing authority, proof reasonably satisfactory to Bank indicating that Borrower or a Subsidiary has made such payments or deposits and any appropriate certificates attesting to the payment or deposit thereof; provided that (i) Borrower shall exercise and cause each Subsidiary to exercise best efforts to obtain the foregoing proof and (ii) Borrower or a Subsidiary need not make any payment if the amount or validity of such payment is contested in good faith by appropriate proceedings and is reserved against (to the extent required by GAAP) by Borrower or such Subsidiary.

6.5 Insurance. Borrower, at its expense, shall (i) keep the Collateral insured against loss or damage, and (ii) maintain liability and other insurance, in each case as ordinarily insured against by other owners in businesses similar to Borrower's. All such policies of insurance shall be in such form, with such companies, and in such amounts reasonably satisfactory to Bank. All policies of property insurance shall contain a lender's loss payable endorsement, in a form satisfactory to Bank, showing Bank as lender's loss payee. All liability insurance policies shall show, or have endorsements showing, Bank as an additional insured. Any such insurance policies shall specify that the insurer must give at least twenty (20) days notice to Bank before canceling its policy for any reason. Within thirty (30) days of the Closing Date, Borrower shall cause to be furnished to Bank a copy of its policies including any endorsements covering Bank or showing Bank as an additional insured. Upon Bank's request, Borrower shall deliver to Bank certified copies of the policies of insurance and evidence reasonably satisfactory to Bank of all premium

payments. Proceeds payable under any casualty policy will, at Borrower's option, be payable to Borrower to replace the property subject to the claim, provided that any such replacement property shall be deemed Collateral in which Bank has been granted a first priority security interest, provided that if an Event of Default has occurred and is continuing, all proceeds payable under any such policy shall, at Bank's option, be payable to Bank to be applied on account of the Obligations.

6.6 Primary Depository. Subject to the provisions of Section 3.1(k), within sixty (60) days of the Closing Date, Borrower shall maintain, and shall cause each of its Subsidiaries to maintain, all of its Cash in depository and operating accounts with Bank and all of its investment accounts to be managed by Bank or Bank's Affiliates (but which investment accounts may, for the avoidance of doubt, be held by a third-party custodian, including, without limitation, U.S. Bank) (an "Investment Account"); provided that (i) prior to Borrower maintaining any Investment Accounts with Bank's Affiliates, Borrower, Bank, and any such affiliate shall have entered into a securities account control agreement with respect to any such Investments Accounts, in form and substance reasonably satisfactory to Bank and (ii) upon the maturity of any investments maintained in any Investment Account, such investments shall be liquidated and all cash proceeds resulting therefrom shall be transferred to one of Borrower's deposit accounts at Bank within fourteen (14) Business Days after such maturity. For the avoidance of doubt, Borrower shall not be permitted to reinvest such cash proceeds into new investment assets. Notwithstanding the foregoing, (a) Borrower shall be permitted to maintain an aggregate amount not to exceed Twenty Thousand Dollars ($20,000) in one or more accounts outside of Bank, and (b) Adicet Israel shall be permitted to maintain an aggregate amount not to exceed Two Hundred Fifty Thousand Dollars ($250,000) in one or more foreign accounts outside of Bank.

6.7 Consent of Inbound Licensors. Promptly following entering into or becoming bound by any material inbound license or agreement, Borrower shall: (i) provide written notice to Bank of the material terms of such license or agreement with a description of its likely impact on Borrower's business or financial condition, subject to any confidentiality obligations to which Borrower is contractually bound; and (ii) in good faith use commercially reasonable efforts to obtain the consent of, or waiver by, any person whose consent or waiver is necessary for Borrower's interest in such licenses or contract rights to be deemed Collateral and for Bank to have a security interest in it that might otherwise be restricted by the terms of the applicable license or agreement, whether now existing or entered into in the future, provided, however, that the failure to obtain any such consent or waiver shall not constitute a default under this Agreement.

6.8 Creation/Acquisition of Subsidiaries. In the event Borrower or any Subsidiary of Borrower creates or acquires any Subsidiary, Borrower or such Subsidiary shall within ten (10) days thereafter notify Bank of such creation or acquisition, and Borrower or such Subsidiary shall take all actions reasonably requested by Bank to achieve any of the following with respect to such "New Subsidiary" (defined as a Subsidiary formed after the date hereof during the term of this Agreement): (i) to cause such New Subsidiary to become either (A) a co-borrower hereunder, if such New Subsidiary is organized under the laws of the United States, or (B) a secured guarantor with respect to the Obligations, if such New Subsidiary is not organized under the laws of the United States; and (ii) to grant and pledge to Bank a perfected security interest in 100% of the stock, units or other evidence of ownership held by Borrower or its Subsidiaries of any such New Subsidiary.

6.9 Existing Letters of Credit. Borrower shall be permitted to maintain Borrower's existing cash collateral accounts at Silicon Valley Bank (the "SVB Collateral Accounts") securing that certain letter of credit for $4,131,720 in favor of Westport Office Park LLC (the "Westport Letter of Credit") and that certain letter of credit for $150,000 in favor of Facebook (the "Facebook Letter of Credit", together with the Westport Letter of Credit, the "SVB Letters of Credit"), provided further that (x) the aggregate balance of the SVB Collateral Accounts shall not exceed $4,281,720 at any time and (y) with respect to each SVB Letter of Credit, upon the earlier of (x) the maturity date of such SVB Letter of Credit as of the Closing Date which is November 8, 2020 with respect to the Westport Letter of Credit and November 2, 2020 with respect to the Facebook Letter of Credit) and (z) such earlier maturity or termination of such SVB Letter of Credit, the entire balance held in the applicable SVB Collateral Account shall immediately be transferred to one of Borrower's accounts at Bank. For the avoidance of doubt, the Westport Letter of Credit and Facebook Letter of Credit shall not be renewed or extended so long as Bank shall have provided similar replacement letters of credit in favor of the applicable beneficiaries in such amounts and on terms substantially similar to the terms of the Westport Letter of Credit and Facebook Letter of Credit, as applicable, resulting in replacement letters of credit that are reasonably acceptable to the applicable beneficiaries.

6.10 Further Assurances. At any time and from time to time Borrower shall execute and deliver such further instruments and take such further action as may reasonably be requested by Bank to effect the purposes of this Agreement.

7. NEGATIVE COVENANTS.

Borrower covenants and agrees that, so long as any credit hereunder shall be available and until the outstanding Obligations are paid in full or for so long as Bank may have any commitment to make any Credit Extensions, Borrower will not do any of the following without Bank's prior written consent, which shall not be unreasonably withheld:

7.1 Dispositions. Convey, sell, lease, license, transfer, or otherwise dispose of (collectively, to "Transfer"), or permit any of its Subsidiaries to Transfer, all or any part of its business or property, or move cash balances on deposit with Bank to accounts opened at another financial institution, other than Permitted Transfers.

7.2 Change in Name, Location, Executive Office, or Executive Management; Change in Business; Change in Fiscal Year; Change in Control; Divide. Change its name or the state of Borrower's formation or relocate its chief executive office without ten (10) days prior written notification to Bank; replace or suffer the departure of its chief executive officer or, following the appointment of a permanent chief financial officer, its chief financial officer, without delivering written notification to Bank within ten (10) days thereof; fail to appoint an interim replacement or fill a vacancy in the position of chief executive officer or chief financial officer for more than thirty (30) consecutive days; suffer a change on its board of directors which results in the failure of at least one partner or managing director of Orbimed or its Affiliates to serve as a voting member, in such case without written notice to Bank prior to or within three (3) Business Days after such occurrence; take action to liquidate, wind up, or otherwise cease to conduct business in the ordinary course; engage in any business, or permit any of its Subsidiaries to engage in any business, other than or reasonably related or incidental to the businesses currently engaged in by Borrower and its Subsidiaries, taken as a whole; change its fiscal year end; convert to another form of incorporated or unincorporated business or entity; have a Change in Control; Divide.

7.3 Mergers or Acquisitions. Merge or consolidate, or permit any of its Subsidiaries to merge or consolidate, with or into any other business organization (other than mergers or consolidations of a Subsidiary into another Subsidiary or into Borrower), or acquire, or permit any of its Subsidiaries to acquire, all or substantially all of the capital stock or property of another Person, or a division, line of business, or business unit of another Person, in each case except where (a) each of the following conditions is applicable: (i) the consideration paid in connection with such transactions (including assumption of liabilities) does not in the aggregate exceed Five Hundred Thousand Dollars ($500,000) during any fiscal year, (ii) no Event of Default has occurred, is continuing or would exist after giving effect to such transactions, (iii) such transactions do not result in a Change in Control, (iv) Borrower shall have provided 5 Business Days notice to Bank prior to consummation of any such transactions having consideration in excess of Two Hundred Fifty Thousand Dollars ($250,000), and (v) Borrower is the surviving entity; or (b) the Obligations are repaid in full and this Agreement is terminated concurrently with the closing of any merger or consolidation of Borrower in which Borrower is not the surviving entity. Borrower shall not, without Bank's prior written consent, enter into any binding contractual arrangement with any investment banker, business broker, or similar Person to attempt to facilitate a merger or acquisition of Borrower or Borrower's assets (any such agreement, an "Investment Banker Agreement"); unless (i) no Event of Default exists when such Investment Banker Agreement is entered into by Borrower, and (ii) such Investment Banker Agreement does not give the counterparty the right, in connection with a sale of Borrower's stock or assets pursuant to or resulting from an assignment for the benefit of creditors, an asset turnover to Borrower's creditors (including, without limitation, Bank), foreclosure, bankruptcy or similar liquidation, to claim any fee, payment or damages from any parties, other than from Borrower or Borrower's investors. Notwithstanding the foregoing, this Section 7.3 shall not apply to Permitted Transactions.

7.4 Indebtedness. (a) Create, incur, assume, guarantee or be or remain liable with respect to any Indebtedness, or permit any Subsidiary so to do, other than Permitted Indebtedness, (b) prepay any Indebtedness or take any actions which impose on Borrower an obligation to prepay any Indebtedness, except Indebtedness to Bank.

7.5 Encumbrances. Create, incur, assume or allow any Lien with respect to its property, or assign or otherwise convey any right to receive income, including the sale of any Accounts, or permit any of its Subsidiaries so to do, except for Permitted Liens, or covenant to any other Person (other than (i) the licensors of in-licensed property with respect to such property or (ii) the lessors of specific equipment or lenders financing specific equipment with respect to such leased or financed equipment) that Borrower in the future will refrain from creating, incurring, assuming or allowing any Lien with respect to any of Borrower's property.

7.6 Distributions. Pay any dividends or make any other distribution or payment on account of or in redemption, retirement or purchase of any capital stock**,** except that Borrower may (i) repurchase the stock of former employees, directors or consultants pursuant to stock repurchase agreements in an aggregate amount not to exceed Two Hundred Fifty Thousand Dollars ($250,000) in any fiscal year, as long as an Event of Default does not exist prior to such

repurchase or would not exist after giving effect to such repurchase; (ii) repurchase the stock of former employees, directors or consultants pursuant to stock repurchase agreements where the consideration for repurchase is the cancellation of indebtedness owed by such former employees, directors or consultants to Borrower regardless of whether an Event of Default exists; (iii) cause or permit its Subsidiaries to make dividends and distributions to Borrower (including, without limitation, distributions to Borrower in connection with any liquidation, wind up, or equivalent procedure within the respective Subsidiary's relevant jurisdiction, initiated in respect of any Subsidiary); (iv) convert Subordinated Debt into equity securities of Borrower to the extent permitted under the terms of the applicable subordination or intercreditor agreement with Bank; and (v) distribute capital stock to current or former employees, officers or consultants or directors upon the exercise of warrants, options or other similar instruments so long as such distribution does not result in a Change of Control.

7.7 Investments. Directly or indirectly acquire or own an Investment in, or make any Investment in or to any Person, or permit any of its Subsidiaries so to do, other than Permitted Investments, or maintain or invest any of its investment property with a Person other than Bank or permit any Subsidiary to do so unless such Person has entered into a control agreement with Bank, in form and substance reasonably satisfactory to Bank, or suffer or permit any Subsidiary to be a party to, or be bound by, an agreement that restricts such Subsidiary from paying dividends or otherwise distributing property to Borrower; provided however, for the avoidance of doubt, that payments to third party service providers in the ordinary course of business shall not constitute Investments hereunder.

7.8 Capitalized Expenditures. Make Capitalized Expenditures in excess of Twenty Five Million Dollars ($25,000,000) in the aggregate for fiscal years 2020 and 2021, or in excess of One Million Five Hundred Thousand Dollars ($1,500,000) in the aggregate in any fiscal year thereafter.

7.9 Transactions with Affiliates. Directly or indirectly enter into or permit to exist any material transaction by Borrower with any Affiliate of Borrower except for (i) transactions that are in the ordinary course of Borrower's business, upon fair and reasonable terms that are not materially less favorable to Borrower than would be obtained in an arm's length transaction with a non-affiliated Person; (ii) compensation arrangements (including bonus or incentive arrangements), equity awards and benefit plans for officers, directors, consultants and other employees of the Borrower and its Subsidiaries (or similar managing or governing persons) approved by Borrower's board of directors or a committee thereof; (iii) the sale or issuance of Borrower's equity securities in bona fide transactions with Borrower's existing investors that do not result in a Change in Control, or any agreements now existing or subsequently entered into in connection with the foregoing, and any amendments, modifications or restatements thereof; (iv) Permitted Transactions; or (v) transactions with Affiliates otherwise permitted under this Agreement.

7.10 Subordinated Debt. (a) Make any payment in respect of any Subordinated Debt, or permit any of its Subsidiaries to make any such payment, except in compliance with the terms of such Subordinated Debt, or (b) amend any provision affecting Bank's rights contained in any documentation relating to the Subordinated Debt without Bank's prior written consent.

7.11 Inventory and Equipment. Subject to Section 3.3 above, (a) store Inventory or Equipment of a book value in excess of Five Hundred Thousand Dollars ($500,000) with a bailee, warehouseman, collocation facility or similar third party unless such third party has been notified of Bank's security interest and Bank has received a bailee waiver in favor of Bank, in form and substance reasonably satisfactory to Bank, duly executed by Borrower and such third party; or (b) with respect to any leased or licensed real property, store Collateral of a book value in excess of Five Hundred Thousand Dollars ($500,000) unless the landlord has been notified of Bank's security interest and Bank has received a landlord waiver, in form and substance reasonably satisfactory to Bank, duly executed by Borrower and such landlord.

7.12 No Investment Company; Margin Regulation. **Become** or be controlled by an "investment company," within the meaning of the Investment Company Act of 1940, or become principally engaged in, or undertake as one of its important activities, the business of extending credit for the purpose of purchasing or carrying margin stock, or use the proceeds of any Credit Extension for such purpose.

7.13 Subsidiary Assets. Permit Subsidiaries, individually or collectively, to own, hold, acquire or receive any property or assets, measured in accordance with GAAP, with an aggregate book value of greater than Two Hundred Fifty Thousand Dollars ($250,000), provided that Adicet Israel may maintain an additional Five Hundred Thousand Dollars ($500,000) solely to satisfy tax liabilities in connection with its dissolution so long as prior notice of such dissolution shall be delivered to Bank.

8. EVENTS OF DEFAULT.

Any one or more of the following events shall constitute an Event of Default by Borrower under this Agreement:

8.1 Payment Default. If Borrower fails to pay any of the Obligations when due;

8.2 Covenant Default.

(a) If Borrower (i) fails to perform any obligation under Sections 6.2 (financial reporting), 6.4 (taxes), 6.5 (insurance), or 6.6 (primary accounts) or (ii) violates any of the covenants contained in Article 7 of this Agreement; or

(b) If Borrower fails or neglects to perform or observe any other material term, provision, condition, covenant contained in this Agreement, in any of the Loan Documents, or in any other present or future agreement between Borrower and Bank and as to any default under such other term, provision, condition or covenant that can be cured, has failed to cure such default within ten (10) days after Borrower receives notice thereof or any officer of Borrower becomes aware thereof; provided, however, that if the default cannot by its nature be cured within the ten (10) day period or cannot after diligent attempts by Borrower be cured within such ten (10) day period, and such default is likely to be cured within a reasonable time, then Borrower shall have an additional reasonable period (which shall not in any case exceed thirty (30) days) to attempt to cure such default, and within such reasonable time period the failure to have cured such default shall not be deemed an Event of Default but no Credit Extensions will be made;

8.3 Material Adverse Change. If there occurs any circumstance or any circumstances which would reasonably be expected to have a Material Adverse Effect;

8.4 Attachment. If any material portion of Borrower's assets is attached, seized, subjected to a writ or distress warrant, or is levied upon, or comes into the possession of any trustee, receiver or person acting in a similar capacity and such attachment, seizure, writ or distress warrant or levy has not been removed, discharged or rescinded within 10 days, or if Borrower is enjoined, restrained, or in any way prevented by court order from continuing to conduct all or any material part of its business affairs, or if a judgment or other claim becomes a lien or encumbrance upon any material portion of Borrower's assets, or if a notice of lien, levy, or assessment is filed of record with respect to any material portion of Borrower's assets by the United States Government, or any department, agency, or instrumentality thereof, or by any state, county, municipal, or governmental agency, and the same is not paid within ten days after Borrower receives notice thereof, provided that none of the foregoing shall constitute an Event of Default where such action or event is stayed or an adequate bond has been posted pending a good faith contest by Borrower (provided that no Credit Extensions will be made during such cure period);

8.5 Insolvency. If Borrower becomes insolvent, or if an Insolvency Proceeding is commenced by Borrower, or if an Insolvency Proceeding is commenced against Borrower and is not dismissed or stayed within forty-five (45) days (provided that no Credit Extensions will be made prior to the dismissal of such Insolvency Proceeding);

8.6 Other Agreements. If (a) there is a default or other failure to perform in any agreement to which Borrower is a party with a third party or parties (i) resulting in a right by such third party or parties, whether or not exercised, to accelerate the maturity of any Indebtedness in an amount in excess of Two Hundred Fifty Thousand Dollars ($250,000), (ii) in connection with any lease of real property, or (iii) that would reasonably be expected to have a Material Adverse Effect, or (b) any default or event of default (however designated) shall occur with respect to any Subordinated Debt which is not cured within any applicable cure period;

8.7 Judgments. If a final, uninsured judgment or judgments for the payment of money in an amount, individually or in the aggregate, of at least Two Hundred Fifty Thousand Dollars ($250,000) shall be rendered against Borrower and shall remain unsatisfied and unstayed for a period of 10 days (provided that no Credit Extensions will be made prior to the satisfaction or stay of the judgment); or

8.8 Misrepresentations. If any material misrepresentation or material misstatement exists now or hereafter in any warranty or representation set forth herein or in any certificate delivered to Bank by any Responsible Officer pursuant to this Agreement or to induce Bank to enter into this Agreement or any other Loan Document.

9. BANK'S RIGHTS AND REMEDIES.

9.1 Rights and Remedies. Upon the occurrence and during the continuance of an Event of Default, Bank may, at its election, without notice of its election and without demand, do any one or more of the following, all of which are authorized by Borrower:

(a) Declare all Obligations, whether evidenced by this Agreement, by any of the other Loan Documents, or otherwise, immediately due and payable (provided that upon the occurrence of an Event of Default described in Section 8.5 (insolvency), all Obligations shall become immediately due and payable without any action by Bank);

(b) Demand that Borrower (i) deposit cash with Bank in an amount equal to the amount of any Letters of Credit remaining undrawn, as collateral security for the repayment of any future drawings under such Letters of Credit, and (ii) pay in advance all Letter of Credit fees scheduled to be paid or payable over the remaining term of the Letters of Credit, and Borrower shall promptly deposit and pay such amounts;

(c) Cease advancing money or extending credit to or for the benefit of Borrower under this Agreement or under any other agreement between Borrower and Bank;

(d) Settle or adjust disputes and claims directly with account debtors for amounts, upon terms and in whatever order that Bank reasonably considers advisable;

(e) Make such payments and do such acts as Bank considers necessary or reasonable to protect its security interest in the Collateral. Borrower agrees to assemble the Collateral if Bank so requires, and to make the Collateral available to Bank as Bank may designate. Borrower authorizes Bank to enter the premises where the Collateral is located, to take and maintain possession of the Collateral, or any part of it, and to pay, purchase, contest, or compromise any encumbrance, charge, or lien which in Bank's determination appears to be prior or superior to its security interest and to pay all expenses incurred in connection therewith. With respect to any of Borrower's owned premises, Borrower hereby grants Bank a license to enter into possession of such premises and to occupy the same, without charge, in order to exercise any of Bank's rights or remedies provided herein, at law, in equity, or otherwise;

(f) place a "hold" on any account maintained with Bank, decline to honor presentments (including but not limited to checks, wires, and ACH drafts) against any account at Bank, and/or deliver a notice of exclusive control, any entitlement order, or other directions or instructions pursuant to any control agreement or similar agreements providing control of any Collateral;

(g) Set off and apply to the Obligations any and all (i) balances and deposits of Borrower held by Bank, and (ii) indebtedness at any time owing to or for the credit or the account of Borrower held by Bank;

(h) Ship, reclaim, recover, store, finish, maintain, repair, prepare for sale, advertise for sale, and sell (in the manner provided for herein) the Collateral. Bank is hereby granted a license or other right, solely pursuant to the provisions of this Section 9.1, to use, without charge, Borrower's labels, patents, copyrights, rights of use of any name, trade secrets, trade names, trademarks, service marks, and advertising matter, or any property of a similar nature, as it pertains to the Collateral, in completing production of, advertising for sale, and selling any Collateral and, in connection with Bank's exercise of its rights under this Section 9.1, Borrower's rights under all licenses and all franchise agreements shall inure to Bank's benefit;

(i) Sell the Collateral at either a public or private sale, or both, by way of one or more contracts or transactions, for cash or on terms, in such manner and at such places (including Borrower's premises) as Bank determines is commercially reasonable, and apply any proceeds to the Obligations in whatever manner or order Bank deems appropriate. Bank may sell the Collateral without giving any warranties as to the Collateral. Bank may specifically disclaim any warranties of title or the like, which procedure will not be considered as adversely affecting the commercial reasonableness of any sale of the Collateral. If Bank sells any of the Collateral upon credit, Borrower will be credited only with payments actually made by the purchaser, received by Bank, and applied to the indebtedness of the purchaser. If the purchaser fails to pay for the Collateral, Bank may resell the Collateral and Borrower shall be credited with the proceeds of the sale;

(j) Bank may credit bid and purchase at any public sale;

(k) Apply for the appointment of a receiver, trustee, liquidator or conservator of the Collateral, without notice and without regard to the adequacy of the security for the Obligations and without regard to the solvency of Borrower, any guarantor or any other Person liable for any of the Obligations; and

(l) Any deficiency that exists after disposition of the Collateral as provided above will be paid immediately by Borrower.

Bank may comply with any applicable state or federal law requirements in connection with a disposition of the Collateral and compliance will not be considered as adversely affecting the commercial reasonableness of any sale of the Collateral.

9.2 Power of Attorney. Effective only upon the occurrence and during the continuance of an Event of Default, Borrower hereby irrevocably appoints Bank (and any of Bank's designated officers, or employees) as Borrower's true and lawful attorney to: (a) send requests for verification of Accounts or notify account debtors of Bank's security interest in the Accounts; (b) endorse Borrower's name on any checks or other forms of payment or security that may come into Bank's possession; (c) sign Borrower's name on any invoice or bill of lading relating to any Account, drafts against account debtors, schedules and assignments of Accounts, verifications of Accounts, and notices to account debtors; (d) dispose of any Collateral; (e) make, settle, and adjust all claims under and decisions with respect to Borrower's policies of insurance; (f) settle and adjust disputes and claims respecting the accounts directly with account debtors, for amounts and upon terms which Bank determines to be reasonable; and (g) file, in its sole discretion, one or more financing or continuation statements and amendments thereto, relative to any of the Collateral; provided Bank may exercise such power of attorney to sign the name of Borrower on any of the documents described in clause (g) above, regardless of whether an Event of Default has occurred. The appointment of Bank as Borrower's attorney in fact, and each and every one of Bank's rights and powers, being coupled with an interest, is irrevocable until all of the Obligations have been fully repaid and performed and Bank's obligation to provide advances hereunder is terminated.

9.3 Accounts Collection. At any time after the occurrence and during the continuation of an Event of Default, Bank may notify any Person owing funds to Borrower of

Bank's security interest in such funds and verify the amount of such Account. Borrower shall collect all amounts owing to Borrower for Bank, receive in trust all payments as Bank's trustee, and immediately deliver such payments to Bank in their original form as received from the account debtor, with proper endorsements for deposit.

9.4 Bank Expenses. If Borrower fails to pay any amounts or furnish any required proof of payment due to third persons or entities, as required under the terms of this Agreement, then Bank may do any or all of the following after reasonable notice to Borrower: (a) make payment of the same or any part thereof; and/or (b) obtain and maintain insurance policies of the type discussed in Section 6.5 of this Agreement, and take any action with respect to such policies as Bank deems prudent. Any amounts so paid or deposited by Bank shall constitute Bank Expenses, shall be immediately due and payable, and shall bear interest at the then applicable rate hereinabove provided, and shall be secured by the Collateral. Any payments made by Bank shall not constitute an agreement by Bank to make similar payments in the future or a waiver by Bank of any Event of Default under this Agreement.

9.5 Bank's Liability for Collateral. Bank has no obligation to clean up or otherwise prepare the Collateral for sale. All risk of loss, damage or destruction of the Collateral shall be borne by Borrower.

9.6 No Obligation to Pursue Others. Bank has no obligation to attempt to satisfy the Obligations by collecting them from any other person liable for them and Bank may release, modify or waive any collateral provided by any other Person to secure any of the Obligations, all without affecting Bank's rights against Borrower. Borrower waives any right it may have to require Bank to pursue any other Person for any of the Obligations.

9.7 Remedies Cumulative. Bank's rights and remedies under this Agreement, the Loan Documents, and all other agreements shall be cumulative. Bank shall have all other rights and remedies not inconsistent herewith as provided under the Code, by law, or in equity. No exercise by Bank of one right or remedy shall be deemed an election, and no waiver by Bank of any Event of Default on Borrower's part shall be deemed a continuing waiver. No delay by Bank shall constitute a waiver, election, or acquiescence by it. No waiver by Bank shall be effective unless made in a written document signed on behalf of Bank and then shall be effective only in the specific instance and for the specific purpose for which it was given. Borrower expressly agrees that this Section 9.7 may not be waived or modified by Bank by course of performance, conduct, estoppel or otherwise.

9.8 Demand; Protest. Except as otherwise provided in this Agreement, Borrower waives demand, protest, notice of protest, notice of default or dishonor, notice of payment and nonpayment and any other notices relating to the Obligations.

10. NOTICES.

Unless otherwise provided in this Agreement, all notices or demands by any party relating to this Agreement or any other agreement entered into in connection herewith shall be in writing and (except for financial statements and other reporting required pursuant to Section 6.2 of this Agreement, which shall be sent as directed in the monthly reporting forms provided by Bank) shall

be personally delivered or sent by a recognized overnight delivery service, certified mail, postage prepaid, return receipt requested, or by electronic mail to Borrower or to Bank, as the case may be, at its addresses set forth below:

If to Borrower:	Adicet Bio, Inc. 200 Constitution Drive Menlo Park, CA 94025 Attn: Anil Singhal, Ph.D., President and CEO E-Mail: asinghal@adicetbio.com
with a copy to:	Morrison & Foerster LLP 425 Market Street San Francisco, CA 94105 Attn: Darío Avram E-mail: davram@mofo.com
If to Bank:	Pacific Western Bank 406 Blackwell Street, Suite 240 Durham, North Carolina 27701 Attn: Loan Operations Manager E-Mail: loannotices@pacwest.com
with a copy to:	Pacific Western Bank 501 2nd Street, Suite 212 San Francisco, CA 94107 Attn: Benjermin Colombo E-mail: bcolombo@pacwest.com

The parties hereto may change the address at which they are to receive notices hereunder, by notice in writing in the foregoing manner given to the other.

11. CHOICE OF LAW AND VENUE; JURY TRIAL WAIVER.

This Agreement shall be governed by, and construed in accordance with, the internal laws of the State of North Carolina, without regard to principles of conflicts of law. Jurisdiction shall lie in the State of North Carolina. All disputes, controversies, claims, actions and similar proceedings arising with respect to Borrower's account or any related agreement or transaction shall be brought in the General Court of Justice of North Carolina sitting in Durham County, North Carolina, or the United States District Court for the Middle District of North Carolina, except as provided below with respect to arbitration of such matters. BANK AND BORROWER EACH ACKNOWLEDGE THAT THE RIGHT TO TRIAL BY JURY IS A CONSTITUTIONAL ONE, BUT THAT IT MAY BE WAIVED. EACH OF THEM, AFTER CONSULTING OR HAVING HAD THE OPPORTUNITY TO CONSULT, WITH COUNSEL OF THEIR CHOICE, KNOWINGLY,

VOLUNTARILY AND INTENTIONALLY WAIVES ANY RIGHT ANY OF THEM MAY HAVE TO A TRIAL BY JURY IN ANY LITIGATION BASED UPON OR ARISING OUT OF THIS AGREEMENT OR ANY RELATED INSTRUMENT OR LOAN DOCUMENT OR ANY OF THE TRANSACTIONS CONTEMPLATED BY THIS AGREEMENT OR ANY COURSE OF CONDUCT, DEALING, STATEMENTS (WHETHER ORAL OR WRITTEN), OR ACTION OF ANY OF THEM. THESE PROVISIONS SHALL NOT BE DEEMED TO HAVE BEEN MODIFIED IN ANY RESPECT OR RELINQUISHED BY BANK OR BORROWER, EXCEPT BY A WRITTEN INSTRUMENT EXECUTED BY EACH OF THEM. If the jury waiver set forth in this Section 11 is not enforceable, then any dispute, controversy, claim, action or similar proceeding arising out of or relating to this Agreement, the Loan Documents or any of the transactions contemplated therein shall be settled by final and binding arbitration held in Durham County, North Carolina in accordance with the then current Commercial Arbitration Rules of the American Arbitration Association by one arbitrator appointed in accordance with those rules. The arbitrator shall apply North Carolina law to the resolution of any dispute, without reference to rules of conflicts of law or rules of statutory arbitration. Judgment upon any award resulting from arbitration may be entered into and enforced by any state or federal court having jurisdiction thereof. Notwithstanding the foregoing, the parties may apply to any court of competent jurisdiction for preliminary or interim equitable relief, or to compel arbitration in accordance with this Section. The costs and expenses of the arbitration, including without limitation, the arbitrator's fees and reasonable and documented expert witness fees, and reasonable and documented attorneys' fees, incurred by the parties to the arbitration may be awarded to the prevailing party, in the discretion of the arbitrator, or may be apportioned between the parties in any manner deemed appropriate by the arbitrator. Unless and until the arbitrator decides that one party is to pay for all (or a share) of such costs and expenses, both parties shall share equally in the payment of the arbitrator's fees as and when billed by the arbitrator.

12. GENERAL PROVISIONS.

12.1 Successors and Assigns. This Agreement shall bind and inure to the benefit of the respective successors and permitted assigns of each of the parties and shall bind all persons who become bound as a debtor to this Agreement; provided, however, that neither this Agreement nor any rights hereunder may be assigned by Borrower without Bank's prior written consent, which consent may be granted or withheld in Bank's sole discretion. Bank shall have the right without the consent of or notice to Borrower to sell, assign, transfer, negotiate, or grant participation in all or any part of, or any interest in, Bank's obligations, rights and benefits hereunder. Notwithstanding the foregoing, so long as no Event of Default has occurred and is continuing, Bank shall not assign its interest herein or the Loan Documents to any Person who is (i) a direct competitor of Borrower, whether as an operating company or direct or indirect parent with voting control over such operating company, or (ii) any "vulture fund" or similar hedge fund, private equity fund or other investor that invests in distressed debt as a material part of its investment strategy.

12.2 Indemnification. Borrower shall defend, indemnify and hold harmless Bank and its officers, directors, employees, affiliates, advisors and agents against: (a) all obligations, demands, claims, and liabilities claimed or asserted by any other party in connection with the transactions contemplated by this Agreement; and (b) all losses or Bank Expenses in any way suffered, incurred, or paid by Bank, its officers, employees and agents as a result of or in any

way arising out of, following, or consequential to transactions between Bank and Borrower whether under this Agreement, or otherwise (including without limitation reasonable and documented attorneys fees and expenses), except for losses caused by Bank's gross negligence or willful misconduct as determined by a court of competent jurisdiction by final and non-appealable order.

12.3 Time of Essence. Time is of the essence for the performance of all obligations set forth in this Agreement.

12.4 Severability of Provisions. Each provision of this Agreement shall be severable from every other provision of this Agreement for the purpose of determining the legal enforceability of any specific provision.

12.5 Amendments in Writing, Integration. All amendments to or terminations of this Agreement or the other Loan Documents must be in writing. All prior agreements, understandings, representations, warranties, and negotiations between the parties hereto with respect to the subject matter of this Agreement and the other Loan Documents, if any, are merged into this Agreement and the Loan Documents.

12.6 Counterparts. This Agreement may be executed in any number of counterparts and by different parties on separate counterparts, each of which, when executed and delivered, shall be deemed to be an original, and all of which, when taken together, shall constitute but one and the same Agreement. Executed copies of the signature pages of this Agreement sent by facsimile or transmitted electronically in Portable Document Format ("PDF"), or any similar format, shall be treated as originals, fully binding and with full legal force and effect, and the parties waive any rights they may have to object to such treatment.

12.7 Survival. All covenants, representations and warranties made in this Agreement shall continue in full force and effect so long as any Obligations remain outstanding or Bank has any obligation to make any Credit Extension to Borrower. The obligations of Borrower to indemnify Bank with respect to the expenses, damages, losses, costs and liabilities described in Section 12.2 shall survive until all applicable statute of limitations periods with respect to actions that may be brought against Bank have run.

12.8 Confidentiality and Publicity.

(a) Other than (i) to the extent required by it by law, (ii) as may be required in connection with the examination, audit, or similar investigation of Borrower, (iii) in response to any subpoena or other legal process or informal investigative demand, or (iv) in connection with the actual or potential exercise or enforcement of any right or remedy under any Loan Document, Borrower shall not, and shall not permit any of its Affiliates to: (A) publish or publicly disclose any materials containing Bank's name, including in any press release or otherwise in connection with any advertising or marketing, without first obtaining Bank's prior written consent, or (B) use Bank's name (or the name of any of its Affiliates) in connection with its operations or business; and

(b) In handling any confidential information, Bank shall exercise commercially reasonable efforts to maintain in confidence, in accordance with its customary procedures for handling

confidential information, all non-public information furnished to Bank in connection with the Loan Documents or derived by or on behalf of Bank through inspection, analysis or observation of the foregoing ("Confidential Information") other than any such Confidential Information that becomes generally available to the public or becomes available to Bank from a source other than Borrower and that is not known to Bank to be subject to confidentiality obligations, and shall not disclose any such Confidential Information to any other party; provided, that Bank and its Affiliates shall have the right to disclose Confidential Information to (provided, that in the case of (i)-(vi) below, such Person is bound by similar restrictions regarding disclosure and use of such information): (i) such Person's Affiliates; (ii) such Person or such Person's Affiliates' lenders, funding sources, or financing sources; (iii) such Person's or such Person's Affiliates' directors, officers, trustees, partners, members, managers, employees, agents, advisors, representatives, attorneys, equity owners, professional consultants, portfolio management services and rating agencies; (iv) any successor or assign of Bank; (v) any Person to whom Bank offers to sell, assign or transfer any Credit Extension or any part thereof or any interest or participation therein in accordance with the terms of this Agreement; (vi) any Person that provides statistical analysis and/or information services to Bank or its Affiliates; and (vii) any Person (A) to the extent required by it by law, rule, regulation or stock exchange requirements, (B) as may be required in connection with the examination, audit, or similar investigation of Bank, (C) in response to any subpoena or other legal process or informal investigative demand, (D) in connection with any litigation, or (E) in connection with the actual or potential exercise or enforcement of any right or remedy under any Loan Document. The obligations of Bank and its Affiliates under this Section 12.8 shall supersede and replace any other confidentiality obligations agreed to by Bank or its Affiliates.

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

ADICET BIO, INC.

By: /s/ Anil Singhal
Name: Anil Singhal
Title: CEO

PACIFIC WESTERN BANK

By: /s/ Benjermin Colombo
Name: /s/ Benjermin Colombo
Title: Managing Director

[*Signature Page to Loan and Security Agreement*]

EXHIBIT A

DEFINITIONS

“Accounts” means all presently existing and hereafter arising accounts, contract rights, payment intangibles and all other forms of obligations owing to Borrower arising out of the sale or lease of goods (including, without limitation, the licensing of software and other technology) or the rendering of services by Borrower and any and all credit insurance, guaranties, and other security therefor, as well as all merchandise returned to or reclaimed by Borrower and Borrower’s Books relating to any of the foregoing.

“Adicet Israel” means Adicet Bio Israel Ltd. (f/k/a Applied Immune Technologies Ltd.), Borrower’s wholly-owned Subsidiary formed under the laws of Israel.

“Affiliate” means, with respect to any Person, any Person that owns or controls directly or indirectly such Person, any Person that controls or is controlled by or is under common control with such Person, and each of such Person’s senior executive officers, directors, and general partners.

“Amortization Start Date” means the first (1st) day of the month immediately following the Interest Only End Date.

“Authorized Officer” means someone designated as such in the corporate resolution provided by Borrower to Bank in which this Agreement and the transactions contemplated hereunder are authorized by Borrower’s board of directors. If Borrower provides subsequent corporate resolutions to Bank after the Closing Date, the individual(s) designated as “Authorized Officer(s)” in the most recently provided resolution shall be the only “Authorized Officers” for purposes of this Agreement.

“Availability End Date” means the date eighteen (18) months after the Closing Date.

“Bank Expenses” means all reasonable costs or expenses (including reasonable attorneys’ fees and expenses, whether generated by in-house or by outside counsel) incurred in connection with the preparation, negotiation, administration, and enforcement of the Loan Documents; reasonable Collateral audit fees; and Bank’s reasonable attorneys’ fees and expenses (whether generated in-house or by outside counsel) incurred in amending, enforcing or defending the Loan Documents (including fees and expenses of appeal), incurred before, during and after an Insolvency Proceeding, whether or not suit is brought.

“Borrower’s Books” means all of Borrower’s books and records including: ledgers; records concerning Borrower’s assets or liabilities, the Collateral, business operations or financial condition; and all computer programs, or tape files, and the equipment, containing such information.

“Business Day” means any day that is not a Saturday, Sunday, or other day on which banks in the State of North Carolina are authorized or required to close.

“Capitalized Expenditures” means current period unfinanced cash expenditures that are capitalized and amortized over a period of time in accordance with GAAP, including but not limited to capitalized cash expenditures for capital equipment, capitalized manufacturing and labor costs as they relate to inventory, and capitalized cash expenditures for software development.

“Cash” means unrestricted cash and cash equivalents.

“Change in Control” shall mean a transaction other than a bona fide equity financing or series of financings on terms and from investors reasonably acceptable to Bank in which any “person” or “group” (within the meaning of Section 13(d) and 14(d)(2) of the Securities Exchange Act of 1934) becomes the “beneficial owner” (as defined in Rule 13d-3 under the Securities Exchange Act of 1934), directly or indirectly, of a sufficient number of shares of all classes of stock then outstanding of Borrower ordinarily entitled to vote in the election of directors, empowering such “person” or “group” to elect a majority of the Board of Directors of Borrower, who did not have such power before such transaction, provided that the Permitted Transactions shall not constitute a Change in Control.

“Closing Date” means the date of this Agreement.

“Code” means the North Carolina Uniform Commercial Code as amended or supplemented from time to time.

“Collateral” means the property described on Exhibit B attached hereto and all Negotiable Collateral to the extent not described on Exhibit B, except to the extent any such property (i) is non-assignable by its terms without the consent of the licensor thereof or another party (but only to the extent such prohibition on transfer is enforceable under applicable law, including, without limitation, §25-9-406 and §25-9-408 of the Code), (ii) is property for which the granting of a security interest therein is contrary to applicable law, provided that upon the cessation of any such restriction or prohibition, such property shall automatically become part of the Collateral, (iii) constitutes the capital stock of a controlled foreign corporation (as defined in the IRC), in excess of 65% of the voting power of all classes of capital stock of such controlled foreign corporations entitled to vote, if the grant of a security interest in such capital stock pursuant to this Agreement would result in material adverse “deemed dividend” tax consequences to Borrower due to the application of IRC §956, or (iv) is property (including any attachments, accessions or replacements) that is subject to a Lien that is permitted pursuant to clause (c) of the definition of Permitted Liens, if the grant of a security interest with respect to such property pursuant to this Agreement would be prohibited by the agreement creating such Permitted Lien or would otherwise constitute a default thereunder, provided, that such property will be deemed “Collateral” hereunder upon the termination and release of such Permitted Lien.

“Compliance Certificate” means a compliance certificate, in substantially the form of Exhibit D attached hereto, executed by a Responsible Officer of the Borrower.

“Contingent Obligation” means, as applied to any Person, any direct or indirect liability, contingent or otherwise, of that Person with respect to (i) any indebtedness, lease, dividend, letter of credit or other obligation of another, including, without limitation, any such obligation directly or indirectly guaranteed, endorsed, co-made or discounted or sold with recourse by that Person, or in respect of which that Person is otherwise directly or indirectly liable; (ii) any obligations with respect to undrawn letters of credit, corporate credit cards or merchant services issued for the

account of that Person; and (iii) all obligations arising under any interest rate, currency or commodity swap agreement, interest rate cap agreement, interest rate collar agreement, or other agreement or arrangement designated to protect a Person against fluctuation in interest rates, currency exchange rates or commodity prices; provided, however, that the term "Contingent Obligation" shall not include endorsements for collection or deposit in the ordinary course of business. The amount of any Contingent Obligation shall be deemed to be an amount equal to the stated or determined amount of the primary obligation in respect of which such Contingent Obligation is made or, if not stated or determinable, the maximum reasonably anticipated liability in respect thereof as determined by such Person in good faith; provided, however, that such amount shall not in any event exceed the maximum amount of the obligations under the guarantee or other support arrangement.

"Copyrights" means any and all copyright rights, copyright applications, copyright registrations and like protections in each work or authorship and derivative work thereof, whether published or unpublished and whether or not the same also constitutes a trade secret, now or hereafter existing, created, acquired or held.

"Credit Extension" means each Term Loan or any other extension of credit by Bank to or for the benefit of Borrower hereunder.

"Divide" means, with respect to any Person that is an entity, the dividing of such Person into two or more separate Persons, with the dividing Person either continuing or terminating its existence as part of such division, including as contemplated under Section 18-217 of the Delaware Limited Liability Company Act for limited liability companies formed under Delaware law, or any analogous action taken pursuant to any other statute with respect to any corporation, limited liability company, partnership, or other entity.

"Equipment" means all present and future machinery, equipment, tenant improvements, furniture, fixtures, vehicles, tools, parts and attachments in which Borrower has any interest.

"ERISA" means the Employee Retirement Income Security Act of 1974, as amended, and the regulations thereunder.

"Event of Default" has the meaning assigned in Article 8.

"FDA" means the United States Food and Drug Administration.

"GAAP" means generally accepted accounting principles, consistently applied, as in effect from time to time in the United States.

"IND Milestone" means Bank's receipt of evidence reasonably satisfactory to Bank of receipt by Borrower of net payments, in one or more installments, from Regeneron equal to Twenty Million Dollars ($20,000,000) occurring within eighteen (18) months after the Closing Date in respect of Borrower's achievement of (i) Borrower's filing of an investigational new drug application with the FDA for ADI-001 and (ii) selection of a second clinical product candidate, "ADI-002".

"Indebtedness" means (a) all indebtedness for borrowed money or the deferred purchase price of property or services, including without limitation reimbursement and other obligations with

respect to surety bonds and letters of credit, (b) all obligations evidenced by notes, bonds, debentures or similar instruments, (c) all capital lease obligations, and (d) all Contingent Obligations, including but not limited to any sublimit contained herein.

“Insolvency Proceeding” means any proceeding commenced by or against any Person or entity under any provision of the United States Bankruptcy Code, as amended, or under any other bankruptcy or insolvency law, including assignments for the benefit of creditors, formal or informal moratoria, compositions, extension generally with its creditors, or proceedings seeking reorganization, arrangement, or other relief.

“Interest Only End Date” means (i) if Borrower does not achieve the IND Milestone, the date eighteen (18) months after the Closing Date, and (ii) if Borrower achieves the IND Milestone, the date twenty-four (24) months after the Closing Date.

“Inventory” means all present and future inventory in which Borrower has any interest.

“Investment” means any beneficial ownership of (including stock, partnership or limited liability company interest or other securities) any Person, or any loan, advance or capital contribution to any Person.

“IRC” means the Internal Revenue Code of 1986, as amended, and the regulations thereunder.

“Letter of Credit” means a commercial or standby letter of credit or similar undertaking issued by Bank (or any of its correspondent banks) at Borrower’s request.

“Lien” means any mortgage, lien, deed of trust, charge, pledge, security interest or other encumbrance.

“Loan Documents” means, collectively, this Agreement, any note or notes executed by Borrower, and any other document, instrument or agreement entered into in connection with this Agreement, all as amended or extended from time to time.

“Material Adverse Effect” means a material adverse effect on (i) the operations, business or financial condition of Borrower and its Subsidiaries taken as a whole, (ii) the ability of Borrower to repay the Obligations or otherwise perform its obligations under the Loan Documents, or (iii) Borrower’s interest in, or the value, perfection or priority of Bank’s security interest in the Collateral.

“Maturity Date” means April , 2024.

“Negotiable Collateral” means all of Borrower’s present and future letters of credit of which it is a beneficiary, drafts, instruments (including promissory notes), securities, documents of title, and chattel paper, and Borrower’s Books relating to any of the foregoing.

“New Subsidiary” has the meaning set forth in Section 6.8 hereof.

“Obligations” means all debt, principal, interest, Bank Expenses and other amounts owed to Bank by Borrower pursuant to this Agreement or any other agreement, whether absolute or contingent,

due or to become due, now existing or hereafter arising, including any interest that accrues after the commencement of an Insolvency Proceeding and including any debt, liability, or obligation owing from Borrower to others that Bank may have obtained by assignment or otherwise.

"Periodic Payments" means all installments or similar recurring payments that Borrower may now or hereafter become obligated to pay to Bank pursuant to the terms and provisions of any instrument, or agreement now or hereafter in existence between Borrower and Bank.

"Permitted Indebtedness" means:

(a) Indebtedness of Borrower in favor of Bank arising under this Agreement or any other Loan Document;

(b) Indebtedness existing on the Closing Date and disclosed in the Schedule;

(c) Indebtedness (including capital lease obligations and purchase money indebtedness) not to exceed Two Hundred Fifty Thousand Dollars ($250,000) in the aggregate at any time secured by a Lien described in clause 12.8(c) of the defined term "Permitted Liens," provided such Indebtedness does not exceed at the time it is incurred the lesser of the cost or fair market value of the property financed with such Indebtedness;

(d) Subordinated Debt;

(e) Indebtedness to trade creditors incurred in the ordinary course of business;

(f) Indebtedness incurred as a result of endorsing negotiable instruments received in the ordinary course of business;

(g) Indebtedness associated with the SVB Letters of Credit, subject to the terms of Section 6.9;

(h) Other, unsecured Indebtedness of Borrower and any Subsidiary in an aggregate principal amount not to exceed Two Hundred Fifty Thousand Dollars ($250,000); and

(i) Extensions, refinancings and renewals of any items of Permitted Indebtedness, provided that the principal amount is not increased or the terms modified to impose more burdensome terms upon Borrower or its Subsidiary, as the case may be.

"Permitted Investment" means:

(a) Investments existing on the Closing Date disclosed in the Schedule;

(b) (i) Marketable direct obligations issued or unconditionally guaranteed by the United States of America or any agency or any State thereof maturing within two (2) years from the date of acquisition thereof, (ii) commercial paper maturing no more than two (2) years from the date of creation thereof and currently having rating of at least A-1 or P-1 from either Standard & Poor's Corporation or Moody's Investors Service, (iii) Bank's certificates of deposit maturing no more than two (2) years from the date of investment therein, (iv) Bank's money market

accounts; (v) Investments in regular deposit or checking accounts held with Bank or as otherwise permitted by, and subject to the terms and conditions of, Section 6.6 of this Agreement; and (vi) Investments consistent with any investment policy adopted by Borrower's board of directors;

(c) Investments accepted in connection with Permitted Transfers;

(d) (i) Investments of Subsidiaries in or to other Subsidiaries or Borrower and Investments by Borrower in Subsidiaries not to exceed Two Hundred Fifty Thousand Dollars ($250,000) in the aggregate in any fiscal year, and (ii) additional Investments by Borrower in Adicet Israel solely to satisfy tax liabilities in connection with Adicet Israel's dissolution not to exceed Five Hundred Thousand Dollars ($500,000), provided that prior notice of such dissolution shall be delivered to Bank;

(e) Investments not to exceed Two Hundred Fifty Thousand Dollars ($250,000) outstanding in the aggregate at any time 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 Borrower or its Subsidiaries pursuant to employee stock purchase plan agreements approved by Borrower's Board of Directors;

(f) 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 Borrower's business;

(g) Investments consisting of notes receivable of, or prepaid royalties and other credit extensions, to customers and suppliers who are not Affiliates, in the ordinary course of business, provided that this subparagraph (g) shall not apply to Investments of Borrower in any Subsidiary;

(h) Joint ventures or strategic alliances in the ordinary course of Borrower's business consisting of the non-exclusive licensing of technology, the development of technology or the providing of technical support, provided that any cash Investments by Borrower do not exceed Two Hundred Fifty Thousand Dollars ($250,000) in the aggregate in any fiscal year; and

(i) Investments permitted under Section 7.3.

"Permitted Liens" means the following:

(a) Any Liens existing on the Closing Date and disclosed in the Schedule (excluding Liens to be satisfied with the proceeds of the Credit Extensions) or arising under this Agreement, the other Loan Documents, or any other agreement in favor of Bank;

(b) Liens for taxes, fees, assessments or other governmental charges or levies, either not delinquent or being contested in good faith by appropriate proceedings and for which Borrower maintains adequate reserves;

(c) Liens not to exceed Two Hundred Fifty Thousand Dollars ($250,000) in the aggregate at any time (i) upon or in any Equipment (other than Equipment financed by a Credit

Extension) acquired or held by Borrower or any of its Subsidiaries to secure the purchase price of such Equipment or indebtedness incurred solely for the purpose of financing the acquisition or lease of such Equipment, or (ii) existing on such Equipment at the time of its acquisition, in each case provided that the Lien is confined solely to the property so acquired and improvements thereon, and the proceeds of such Equipment;

(d) Liens incurred in connection with the extension, renewal or refinancing of the indebtedness secured by Liens of the type described in clauses (a) through (c) above, provided that any extension, renewal or replacement Lien shall be limited to the property encumbered by the existing Lien and the principal amount of the indebtedness being extended, renewed or refinanced does not increase;

(e) Liens arising from judgments, decrees or attachments in circumstances not constituting an Event of Default under Sections 8.4 (attachment) or 8.7 (judgments);

(f) Liens held by Borrower in the assets of any of its Subsidiaries securing intercompany debt permitted under this Agreement;

(g) Liens of carriers, warehousemen, suppliers, or other Persons that are possessory in nature arising in the ordinary course of business so long as such Liens attach only to Inventory, securing liabilities in the aggregate amount not to exceed Two Hundred Fifty Thousand Dollars ($250,000) and which are not delinquent or remain payable without penalty or which are being contested in good faith and by appropriate proceedings, which proceedings have the effect of preventing the forfeiture or sale of the property subject thereto and for which Borrower maintains adequate reserves;

(h) pledges or deposits on assets worth an aggregate amount not to exceed Two Hundred Fifty Thousand Dollars ($250,000) to secure the performance of bids, trade contracts (other than for borrowed money), leases, licenses, statutory obligations, surety and appeal bonds, performance bonds and other obligations of a like nature incurred in the ordinary course of business;

(i) Liens securing Subordinated Debt, provided that such Liens do not encumber assets beyond those assets comprising the Collateral.

(j) Liens in favor of other financial institutions arising in connection with Borrower's deposit accounts held at such institutions to secure standard fees for deposit services charged by, but not financing made available by, such institutions, provided that Bank has a perfected security interest in the amounts held in such deposit accounts.

"Permitted Transactions" means (i) a proposed reverse triangular merger among Borrower, a publicly traded company previously disclosed to Bank ("Parent"), and a wholly owned subsidiary of Parent ("Merger Sub"), pursuant to which Merger Sub will merge with and into Borrower with Borrower surviving as a wholly owned subsidiary of Parent in accordance with the terms of that certain merger agreement by and between Borrower, Parent and Merger Sub (the "Merger Agreement"), as summarized in that certain Summary of Terms of Funding and Merger and provided to Bank (as may be modified by the terms of the Merger Agreement, the "Summary of Terms" and such transaction the "Merger"), (ii) the entry by such parties into agreements,

documents and instruments and the making of filings (including, without limitation, public filings disclosing this Agreement, the other Loan Documents and their terms) for and related to the Merger, and (iii) the transactions contemplated by or entered into in connection with any of the foregoing transactions or agreements; provided, that, (a) the Merger is consummated substantially in accordance with the Summary of Terms unless otherwise approved by Bank in writing, (b) Borrower has delivered to Bank (1) the Merger Agreement, all exhibits thereto, and all material documents, instruments, certificates and/or agreements to be executed by Borrower in connection with the Merger (the "Merger Documents") and (2) all diligence materials reasonably requested by Bank (the "Merger Diligence"), (c) Bank has confirmed in writing its approval of the Merger Documents and the Merger Diligence prior to the consummation of the Merger (and Borrower has delivered to Bank the executed copies of all Merger Documents) and (iv) simultaneously with or promptly following the consummation of the Merger, Borrower takes all actions reasonably required by Bank in its sole discretion to cause Parent to guarantee Borrower's obligations under this Agreement, together with such other documents, and completion of such other matters, including, without limitation, a new warrant as provided for in Section 2.2 of the Warrant, and Parent shall grant and pledge to Bank a perfected security interest in substantially all of its assets other than Intellectual Property, including, without limitation, the stock, units or other evidence of ownership of Borrower.

"Permitted Transfer" means the conveyance, sale, lease, transfer or disposition by Borrower or any Subsidiary of:

(a) Inventory in the ordinary course of business;

(b) non-exclusive licenses of Intellectual Property granted to third parties in the ordinary course of business, and licenses of Intellectual Property that could not result in a legal transfer of title of the licensed property that may be exclusive in respects other than territory and that may be exclusive as to territory only as to discrete geographical areas outside of the United States;

(c) worn-out, surplus or obsolete Equipment not financed with the proceeds of Credit Extensions;

(d) grants of security interests and other Liens that constitute Permitted Liens;

(e) any asset of any Subsidiary to Borrower;

(f) cash and cash equivalents (i) in the ordinary course of business and in a manner not otherwise prohibited by this Agreement, or (ii) permitted by clause (d) of the definition of Permitted Investments; and

(g) other assets of Borrower or its Subsidiaries that do not in the aggregate exceed Two Hundred Fifty Thousand Dollars ($250,000) during any fiscal year.

"Person" means any individual, sole proprietorship, partnership, limited liability company, joint venture, trust, unincorporated organization, association, corporation, institution, public benefit corporation, firm, joint stock company, estate, entity or governmental agency.

“Prime Rate” means the variable rate of interest, per annum, most recently announced by Bank, as its “prime rate,” whether or not such announced rate is the lowest rate available from Bank.

“Regeneron” means Regeneron Pharmaceuticals, Inc., a New York corporation.

“Regeneron Agreement” means that certain License and Collaboration Agreement by and between Borrower and Regeneron, dated as of July 29, 2016, as amended by that certain Amendment No. 1 to License and Collaboration Agreement dated as of April 4, 2019.

“Responsible Officer” means each of the Chief Executive Officer, the Chief Operating Officer, the Chief Financial Officer, Vice President of Finance and the Controller of Borrower, as well as any other officer or employee identified as an Authorized Officer in the corporate resolution delivered by Borrower to Bank in connection with this Agreement.

“Schedule” means the schedule of exceptions attached hereto, as the same may be updated from time to time to the extent approved by Bank.

“Shares” means one hundred percent (100%) of the issued and outstanding capital stock, membership units or other securities owned or held of record by Borrower in any Subsidiary of Borrower.

“SOS Reports” means the official reports from the Secretaries of State of the state where Borrower’s chief executive office is located, the state of Borrower’s formation and other applicable federal, state or local government offices identifying all current security interests filed in the Collateral and Liens of record as of the date of such report.

“Subordinated Debt” means any debt incurred by Borrower that is subordinated in writing to the debt owing by Borrower to Bank on terms reasonably acceptable to Bank (and identified as being such by Borrower and Bank).

“Subsidiary” means any corporation, partnership or limited liability company or joint venture in which (i) any general partnership interest or (ii) more than 50% of the stock, limited liability company interest or joint venture of which by the terms thereof ordinary voting power to elect the Board of Directors, managers or trustees of the entity, at the time as of which any determination is being made, is owned by Borrower, either directly or through an Affiliate.

“Trademarks” means any trademark and servicemark rights, whether registered or not, applications to register and registrations of the same and like protections, and the entire goodwill of the business of Borrower connected with and symbolized by such trademarks.

“Warrant” means that certain Warrant to Purchase Stock issued by Borrower to Bank dated as of the Closing Date.

THIS WARRANT AND THE SHARES ISSUABLE HEREUNDER HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED, AND MAY NOT BE SOLD, PLEDGED OR OTHERWISE TRANSFERRED EXCEPT IN ACCORDANCE WITH THE TERMS OF THIS WARRANT AND APPLICABLE LAW.

WARRANT TO PURCHASE STOCK

Corporation:	ADICET BIO, INC.
Number of Shares:	See below.
Class of Stock:	Series B Preferred Stock
Initial Exercise Price:	$1.4034 per share
Issue Date:	April 28, 2020
Expiration Date:	April 28, 2027

THIS WARRANT CERTIFIES THAT, for good and valuable consideration, the receipt of which is hereby acknowledged, **PACIFIC WESTERN BANK** or its assignee or transferee ("***Holder***") is entitled to purchase the number of fully paid and nonassessable shares of the class of securities (the "***Shares***") of the corporation (the "***Company***") at the initial exercise price per Share (the "***Warrant Price***") all as set forth above and as adjusted pursuant to Article 2 of this warrant, subject to the provisions and upon the terms and conditions set forth in this warrant. This warrant shall be exercisable for 42,753 Shares on the Issue Date and shall be exercisable for an additional number of Shares equal to (a) 1.00% of the aggregate original principal amount of all Term Loans made pursuant to the Loan and Security Agreement (the "***Loan Agreement***") of even date herewith, between the Company and Pacific Western Bank, divided by (b) the Warrant Price (subject to appropriate adjustment in the event of a stock dividend, stock split or other similar event affecting the Shares). For the avoidance of doubt, in no event shall this warrant be exercisable for more than 128,259 Shares (subject to appropriate adjustment in the event of a stock dividend, stock split or other similar event affecting the Shares). Reference is made to Section 5.4 of this warrant, whereby Pacific Western Bank shall transfer this warrant to its parent company, PacWest Bancorp.

ARTICLE 1

EXERCISE

1.1 Method of Exercise. Holder may exercise this warrant by delivering this warrant and a duly executed Notice of Exercise in substantially the form attached as Appendix 1 to the principal office of the Company. Unless Holder is exercising the conversion right set forth in Section 1.2, Holder shall also deliver to the Company a check, a wire transfer (to an account designated by the Company) or other form of payment acceptable to the Company for the aggregate Warrant Price for the Shares being purchased.

1.2 Conversion Right. In lieu of exercising this warrant as specified in Section 1.1, Holder may from time to time convert this warrant, in whole or in part, into a number of Shares determined by dividing (a) the aggregate fair market value of the Shares or other securities otherwise issuable upon exercise of this warrant minus the aggregate Warrant Price of such Shares by (b) the fair market value of one Share. The fair market value of the Shares shall be determined pursuant to Section 1.3.

1.3 Fair Market Value. If the Shares are traded regularly in a public market, the fair market value of the Shares shall be the closing price of the Shares (or the closing price of the Company's stock into which the Shares are convertible) reported for the business day immediately before Holder delivers its Notice of Exercise to the Company. If the Shares are not regularly traded in a public market, the Board of Directors of the Company shall determine fair market value in its reasonable good faith judgment.

1.4 Delivery of Certificate and New Warrant. Promptly after Holder exercises or converts this warrant, the Company shall deliver to Holder certificates for the Shares acquired and, if this warrant has not been fully exercised or converted and has not expired, a new warrant representing the Shares not so acquired.

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

1.6 Treatment of Warrant Upon Acquisition of the Company.

1.6.1 "***Acquisition***." For the purpose of this warrant, "***Acquisition***" means (a) any sale, license, or other disposition of all or substantially all of the assets (including intellectual property) of the Company, (b) any reorganization, consolidation, merger or sale of the voting securities of the Company or any other transaction where the holders of the Company's securities before the transaction beneficially own less than 50% of the outstanding voting securities of (1) the Company; (2) the surviving or resulting entity; or (3) if the surviving entity is a wholly owned subsidiary of another entity immediately following such transaction, the parent entity of such surviving or resulting entity (other than a bona fide equity financing principally for capital raising purposes in which the Company sells and issues equity securities to institutional and/or strategic investors).

1.6.2 Exercise Upon Acquisition. Upon the closing of any Acquisition, if the fair market value of the consideration per Share to be received by the Company's stockholders consists of cash, marketable securities, or a combination of both cash and marketable securities (as determined pursuant to Section 1.3) is greater than the Warrant Price, this warrant shall be deemed to have been automatically converted pursuant to Section 1.2, without any further action by the Holder, even if this warrant is not surrendered and without the issuance of any certificate for Shares hereunder, and thereafter Holder shall participate in the Acquisition on the same terms as other holders of the same class of securities of the Company; *provided, however*, that if the fair market value of the Shares, as determined pursuant to Section 1.3, in connection with such Acquisition is less than the aggregate Warrant Price, then this warrant shall terminate without exercise or conversion immediately prior, and subject, to the closing of such Acquisition.

1.6.3 Assumption of Warrant. Upon the closing of any Acquisition not referred to in Section 1.6.2, the successor entity shall assume the obligations of this warrant, and this warrant shall thereafter be exercisable for the same securities and/or other property as would have been paid for the Shares issuable upon exercise of the unexercised portion of this warrant as if such Shares were outstanding on and as of the closing of such Acquisition, subject to further adjustment from time to time in accordance with the provisions of this warrant.

ARTICLE 2

ADJUSTMENTS TO THE SHARES

2.1 Stock Dividends, Splits, Etc. If the Company declares or pays a dividend on its common stock payable in common stock, or other securities, or subdivides the outstanding common stock into a greater amount of common stock, then upon exercise of this warrant, for each Share acquired, Holder shall receive, without cost to Holder, the total number and kind of securities to which Holder would have been entitled had Holder owned the Shares of record as of the date the dividend or subdivision occurred.

2.2 Reclassification, Exchange or Substitution. Upon any reclassification, exchange, substitution, or other event that results in a change of the number and/or class of the securities issuable upon exercise or conversion of this warrant (including, without limitation, in any Permitted Transaction (as defined in the Loan Agreement)), Holder shall be entitled to receive, upon exercise or conversion of this warrant, the number and kind of securities and property that Holder would have received for the Shares if this warrant had been exercised immediately before such reclassification, exchange, substitution, or other event. Such an event shall include any automatic conversion of the outstanding or issuable securities of the Company of the same class or series as the Shares to common stock pursuant to the terms of the Company's Amended and Restated Certificate of Incorporation, as amended, modified or restated from time to time (the "***Certificate of Incorporation***") upon the closing of a registered public offering of the Company's common stock. The Company, its parent entity or its successor shall promptly issue to Holder a new warrant for such new securities or other property. The new warrant shall provide for adjustments which shall be as nearly equivalent as may be practicable to the adjustments provided for in this Article 2 including, without limitation, adjustments to the Warrant Price and to the number of securities or property issuable upon exercise of the new warrant. The provisions of this Section 2.2 shall similarly apply to successive reclassifications, exchanges, substitutions, or other events as described in this Section 2.2.

2.3 Adjustments for Combinations, Etc. If the outstanding Shares are combined or consolidated, by reclassification or otherwise, into a lesser number of shares, the Warrant Price shall be proportionately increased. If the outstanding Shares are combined or consolidated, by reclassification or otherwise, into a greater number of shares, the Warrant Price shall be proportionately decreased.

2.4 Adjustments for Diluting Issuances. In the event of the issuance by the Company after the Issue Date of securities that results in an adjustment to the Conversion Price (as defined in the Certificate of Incorporation) of the Company's Series B Preferred Stock (such

issuance, a "***Diluting Issuance***"), then the number of shares of common stock issuable upon conversion of the Shares shall be adjusted exclusively in accordance with those provisions of the Certificate of Incorporation that apply to Diluting Issuances as if the Shares were outstanding on the date of such Diluting Issuance.

2.5 Certificate as to Adjustments. Upon each adjustment of the Warrant Price, the Company at its expense shall promptly compute such adjustment, and furnish Holder with a certificate of its Chief Financial Officer setting forth such adjustment and the facts upon which such adjustment is based. The Company shall, upon written request, furnish Holder a certificate setting forth the Warrant Price in effect upon the date thereof and the series of adjustments leading to such Warrant Price.

2.6 Fractional Shares. No fractional Shares shall be issuable upon exercise or conversion of the warrant and the Number of Shares to be issued shall be rounded down to the nearest whole Share. If a fractional share interest arises upon any exercise or conversion of the warrant, the Company shall eliminate such fractional share interest by paying Holder the amount computed by multiplying the fractional interest by the fair market value of a full Share.

ARTICLE 3

REPRESENTATIONS AND COVENANTS OF THE COMPANY

3.1 Representations and Warranties. The Company hereby represents and warrants to the Holder as follows:

(a) The initial Warrant Price referenced on the first page of this warrant is not greater than the lowest price per share at which the Company has sold any Series B Preferred Stock as of the Issue Date.

(b) All Shares which may be issued upon the exercise of the purchase right represented by this warrant, and all securities, if any, issuable upon conversion of the Shares, shall, upon issuance, be duly authorized, validly issued, fully paid and nonassessable, and free of any liens and encumbrances except for restrictions on transfer provided for herein or under applicable federal and state securities laws.

(c) The Company's capitalization table attached to this warrant as Appendix 2 is true and complete as of the Issue Date.

3.2 Notice of Certain Events. The Company shall provide Holder with not less than 10 days prior written notice of, including a description of the material facts surrounding, any of the following events: (a) declaration of any dividend or distribution upon its common stock, whether in cash, property, stock, or other securities and whether or not a regular cash dividend; (b) offering for subscription pro rata to the holders of any class or series of its stock any additional shares of stock of any class or series or other rights; (c) effecting any reclassification or recapitalization of common stock; or (d) the merger or consolidation with or into any other corporation, or sale, lease, license, or conveyance of all or substantially all of its assets, or liquidation, dissolution or winding up.

3.3 Information Rights. So long as the Holder holds this warrant and/or any of the Shares, the Company shall deliver to the Holder (a) promptly after mailing, copies of all communiques to the shareholders of the Company and (b) financial statements the Company provides to Major Investors (as such term is defined in the Investors' Rights Agreement, as defined below), and at the same time provided to Major Investors, pursuant to that certain Amended and Restated Investors' Rights Agreement among the Company and other persons dated as of July 25, 2019, as amended or restated from time to time (the "***Investors' Rights Agreement***"). This Section 3.3 shall terminate in its entirety and be of no further force and effect immediately prior to earliest of (i) the termination of the Investors' Rights Agreement, (ii) the consummation of an initial public offering by the Company (or its successor), (iii) such time as the Company (or its successor) is required to file reports pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934, as amended or (iv) an Acquisition.

3.4 Registration Under Securities Act of 1933, as amended. The Company agrees that, upon exercise, the Shares or, if the Shares are convertible into common stock of the Company, such common stock, shall be "Registrable Securities", and Holder shall be a "Holder" under Section 1 of the Investors' Rights Agreement, subject to and contingent upon both Holder's compliance with Section 4.88 hereof and the Investors' Rights Agreement being in effect at the time of such exercise.

ARTICLE 4

REPRESENTATIONS AND COVENANTS OF HOLDER

Holder hereby represents, warrants and covenants to the Company:

4.1 Purchase for Own Account. Holder is acquiring this warrant and all equity securities issuable, directly or indirectly, upon exercise of the warrant (collectively, the "***Securities***") for Holder's own account not as a nominee or agent, and not with a view to the resale or distribution of any part thereof, and that Holder has no present intention of selling, granting any participation in, or otherwise distributing the same.

4.2 Disclosure of Information. Holder further represents that it has had an opportunity to ask questions and receive answers from the Company regarding the terms and conditions of the offering of the Securities and the business, properties, prospects and financial condition of the Company. With respect to any projections of its future operations provided to Holder by the Company, Holder acknowledges that the Company makes no representations or warranties.

4.3 Investment Experience. Holder has experience as an investor in securities of companies in the development stage and acknowledges that it is able to fend for itself, can bear the economic risk of its investment, and has such knowledge and experience in financial or business matters that it is capable of evaluating the merits and risks of the investment in the Securities. Holder acknowledges that any investment in the Securities involves a high degree of risk, and represents that it is able, without materially impairing its financial condition, to hold the Securities for an indefinite period of time and to suffer a complete loss of its investment.

4.4 Accredited Investor. Holder is an "accredited investor" within the meaning of SEC Rule 501 of Regulation D, as presently in effect.

4.5 Restricted Securities. Holder understands that the Securities are characterized as "restricted securities" under the federal securities laws inasmuch as they are being acquired from the Company in a transaction not involving a public offering and that under such laws and applicable regulations such securities may be resold without registration under the Securities Act of 1933, as amended (the "***Securities Act***") only in certain limited circumstances. In this connection, Holder represents that it is familiar with SEC Rule 144, as presently in effect, and understands the resale limitations imposed thereby and by the Securities Act. Holder understands that the Securities have not been and will not be registered under the Securities Act and have not been and will not be registered or qualified in any state in which they are offered, and thus Holder will not be able to resell or otherwise transfer his, her or its Securities unless they are registered under the Securities Act and registered or qualified under applicable state securities laws, or an exemption from such registration or qualification is available.

4.6 Residence. If if Holder is a partnership, corporation, limited liability company or other entity, then the office or offices of Holder in which its principal place of business is identified in the address or addresses of Holder set forth in Section 5.5 hereof.

4.7 "Market Stand-Off" Agreement. Holder hereby agrees that it will not, directly or indirectly, without the prior written consent of the Company and the managing underwriter, during the period commencing on the date of the final prospectus relating to the initial public offering by the Company and ending on the date specified by the Company and the managing underwriter (such period not to exceed one hundred eighty (180) days) (i) lend, offer, pledge, sell, contract to sell, sell any option or contract to purchase, purchase any option or contract to sell, grant any option, right or warrant to purchase, or otherwise transfer or dispose of, directly or indirectly, any shares of common stock of the Company or any securities convertible into or exercisable or exchangeable for common stock of the Company (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 the common stock of the Company, whether any such transaction described in clause (i) or (ii) above is to be settled by delivery of common stock of the Company or such other securities, in cash or otherwise, subject to customary exceptions, including for transfers to affiliates, in connection with the "net" or "cashless" exercise or settlement of any outstanding warrants, in connection with the conversion of the outstanding preferred stock of the Company into shares of common stock of the Company or with respect to any share of common stock of the Company acquired in such initial public offering; provided, however, that such period may be extended to such longer period as the Company or the managing underwriter may request in order to facilitate compliance with, to the extent applicable, Financial Industry Regulatory Authority, Inc. Rule 2711 or NYSE Member Rule 472 or any successor or similar rule or regulation. The foregoing provisions of this Section 4.7 shall not apply to the sale of any shares to an underwriter pursuant to an underwriting agreement, and shall only be applicable to Holder if all officers and directors and holders of greater than one percent (1%) of the outstanding Common Stock (after giving effect to conversion into Common Stock of all outstanding Preferred Stock) enter into similar agreements. 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 holders subject to such agreements, based on the number of shares subject to such agreements. The underwriters in connection with the initial public offering by the Company are intended third party beneficiaries of this Section 4.7 and shall have the right, power and authority to enforce the provisions hereof as though they were a party hereto; further, Holder hereby agrees to enter into written agreement with such underwriters containing terms substantially equivalent to the terms of this Section 4.7, and Holder hereby agrees that such underwriters shall be entitled to require Holder to enter into such a written agreement. Notwithstanding the foregoing, nothing in this Section 4.7 shall prevent Holder from making a transfer of any common stock of the Company that was acquired by such Holder in the initial public offering by the Company. In order to enforce the foregoing covenant, the Company may impose stop-transfer instructions with respect to the Registrable Securities as defined in the Investors' Rights Agreement of Holder (and the shares or securities of every other person subject to the foregoing restriction) until the end of such period. The Company and the Holder agree that this Section 4.7 shall terminate upon Holder entering into the Investors' Rights Agreement.

4.8 Holder's Obligation to Execute Investors' Rights Agreement, Right of First Refusal and Co-Sale Agreement and Voting Agreement. Upon or after the exercise of this warrant, at the request of the Company, Holder, to the extent not already a party thereto, agrees to take such actions as requested by the Company to become a party to each of (i) the Investors' Rights Agreement, (ii) that certain Amended and Restated Right of First Refusal and Co-Sale Agreement, dated July 25, 2019, by and among the Company and certain other parties thereto and (iii) that certain Amended and Restated Voting Agreement, dated July 25, 2019, by and among the Company and certain other parties thereto, in each case as the same may be amended, modified or restated from time to time.

ARTICLE 5

MISCELLANEOUS

5.1 Term: Exercise Upon Expiration. Subject to Section 1.6, this warrant is exercisable in whole or in part, at any time and from time to time on or before the Expiration Date set forth above. If this warrant has not been exercised prior to the Expiration Date, this warrant shall be deemed to have been automatically exercised on the Expiration Date by "cashless" conversion pursuant to Section 1.2.

5.2 Legends. This warrant and the Shares (and the securities issuable, directly or indirectly, upon conversion of the Shares, if any) shall be imprinted with such legends as deemed required by the Company for applicable securities laws, the Company's organizational documents, and any other agreements the Securities are subject to, including the following:

THIS SECURITY HAS NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED, AND MAY NOT BE SOLD, PLEDGED OR OTHERWISE TRANSFERRED EXCEPT IN ACCORDANCE WITH THIS WARRANT AND APPLICABLE LAW.

5.3 Compliance with Securities Laws on Transfer. This warrant and the Shares issuable upon exercise of this warrant (and the securities issuable, directly or indirectly, upon

conversion of the Shares, if any) may not be transferred or assigned in whole or in part without compliance with applicable federal and state securities laws by the transferor and the transferee. The Company shall not require Holder to provide an opinion of counsel if the transfer is to PacWest Bancorp or any other affiliate of Holder or if there is no material question as to the availability of current information as referenced in Rule 144(c), Holder represents that it has complied with Rule 144 (d) and (e) in reasonable detail, the selling broker represents that it has complied with Rule 144(f), and the Company is provided with a copy of Holder's notice of proposed sale. Any subsequent transferee shall be bound by all of the terms and conditions of this warrant and make to the Company each of the representations, warranties and covenants set forth in Article 4 of this warrant as of the date of such transfer.

5.4 Transfer Procedure. After receipt by Pacific Western Bank of this warrant, Pacific Western Bank will transfer all of this warrant to its parent company, PacWest Bancorp, by execution of an Assignment substantially in the form of Appendix 3. By acceptance of this warrant, PacWest Bancorp agrees to bound by all of the terms and conditions of this warrant and makes to the Company each of the representations, warranties and covenants set forth in Article 4 of this warrant as of the date of such transfer. Subject to the provisions of Section 5.3, Holder may transfer all or part of this warrant or the Shares issuable upon exercise of this warrant (or the securities issuable, directly or indirectly, upon conversion of the Shares, if any) by giving the Company notice of the portion of the warrant being transferred setting forth the name, address and taxpayer identification number of the transferee and surrendering this warrant to the Company for reissuance to the transferee(s) (and Holder, if applicable); provided, however, that Holder shall not transfer all or part of this warrant or the Shares issuable upon exercise of this warrant (or the securities issuable, directly or indirectly, upon conversion of the Shares, if any) to any Person who is a direct competitor of Borrower, whether as an operating company or direct or indirect parent with voting control over such operating company. No surrender or reissuance shall be required for the transfer to PacWest Bancorp or a transfer to any other affiliate of Holder

5.5 Notices. All notices and other communications from the Company to the Holder, or vice versa, shall be deemed delivered and effective when given personally, emailed or mailed by first-class registered or certified mail, postage prepaid, at such address as may have been furnished to the Company or the Holder, as the case may be, in writing by the Company or such Holder from time to time. All notices to the Holder shall be addressed as follows:

PacWest Bancorp
Attn: Warrant Administrator
406 Blackwell Street, Suite 240
Durham, NC 27701
Email: warrants@pacwest.com

All notices to the Company shall be addressed as follows:

Adicet Bio, Inc.
Attn: Chief Executive Officer
200 Constitution Drive
Menlo Park, CA 94025
Email: asinghal@adicetbio.com

5.6 Amendments. This warrant and any term hereof may be changed, waived, discharged or terminated only by an instrument in writing signed by the party against which enforcement of such change, waiver, discharge or termination is sought.

5.7 Attorneys' Fees. In the event of any dispute between the parties concerning the terms and provisions of this warrant, the party prevailing in such dispute shall be entitled to collect from the other party all costs incurred in such dispute, including reasonable attorneys' fees.

5.8 No Stockholder Rights. Holder, as a Holder of this warrant, will not have any rights as a stockholder of the Company until the exercise of this warrant.

5.9 Governing Law. This warrant shall be governed by and construed in accordance with the laws of the State of Delaware, without giving effect to its principles regarding conflicts of law.

[Signature Page Follows]

IN WITNESS WHEREOF, the undersigned has executed this Warrant to Purchase Stock as of the date set forth above.

ADICET BIO, INC.

By: /s/ Anil Singhal
Name: Anil Singhal
Title: CEO

Accepted and agreed:

PACIFIC WESTERN BANK

By: /s/ Benjermin Colombo
Name: Benjermin Colombo
Title: Managing Director

[Signature Page to Warrant to Purchase Stock]

Exhibit 10.42

THESE SECURITIES HAVE NOT BEEN REGISTERED UNDER THE SECURITIES ACT OF 1933, AS AMENDED. THEY MAY NOT BE SOLD, OFFERED FOR SALE, PLEDGED OR HYPOTHECATED IN THE ABSENCE OF A REGISTRATION STATEMENT IN EFFECT WITH RESPECT TO THE SECURITIES UNDER SUCH ACT OR AN OPINION OF COUNSEL SATISFACTORY TO THE COMPANY THAT SUCH REGISTRATION IS NOT REQUIRED OR UNLESS SOLD PURSUANT TO RULE 144 OF SUCH ACT.

Issue Date: July 25, 2019

WARRANT TO PURCHASE STOCK

THIS WARRANT TO PURCHASE STOCK (this "**Warrant**") CERTIFIES THAT, for good and valuable consideration, Beech Hill Securities, Inc. (together with any successor or permitted assignee or transferee of this Warrant or of any shares issued upon exercise hereof, "**Holder**") is entitled to purchase shares (the "**Shares**") of the ("**Preferred Stock**") of Adicet Bio, Inc., a Delaware corporation (the "**Company**") at an exercise price per share (the "**Exercise Price**") equal to $ per Share, subject to the provisions and upon the terms and conditions set forth in this Warrant.

This Warrant is issued pursuant to Section 2(b)(i)(2) of that certain letter agreement among the Company, (" ") and Holder, dated .

SECTION 1. EXERCISE.

1.1 Method of Exercise. Subject to the provisions hereof, Holder may at any time and from time to time exercise this Warrant during the Exercise Period (as defined below), in whole or in part:

a. Cash Exercise Election. By delivering to the Company the original copy of this Warrant together with a duly executed Notice of Exercise in substantially the form attached hereto as Appendix 1 and a check, wire transfer of funds (to an account designated by the Company), or other form of payment acceptable to the Company in the amount obtained by multiplying the Exercise Price by the number of Shares being purchased as designated in the Notice of Exercise (the "**Aggregate Exercise Price**"). Such delivery shall be effective upon receipt by the Company.

b. Net Issue Election. Alternatively, in Holder's sole discretion, by electing to receive, without payment by Holder of any additional consideration, shares of Series B Preferred Stock equal to the value of the "spread" on the shares of Series B Preferred Stock or any portion thereof by the surrender of this Warrant to the Company, together with a duly completed Net Issue Election Notice, in the form attached hereto as Appendix II, at the principal office of the Company, in which event the Company shall issue to Holder such number of shares of Series B Preferred Stock as is computed using the following formula, rounded down to the nearest whole share:

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

Where:

X = The number of shares of Series B Preferred Stock to be issued to Holder pursuant to the net issue election;

Y = The number of shares of Series B Preferred Stock in respect of which the net issue election is made (inclusive of the shares of Series B Preferred Stock surrendered to the Company in payment of the Aggregate Exercise Price);

A = The Fair Market Value (as determined below) of one share of Series B Preferred Stock at the time the net issue election is made; and

B = The Exercise Price in effect under this Warrant as of the date of the net issue election.

For purposes of this Section 1.1, "**Fair Market Value**" shall mean the value most recently determined by the Company's Board of Directors to represent the fair market value per share of Series B Preferred Stock; and, upon request of Holder, the Company shall promptly notify Holder of the Fair Market Value per share of the applicable class and series of capital stock subject to this Warrant. Notwithstanding the foregoing, if the Board of Directors has not made such a determination within the three-month period prior to the exercise date, then (1) the Company's Board of Directors, in good faith, shall make a determination of the Fair Market Value per share of the applicable class and series of capital stock within 15 days of a request by Holder that it do so, and (2) the exercise of this Warrant pursuant to this Section 1.1(b) shall be delayed until such determination is made.

1.2 Exercise Period. Subject to the provisions hereof, this Warrant shall be exercisable at any time from and after the Issue Date listed above up to and including 5:00 p.m. (Pacific Time) on the first to occur of (a) the closing of any Liquidation (as defined in the Company's Amended and Restated Certificate of Incorporation, as amended, modified or restated from time to time), or (b) the seven (7) year anniversary of the Issue Date (such earlier date being referred to herein as the "**Expiration Date**" and such period, the "**Exercise Period**"). This Warrant shall terminate in its entirety on the Expiration Date.

1.3 Delivery of Certificate and New Warrant. Within a reasonable time after Holder exercises this Warrant in the manner set forth in Section 1.1 above, the Company shall deliver to Holder a certificate representing the Shares issued to Holder upon such exercise and, if this Warrant has not been fully exercised and has not expired, a new warrant of like tenor representing the Shares not so acquired.

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

1.5 Restrictions on Exercise; Compliance with Securities Laws. Notwithstanding anything to the contrary herein, this Warrant may only be exercised if (a) such exercise complies with applicable securities laws and (b) at the time of such exercise, Holder is an "accredited investor" within the meaning of Regulation D promulgated under the Act. Holder agrees to take such actions and execute such documents as reasonable requested by the Company to evidence the foregoing.

SECTION 2. ADJUSTMENTS TO THE SHARES AND EXERCISE PRICE.

2.1 Stock Splits or Combinations. If the Company subdivides the outstanding shares of Series B Preferred Stock by reclassification or otherwise into a greater number of shares, the number of Shares purchasable hereunder (the "**Warrant Shares**") shall be proportionately increased and the Exercise Price shall be proportionately decreased. If the outstanding shares of Series B Preferred Stock are combined or consolidated, by reclassification or otherwise, into a lesser number of shares, the Exercise Price shall be proportionately increased and the number of Shares shall be proportionately decreased.

2.2 Reclassification, Exchange, Conversion or Substitution. Upon any event whereby all of the outstanding shares of Series B Preferred Stock are reclassified, exchanged, converted (including, without limitation, a conversion of such shares into the Company's Common Stock ("**Common Stock**")), substituted, or replaced for, into, with or by Company securities of a different class and/or series, then from and after the consummation of such event, (i) this Warrant will be exercisable for the number, class and series of Company securities that Holder would have received had the Shares been outstanding on and as of the consummation of such event and (ii) if such event results in a change in the number of Company securities for which this Warrant is then exercisable into, the Exercise Price shall be proportionately adjusted, in each case subject to further adjustment thereafter from time to time in accordance with the provisions of this Warrant. The provisions of this Section 2.2 shall similarly apply to successive reclassifications, exchanges, conversions, substitutions or other similar events.

2.3 Stock Dividend. If the Company shall, at any time or from time to time after the Issue Date, pay a dividend or make any other distribution upon the Series B Preferred Stock or any other capital stock of the Company payable in shares of Series B Preferred Stock, the Exercise Price in effect immediately prior to any such dividend or distribution shall be proportionately reduced and the number of Warrant Shares issuable upon exercise of this Warrant shall be proportionately increased. Any adjustment under this Section 2.3 shall become effective at the close of business on the date the dividend becomes effective.

2.4 Certain Events. If any event of the type contemplated by the provisions of this Section 2 but not expressly provided for by such provisions occurs, then the Board shall make an appropriate adjustment in the Exercise Price and the number of Warrant Shares issuable upon exercise of this Warrant so as to protect the rights of the Holder in a manner consistent with the provisions of this Section 2; provided, that no such adjustment pursuant to this Section 2.4 shall increase the Exercise Price or decrease the number of Warrant Shares issuable as otherwise determined pursuant to this Section 2.

2.5 No Fractional Share. No fractional Share shall be issuable upon exercise of this Warrant and the number of Shares to be issued shall be rounded down to the nearest whole Share.

2.6 Notice/Certificate as to Adjustments. Upon each adjustment of the Exercise Price, Series B Preferred Stock and/or number of Shares, the Company shall notify Holder in writing within a reasonable time setting forth the adjustments to the Exercise Price, Series B Preferred Stock and/or number of Shares and facts upon which such adjustment is based.

SECTION 3. INVESTMENT REPRESENTATIONS.

Holder hereby represents and warrants to the Company:

3.1 Purchase for Own Account. Holder is acquiring this Warrant and all equity securities issuable, directly or indirectly, upon exercise of the Warrants (collectively, the "**Securities**") for Holder's own account not as a nominee or agent, and not with a view to the resale or distribution of any part thereof, and that Holder has no present intention of selling, granting any participation in, or otherwise distributing the same. The acquisition by Holder of any of the Securities shall constitute confirmation of the representation by Holder that Holder does not have any contract, undertaking, agreement or arrangement with any person to sell, transfer or grant participations to such person or to any third person, with respect to any of the Securities.

3.2 Disclosure of Information. Holder further represents that it has had an opportunity to ask questions and receive answers from the Company regarding the terms and conditions of the offering of the Securities and the business, properties, prospects and financial condition of the Company. With respect to any projections of its future operations provided to Holder by the Company, Holder acknowledges that the Company makes no representations or warranties.

3.3 Investment Experience. Holder is an investor in securities of companies in the development stage and acknowledges that it is able to fend for itself, can bear the economic risk of its investment, and has such knowledge and experience in financial or business matters that it is capable of evaluating the merits and risks of the investment in the Securities. Holder acknowledges that any investment in the Securities involves a high degree of risk, and represents that it is able, without materially impairing its financial condition, to hold the Securities for an indefinite period of time and to suffer a complete loss of its investment.

3.4 Accredited Investor. Holder is an "accredited investor" within the meaning of SEC Rule 501 of Regulation D, as presently in effect and, for the purpose of Section 25102(f) of the California Corporations Code, Holder is excluded from the count of "purchasers" pursuant to Rule 260.102.13 thereunder.

3.5 Restricted Securities. Holder understands that the Securities are characterized as "restricted securities" under the federal securities laws inasmuch as they are being acquired from the Company in a transaction not involving a public offering and that under such laws and applicable regulations such securities may be resold without registration under the

Securities Act of 1933, as amended (the "**Securities Act**") only in certain limited circumstances. In this connection, Holder represents that it is familiar with SEC Rule 144, as presently in effect, and understands the resale limitations imposed thereby and by the Securities Act. HOLDER UNDERSTANDS AND ACKNOWLEDGES HEREIN THAT AN INVESTMENT IN THE COMPANY'S SECURITIES INVOLVES AN EXTREMELY HIGH DEGREE OF RISK AND MAY RESULT IN A COMPLETE LOSS OF HIS, HER OR ITS INVESTMENT. Holder understands that the Securities have not been and will not be registered under the Securities Act and have not been and will not be registered or qualified in any state in which they are offered, and thus Holder will not be able to resell or otherwise transfer his, her or its Securities unless they are registered under the Securities Act and registered or qualified under applicable state securities laws, or an exemption from such registration or qualification is available. Holder has no immediate need for liquidity in connection with this investment, does not anticipate that the Investor will be required to sell his, her or its Securities in the foreseeable future.

3.6 Reliance by Company. Holder understands that the representations, warranties, covenants and acknowledgements set forth in this Section 3 constitute a material inducement to the Company entering into this Warrant.

3.7 Foreign Investors. If Holder is not a United States person (as defined by Section 7701(a)(30) of the Internal Revenue Code), Holder hereby represents that it has satisfied itself as to the full observance of the laws of its jurisdiction in connection with any invitation to subscribe for the Securities or any use of this Warrant, including (i) the legal requirements within its jurisdiction for the purchase of the Securities, (ii) any foreign exchange restrictions applicable to such purchase, (iii) any governmental or other consents that may need to be obtained, and (iv) the income tax and other tax consequences, if any, that may be relevant to the purchase, holding, redemption, sale, or transfer of the Securities. Holder's subscription and payment for and continued beneficial ownership of the Securities will not violate any applicable securities or other laws of Holder's jurisdiction.

3.8 Residence. If Holder is an individual, then Holder resides in the state or province identified in the address of Holder set forth on the signature pages hereto; if Holder is a partnership, corporation, limited liability company or other entity, then the office or offices of Holder in which its principal place of business is identified in the address or addresses of Holder set forth on the signature pages hereto.

3.9 No "Bad Actor" Disqualification Events. Neither (i) Holder, (ii) any of its directors, executive officers, other officers that may serve as a director or officer of any company in which it invests, general partners or managing members, nor (iii) any beneficial owner of the Company's voting equity securities (in accordance with Rule 506(d) of the Securities Act) held by Holder is subject to any of the "bad actor" disqualifications described in Rule 506(d)(1)(i) through (viii) under the Securities Act.

SECTION 4. MISCELLANEOUS.

4.1 "Market Stand-Off" Agreement. Holder hereby agrees that it will not, directly or indirectly, without the prior written consent of the Company and the managing underwriter, during the period commencing on the date of the final prospectus relating to the initial public offering by the Company and ending on the date specified by the Company and the

managing underwriter (such period not to exceed one hundred eighty (180) days) (i) lend, offer, pledge, sell, contract to sell, sell any option or contract to purchase, purchase any option or contract to sell, grant any option, right or warrant to purchase, or otherwise transfer or dispose of, directly or indirectly, any shares of Common Stock or any securities convertible into or exercisable or exchangeable 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 the Common Stock, whether any such transaction described in clause (i) or (ii) above is to be settled by delivery of Common Stock or such other securities, in cash or otherwise, subject to customary exceptions, including for transfers to affiliates, in connection with the "net" or "cashless" exercise or settlement of any outstanding warrants, in connection with the conversion of the outstanding Preferred Stock of the Company into shares of Common Stock or with respect to any share of Common Stock acquired in such initial public offering; provided, however, that such period may be extended to such longer period as the Company or the managing underwriter may request in order to facilitate compliance with, to the extent applicable, Financial Industry Regulatory Authority, Inc. Rule 2711 or NYSE Member Rule 472 or any successor or similar rule or regulation. The foregoing provisions of this Section 4.1 shall not apply to the sale of any shares to an underwriter pursuant to an underwriting agreement, and shall only be applicable to Holder if all officers and directors and holders of greater than one percent (1%) of the outstanding Common Stock (after giving effect to conversion into Common Stock of all outstanding Preferred Stock) enter into similar agreements. 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 holders subject to such agreements, based on the number of shares subject to such agreements. The underwriters in connection with the initial public offering by the Company are intended third party beneficiaries of this Section 4.1 and shall have the right, power and authority to enforce the provisions hereof as though they were a party hereto; further, Holder hereby agrees to enter into written agreement with such underwriters containing terms substantially equivalent to the terms of this Section 4.1, and Holder hereby agrees that such underwriters shall be entitled to require Holder to enter into such a written agreement. Notwithstanding the foregoing, nothing in this Section 4.1 shall prevent Holder from making a transfer of any Common Stock that was acquired by such Holder in the initial public offering by the Company. In order to enforce the foregoing covenant, the Company may impose stop-transfer instructions with respect to all securities of Holder (and the shares or securities of every other person subject to the foregoing restriction) until the end of such period.

4.2 Governing Law. This Note is to be construed in accordance with and governed by the internal laws of the State of Delaware without giving effect to any choice of law rule that would cause the application of the laws of any jurisdiction other than the internal laws of the State of Delaware to the rights and duties of the parties.

4.3 Dispute Resolution. The parties hereby irrevocably and unconditionally (a) submit to the jurisdiction of the federal and state courts located within the geographical boundaries 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 Warrant, (b) agree not to commence any suit, action or other proceeding arising out of or based upon this Warrant except in the federal and state courts located within the geographical boundaries of 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 Warrant or the subject matter hereof may not be enforced in or by such court.

4.4 Waiver of Right to Jury Trial. EACH OF HOLDER AND THE COMPANY, TO THE FULLEST EXTENT PERMITTED BY APPLICABLE LAW, HEREBY IRREVOCABLY WAIVES ALL RIGHT TO TRIAL BY JURY AS TO ANY ISSUE RELATING HERETO IN ANY ACTION, PROCEEDING OR COUNTERCLAIM ARISING OUT OF OR RELATING TO THIS NOTE.

4.5 Counterparts. This Warrant may be executed in several 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., DocuSign) 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

4.6 Titles and Subtitles. The titles and subtitles used in this Warrant are used for convenience only and are not to be considered in construing or interpreting this Warrant.

4.7 Notices.

(a) Except as may be otherwise provided herein, all notices, requests, waivers and other communications made pursuant to this Warrant shall be in writing and shall be conclusively deemed to have been duly given (i) when hand delivered to the other party; (ii) when sent by facsimile to the number set forth below if sent between 8:00 a.m. and 5:00 p.m. recipient's local time on a business day, or on the next business day if sent by facsimile to the number set forth below if sent other than between 8:00 a.m. and 5:00 p.m. recipient's local time on a business day, or when sent by electronic mail to the address set forth below if sent between 8:00 am and 5:00 pm recipient's local time on a business day, or on the next business day if sent by electronic mail other than between 8:00 am and 5:00 pm recipient's local time; (iii) three business days after deposit in the U.S. mail with first class or certified mail receipt requested postage prepaid and addressed to the other party at the address set forth below; or (iv) the next business day after deposit with a national overnight delivery service, postage prepaid, addressed to the parties as set forth below with next business day delivery guaranteed, provided that the sending party receives a confirmation of delivery from the delivery service provider. Each person making a communication hereunder by facsimile or electronic mail shall promptly attempt to confirm by telephone to the person to whom such communication was addressed each communication made by it by facsimile or electronic mail pursuant hereto but the absence of such confirmation shall not affect the validity of any such communication. A party may change or supplement the addresses given above, or designate additional addresses, for purposes of this Section 4.7 by giving the other party written notice of the new address in the manner set forth above.

(b) The Company agrees to provide no less than fifteen (15) calendar days advance written notice to Holder of any Liquidation to enable Holder to elect to exercise this Warrant as provided herein.

4.8 Transfer. This Warrant and the Shares issuable upon exercise of this Warrant (and the securities issuable, directly or indirectly, upon conversion of the Shares, if any) may not be transferred or assigned in whole or in part except (i) with the prior written consent of the Company; provided, that such consent shall not be required in connection with (a) a transfer to any affiliate of Holder, (b) a transfer to RMG or its affiliates or (c) subject to compliance with Section 4.1, a transfer of the Shares (or the securities issuable, directly or indirectly, upon conversion of the Shares, if any) following an initial public offering by the Company and (ii) in each case in compliance with applicable securities laws by the transferor and the transferee (including, without limitation, the delivery of investment representation letters and legal opinions reasonably satisfactory to the Company, as reasonably requested by the Company). Any subsequent transferee shall agree in writing with the Company to be bound by all of the terms and conditions of this Warrant and make to the Company each of the representations and warranties set forth in Section 3 of this Warrant as of the date of such transfer.

4.9 Holder's Obligation to Execute Investors' Rights Agreement, Right of First Refusal and Co-Sale Agreement and Voting Agreement. Upon exercise of this Warrant and as a condition thereof, at the request of the Company, Holder, to the extent not already a party thereto, agrees to take such actions as requested by the Company to become a party to each of (i) that certain Amended and Restated Investors' Rights Agreement, dated on or about the date hereof, by and among the Company and certain other parties thereto, (ii) that certain Amended and Restated Right of First Refusal and Co-Sale Agreement, dated on or about the date hereof, by and among the Company and certain other parties thereto and (iii) that certain Amended and Restated Voting Agreement, dated on or about the date hereof, by and among the Company and certain other parties thereto, in each case as the same may be amended, modified or restated from time to time.

4.10 Legends. The Securities shall have such legends as deemed required by the Company for applicable securities laws, the Company's organizational documents, and any other agreement the Securities are subject to.

4.11 No Stockholder Rights. Holder, as a Holder of this Warrant, will not have any rights as a stockholder of the Company until the exercise of this Warrant.

4.12 Modification and Waiver. Any term of this Warrant may be amended and the observance of any term of this Warrant may be waived (either generally or in a particular instance and either retroactively or prospectively), only with the written consent of the Company and Holder.

[*Balance of Page Intentionally Left Blank*]

IN WITNESS WHEREOF, the parties have caused this Warrant to Purchase Stock to be executed by their duly authorized representatives effective as of the Issue Date written above.

COMPANY:

ADICET BIO, INC.

By: _____
Name:
Title:

Address: 200 Constitution Drive
Menlo Park, CA 94025
Attention: Anil Singhal

Facsimile: _____
Email: asinghal@adicetbio.com

HOLDER:

BEECH HILL SECURITIES, INC.

By: _____
Name: _____
Title: _____

Address: _____
_____
_____

Email: _____

APPENDIX 1

NOTICE OF EXERCISE

1. The undersigned Holder hereby exercises its right to purchase shares of the Series B Preferred Stock of Adicet Bio, Inc., a Delaware corporation (the "**Company**") in accordance with the attached Warrant to Purchase Stock (the "**Warrant**"), and tenders payment of the Aggregate Exercise Price (as defined in the Warrant) for such shares as follows:

[ ] check in the amount of $ payable to order of the Company enclosed herewith.

[ ] Wire transfer of immediately available funds to the Company's account.

2. By its execution below and for the benefit of the Company, Holder hereby restates each of the representations and warranties in Section 3 of the Warrant as of the date hereof and agrees, as a condition to this exercise to take the actions required by Section 4.9 of the Warrant.

HOLDER:

_____

By: _____
Name: _____
Title: _____

Address: _____
_____

Date: _____

APPENDIX II

NOTICE OF NET ISSUE ELECTION NOTICE

(To be signed only on net issue exercise of the Warrant)

1. The undersigned, the holder of the within Warrant (as defined below), hereby irrevocably elects to exercise this Warrant with respect to shares of Series B Preferred Stock of Adicet Bio, Inc., a Delaware corporation (the "**Company**"), in accordance with the attached Warrant to Purchase Stock (the "**Warrant**"), and tenders payment of the Aggregate Exercise Price pursuant to the net issue election provisions set forth in Section 1.1(b) of the Warrant and requests that the certificates for the number of shares of Series B Preferred Stock issuable pursuant to said Section 1.1(b) after application of the net issue election formula to such shares of Series B Preferred Stock be issued in the name of, and delivered to, , federal taxpayer identification number , whose address is .

2. By its execution below and for the benefit of the Company, Holder hereby restates each of the representations and warranties in Section 3 of the Warrant as of the date hereof and agrees, as a condition to this exercise to take the actions required by Section 4.9 of the Warrant.

HOLDER:

_____

By: _____
Name: _____
Title: _____

Address: _____
_____

Date: _____

CERTAIN CONFIDENTIAL PORTIONS OF THIS EXHIBIT HAVE BEEN OMITTED AND REPLACED WITH "[***]". SUCH IDENTIFIED INFORMATION HAS BEEN EXCLUDED FROM THIS EXHIBIT BECAUSE IT IS (I) NOT MATERIAL AND (II) WOULD LIKELY CAUSE COMPETITIVE HARM TO THE COMPANY IF DISCLOSED.

AMENDED AND RESTATED LICENSE AGREEMENT

This Amended and Restated License Agreement (collectively with exhibits and appendices hereto, the **"Agreement")** is entered into on May _, 2014 (the **"Execution Date"),** by and between the Technion Research and Development Foundation Ltd. having a place of business at Senate house, Technion City, Haifa Israel, **("Licensor"),** acting on behalf of itself and the Technion-Israel Institute of Technology, and Applied Immune Technology Ltd, a company organized under the laws of the State of Israel and having a place of business at Gutwirth Industrial Park, Technion City, Haifa 32000 Israel **("Company").**

WHEREAS, Licensor is the wholly-owned subsidiary of Technion - Israel Institute of Technology (the **"Technion")** and serves as its technology licensing arm; and

WHEREAS, the parties hereto signed a License Agreement dated as of March 7, 2010 (collectively with the Letter of License attached as Exhibit B thereto, the **"Prior Agreement")** and desire to amend and restate the Prior Agreement as set forth herein; and

WHEREAS, Licensor has rights in certain Inventions (defined below), including but not limited to those disclosed in the patent(s)/patent application(s) listed in **Exhibit A** attached hereto.

WHEREAS, Licensor consents to the part-time employment of [***] by the Company in which capacity [***] may engage in research, development and other activities relating to TCRL (defined below) or other matters.

NOW, THEREFORE, the parties hereto, intending to be legally bound, hereby agree as follows:

1. Effectiveness; Termination of Prior Agreement. This Agreement replaces the Prior Agreement in its entirety, effective as of March 1, 2005. The Prior Agreement is hereby terminated and shall be of no further force or effect.

2. Definitions.

Whenever used in this Agreement with an initial capital letter, the terms defined in this Section 2, whether used in the singular or the plural, shall have the meanings specified below.

"Additional Ingredient" means any compound or substance which (i) is contained in a Combination Product and (ii) when administered to a patient has a therapeutic or prophylactic clinical effect independent of a Licensed Product, either directly or by acting synergistically with or otherwise enhancing the effect of other compounds or substances contained in such product.

"Affiliate" means, with respect to a party, any person, organization or entity controlling, controlled by or under common control with, such party. For purposes of this definition only, "control" of another person, organization or entity means the possession, directly or indirectly, of the power to direct or cause the direction of the activities, management

or policies of such person, organization or entity, whether through the ownership of voting securities, by contract or otherwise. Without limiting the foregoing, control shall be presumed to exist when a person, organization or entity (i) owns or directly controls fifty percent (50%) or more of the outstanding voting stock or other ownership interest of the other organization or entity, or (ii) possesses, directly or indirectly, the power to elect or appoint fifty percent (50%) or more of the members of the governing body of the organization or other entity.

"Antibody" or "Antibodies" shall mean a molecule or a gene encoding such a molecule comprising or containing one or more immunoglobulin variable domains or parts of such domains or any existing or future fragments, variants, modifications or derivatives thereof.

"Calendar Quarter" means the respective periods of three (3) consecutive calendar months ending on March 31, June 30, September 30 or December 31, for so long as this Agreement is in effect.

"Combination Product" means a product, substance or device which comprises a Licensed Product and at least one Additional Ingredient.

"Company Inventions" means inventions, developments or improvements owned by Company pursuant to Section 4.2 hereof.

"Commercially Reasonable Efforts", with respect to any entity, means those efforts and resources that are commercially reasonable for a company of the same size as such entity with respect to activities in the field of similar therapeutic biologics development.

"Consulting Agreement" means the Consulting Agreement between [***] and Company of even date herewith, as such agreement may be extended or renewed.

"First Commercial Sale" means the first sale of a Licensed Product by Company, a Subsidiary of Company or a Sublicensee to an unaffiliated third party, after Regulatory Approval has been achieved in the country in which such Licensed Product is sold. Sales for test marketing, sampling and promotional uses, clinical trial purposes or compassionate or similar use shall not be considered to constitute a First Commercial Sale.

"FDA" means the United States Food and Drug Administration.

"IND" means an Investigational New Drug application, as described in 21 C.F.R. Section 312.23, filed for purposes of obtaining FDA approval to conduct Phase I Clinical Trials in accordance with the requirements of the United States Food, Drug and Cosmetic Act of 1938, as amended, and the rules and regulations promulgated thereunder, including all supplements and amendments thereto applicable to the use of the Licensed Product, or approval of the EMA with respect to comparable activities.

"Inventions" means all, whether or not patentable, inventions, improvements, discoveries, developments, data, information or results, including laboratory notebooks created by or under the supervision of the Researcher or in his laboratory at the Technion (including, without limitation, by other research staff or students under Researchers supervision or in his laboratory) relating to TCRL, which existed as of March 1, 2005, excluding matter generally known or in the public domain.

"Joint Researcher Improvement" has the meaning set forth in Section 4.1(b).

"Joint Researcher Improvement Patent Rights" means any patent or patent application claiming a Joint Researcher Improvement.

"Licensed Know-how" means all inventions (whether or not patentable), improvements, discoveries, developments, data, information, results or know-how (including without limitation methods, instructions, techniques, practices, procedures, processes, formulas and other information) owned or controlled by Licensor, which relate to Inventions or Researcher Improvements. Licensed Know-how does not include Company Inventions (subject to the final three sentences of Section 4.2 below) Licensor's interest in Joint Researcher Improvements or matter commonly known or in the public domain.

"Licensed Patent Rights" shall mean, in each case to the extent owned or controlled by Licensor: (a) the patents and patent applications listed in **Exhibit A** attached hereto, patents or patent applications relating to Inventions or Researcher Improvements; (b) any patent or patent application that claims priority to and is a divisional, continuation, reissue, renewal, reexamination, substitution or extension of any patent application identified in (a); (c) any patents issuing on any patent application identified in (a) or (b), including any reissues, renewals, reexaminations, substitutions or extensions thereof; (d) any claim of a continuation-in-part application or patent that is entitled to the priority date of, and is directed specifically to subject matter specifically described in, at least one of the patents or patent applications identified in (a), (b) or (c); (e) any foreign counterpart (including PCTs) of any patent or patent application identified in (a), (b) or (c) or of the claims identified in (d); and (f) any supplementary protection certificates, pediatric exclusivity periods, any other patent term extensions and exclusivity periods and the like of any patents and patent applications identified in (a) through (f). The Licensed Patent Rights existing as of the Execution Date are set forth in **Exhibit A,** which shall automatically be deemed updated from time to time to include new Licensed Patent Rights unless Company has opted out of receiving a license to such Licensed Patent Rights under the process set forth in Section 4.l(a). Licensed Patent Rights does not include Joint Researcher Improvement Patent Rights.

"Licensed Product" means a TCRL based therapeutic, diagnostic or theranostic product that (i) comprises or incorporates Licensed Technology or Joint Researcher Improvements or (ii) which has been developed using Licensed Technology or Joint Researcher Improvements, or (iii) the making, using or selling of which falls within the scope of the Licensed Technology or Joint Researcher Improvements.

"Licensed Technology" means collectively the Licensed Patent Rights and/or the Licensed Know-how.

"M&A Transaction" means a transaction or series of transactions involving (i) a sale or transfer of all or substantially all of the assets of the Company or an Affiliate relevant to this Agreement (ii) a sale or transfer of all or substantially all of share capital, (iii) a merger or consolidation, (iv) dissolution or liquidation, or (v) the consummation of any transaction or series of related transactions having similar effect as any of the foregoing.

"Net Sales" means the gross amount actually received by Company and/or its Subsidiaries (the **"Invoicing Entity")** on sales of Licensed Products following First Commercial Sale, less the following: (a) credits, refunds, rebates or trade, quantity, or cash discounts to the extent actually allowed and taken; (b) amounts actually repaid or credited by reason of rejection, return or recall; (c) to the extent separately stated on purchase orders, invoices, or other documents of sale, any taxes or other governmental charges levied on the

production, sale, transportation, import, export, delivery, or use of a Licensed Product which is paid by or on behalf of the Invoicing Entity; and.(d) invoiced outbound transportation, packing and delivery charges, as well as prepaid freight (including shipping insurance) actually incurred by the Invoicing Entity, *provided* that:

(i) In any transfers of Licensed Products between the Invoicing Entity and a Subsidiary of the Invoicing Entity not for the purpose of resale by such Affiliate, Net Sales shall be equal to the fair market value of the Licensed Products so transferred, assuming an arm's length transaction made in the ordinary course of business;

(ii) In the event that the Invoicing Entity, or the Subsidiary of the Invoicing Entity, receives consideration in the form of goods for any Licensed Products or in the case of transactions for cash not at arm's length with a Subsidiary of the Invoicing Entity, Net Sales shall be calculated based on the fair market value of such consideration or transaction, assuming an arm's length transaction made in the ordinary course of business;

(iii) Sales of Licensed Products by an Invoicing Party to a Subsidiary of such Invoicing Entity, for resale by such Affiliate, shall not be deemed Net Sales and Net Sales shall be determined based on the total amount invoiced or billed by such Subsidiary on resale to an independent third party purchaser (subject to the deductions as set forth herein); and

(iv) in the event the Invoicing Entity or a Subsidiary of the Invoicing Entity receives Net Sales in the form of equity, either such portion of such equity due to Licensor as royalties shall be issued to Licensor to the extent permitted under applicable law (and where such shares are not publicly traded - where approved by the issuer), or alternatively Company shall hold such shares in trust on Licensor's behalf in accordance with a trust agreement to be entered into in good faith by the Company and Licensor which shall ensure the full ownership and rights of Licensor as a beneficial owner of such shares.

For clarity, amounts received as funding for the performance of research or development services, and license rights, cash or equity received under cross-licenses shall not be considered Net Sales.

"Patent Rights" means any and all (a) patents, (b) pending patent applications, including, without limitation, all provisional applications, continuations, continuations-in-part, divisions, reissues, renewals, and all patents granted thereon, and (c) all patents-of-addition, reissue patents, reexaminations and extensions or restorations by existing or future extension or restoration mechanisms, including, without limitation, supplementary protection certificates or the equivalent thereof.

"Regulatory Agency" means the FDA or equivalent agency or government body of another country.

"Regulatory Approval" means (i) approval by the FDA permitting commercial sale of a Licensed Product or (ii) any comparable approval permitting commercial sale of a Licensed Product granted by the applicable Regulatory Agency in any other country or jurisdiction, including, where applicable with respect to (i) and (ii) above, the receipt of pricing reimbursement approval.

"Researcher" means [***], or in the event that [***] is no longer leading his laboratory at the Technion such other personnel of the Technion conducting research with respect to the Licensed Technology.

"[***] **Collaboration Period"** means the period set forth in Section 3(a), as such period may be extended by the parties' mutual written agreement.

"Researcher Improvements" means, whether or not patentable, all novel inventions, improvements, discoveries, developments, data, information or results, including laboratory notebooks, created by or under the supervision of the Researcher at the Technion or in his laboratory at the Technion (including, without limitation, by other research staff or students in his laboratory or supervised by Researcher) that did or will arise or were or will be created, conceived or reduced to practice (i) subsequent to March I, 2005 that relate to TCRL or Licensed Technology (to the extent relating to Licensed Technology or TCRL), (including without limitation Antibodies, other binding scaffolds, animal models, cells, peptides, assays, protocols, anti-CD3, bi-specific, toxin combined with TCRL, effector functions or similar inventions), *provided that* with respect to matter created subsequent to the Execution Date, only matter created, conceived, or reduced to practice prior to the Royalty Cessation Date shall be considered Researcher Improvements, or (ii) in the course of providing services to the Company pursuant to research arrangements between Company and Technion. For clarity, 'Researcher Improvements' does not include Company Inventions (subject to the final three sentences of Section 4.2 below), Licensor's interest in Joint Researcher Improvements, or matter that is commonly known or in the public domain.

"Royalty Cessation Date" means the earlier to occur of (i) February 13, 2023 or (ii) the five (5) year anniversary of an M&A Transaction having an aggregate value of more than [***] (for clarity, contingent payments or other consideration due post-closing in connection with an M&A Transaction are included in the calculation of the value of the transaction effective as of the closing of the transaction).

"Royalty Term" shall have the meaning set forth in Section 7.l(b).

"Sublicense" means (a) a sublicense of rights in Licensed Technology under the License to a third party, other than distributors or third parties performing research, development or other services on behalf of Company or its Affiliates; or (b) any option or other right granted by the Company or its Subsidiaries to any third party to negotiate for or receive any of the rights described under clause (a).

"Sublicense Receipts" means any payments or other consideration that Company or a Subsidiary actually received in connection with a Sublicense, or the grant of an option to obtain a Sublicense in cash or as equity, including without limitation royalties, license fees, milestone payments, license maintenance fees, lumps sums, and equity; *provided* that in the event that Company or a Subsidiary of Company receives goods in connection with a Sublicense, Sublicense Receipts shall be calculated based on the fair market value of such consideration, and *provided further* that where the Company sublicenses Licensed Technology together with other technology, the Sublicense Receipts will include only the value attributed to the Licensed Technology as a percentage of the value of the totality of intellectual property rights licensed to such Sublicensee For clarity, 'Sublicense Receipts' excludes amounts received from Sublicensees as funding for the performance of research or development services, consideration from an M&A Transaction, or license rights, cash or equity received under cross-licenses and grants. For clarity, if Sublicense Receipts are received in the form of equity, such

portion of such equity due to Licensor as Sublicense payments shall be issued to Licensor to the extent permitted under applicable law (and where such shares are not publicly traded - where approved by the issuer), or alternatively Company shall hold such shares in trust on Licensor's behalf in accordance with a trust agreement to be entered into in good faith by the Company and Licensor which shall ensure the full ownership and rights of Licensor as a beneficial owner of such shares.

"Sublicensee" means a person or entity granted a Sublicense in accordance with Section 5.2, including any sublicensees of other Sublicensees.

"Subsidiary" of Company means any other entity (a) more than [***] of whose outstanding shares or other equity or voting interests or securities representing the right to vote for the election of directors or other managing authority of such other entity are owned or controlled, directly or indirectly, by such party, or (b) which does not have outstanding shares or securities with such right to vote, as may be the case in a partnership, joint venture or unincorporated association, but more than [***] of whose ownership interest representing the right to make the decisions for such other entity is, now or hereafter, owned or controlled, directly or indirectly, by the Company. Such other entity shall be deemed to be a Subsidiary only so long as such ownership or control exists.

"TCRL" means any biological or non-biological binding moiety ([***]) that recognizes and binds to those peptide-MHC [***] complexes [***].

"TCRL Compound" means a specific compound comprising a biological or non-biological binding moiety (including without limitation any Antibody, or other binding scaffold) that recognizes and binds to those peptide-MHC [***] complexes [***].

"Valid Claim" means: an issued and unexpired claim under the Licensed Patent Rights, that claims either (i) a composition of matter; or (ii) a method of treatment or medical use (hereby defined as **"Use")** in Inventions or Researcher Improvements, in each case only where such Inventions or Researcher Improvements have applicability to a broad class of TCRL Compounds that are directed to more than a single cellular target class or their Use (including, without limitation, an adjuvant, new scaffold for bi-specific or method of treatment by combination therapy), and in each case only for so long as such claim shall not have been held invalid in a final, non-appealable court judgment (or unappealed within the time allowed for appeal) or patent office decision, in the relevant jurisdiction and which claim is not admitted to be invalid or unenforceable through reissue, disclaimer or otherwise and which claim has not been withdrawn, cancelled, or disclaimed and has not been abandoned or lost. For avoidance of doubt, any peptides deriving from a cellular target, such as tyrosinase, are considered a single cellular target class. As used herein, "Valid Claim" specifically excludes claims to processes of manufacture, screening or research tools, protocols, and other claims not expressly set forth under subclauses (i) or (ii) above. For clarity, claims under Patent Rights referred to in Exhibit B and Joint Researcher Improvement Patent Rights referred to in Exhibit C are not Valid Claims.

3. Scope of Cooperation

(a) Licensor, Technion and [***] agree that, in addition to any services which [***] provides to Company as a Licensor employee pursuant to research agreements between Licensor and Company, during the period between the Execution Date and the five (5) year anniversary of the Execution Date (the **"**[***] **Collaboration Period"),** [***] will devote at

least one day per week (on an annualized basis) to consult and supervise with respect to research activities made by or on behalf of Company, and Licensor and Technion have irrevocably consented to such engagement. The terms of such engagement are set forth in the Consulting Agreement. The parties will discuss extensions to the [***] Collaboration Period in good faith. During the first eighteen (18) months of the [***] Collaboration Period, the Licensor and Technion will not approve the performance of services by [***] for third parties in the biotech or pharmaceutical industry without the consent of the Company, (provided however that [***] shall be permitted to engage in academic and non-commercial research outside the TCRL field and perform non-commercial services for academic or research institutions outside of the TCRL field during this period) and following such eighteen (18) months period and until the expiration of the [***] Collaboration Period, the Licensor and Technion will notify the Company regarding requests for approvals for performance of services by [***].

(b) During the latter of the term of this Agreement or the period during which sublicense payments are made hereunder, with respect to research and development activities in the field of TCRL (other than Academic Research expressly permitted under Section 5.l(b)) and discovery, development and commercialization of products based on TCRL, (i) in his capacity as a Technion employee, [***] will work exclusively with Company and will not provide services to or collaborate with any other person or entity; and (ii) with respect to matters relating to technology developed by [***] or developed in [***]'s laboratory at the Technion during his tenure at his laboratory (and without prejudice to Company's exclusive rights under this Agreement), in the event that [***] is no longer leading his laboratory at the Technion, such other personnel of the Technion conducting research with respect to the Licensed Technology will work exclusively with Company and will not provide services to or collaborate with any other person or entity. Licensor shall not commercialize Researcher Improvements other than as contemplated herein.

4. Title.

4.1 Licensor Inventions.

(a) Researcher Improvements. The entire right, title and interest in Researcher Improvements are owned solely and exclusively by Licensor, and such Researcher Improvements shall be automatically licensed to Company on the terms hereof applicable to Licensed Technology. Patent Rights and know-how in such Researcher Improvements are included within the definitions of Licensed Patent Rights and Licensed Know-How respectively. Company shall have the right [***] of receipt of all information and materials required to be provided by Licensor under subclause (d) below with respect to a Researcher Improvement to provide Licensor with written notice that Company does not wish to receive a license to such Researcher Improvement, and in such event such Researcher Improvement shall cease to be licensed to Company as of the date of such notice and the terms of this Agreement shall be construed to reflect such exclusion.

(b) Compound- Specific Inventions ("Joint Researcher Improvements"). Subject to Licensor's interest in Licensed Technology (other than pursuant to Section 4.l(a)) and Company's rights in Company Inventions, all right, title and interest in matter that would otherwise qualify as Researcher Improvements and that are specific TCRL Compounds (including, without limitation, all TCRL compounds directed to a peptide that is deriving from the same cellular target class (for example, tyrosinase but excluding Company Inventions solely owned by Company pursuant to Exhibit B)), developed and/or conceived or reduced to practice at the Researcher's lab in the Technion either (i) during the [***]

Collaboration Period provided that during such period Company funds research in Researcher's laboratory at the Technion in an amount of at least [***] (or a prorated amount where services are performed for less than a full annual period), or (ii) in the course of providing services to the Company pursuant to research arrangements between Technion and Company (collectively, **"Joint Researcher Improvements"),** shall be owned jointly by Licensor and Company, and a [***] interest in the totality of each such invention, improvement or other matter is hereby assigned to Company without additional consideration as and when created. A list of Joint Researcher Inventions which have been created as of the Execution Date is attached as Exhibit C hereto. For clarity, as used in the prior sentence 'directed to a peptide' means binding to complex [***] with a cellular peptide. For clarity, Joint Researcher Improvements will be jointly owned even where Company personnel did not contribute to the creation of such Joint Researcher Improvements. Such joint ownership shall not create any obligation between the parties with respect to such Joint Researcher Improvement except to the extent specifically set forth herein. For clarity, matter that is commonly known or in the public domain is not a Joint Researcher Improvement. Company may assign its interest in Joint Researcher Improvements to third parties. Licensor and Technion and their employees and agents (including, without limitation, Researcher) will at the request and expense of the Company reasonably assist Company to transfer to Company its interest in each Joint Researcher Improvement and to obtain and enforce Patent Rights or other proprietary rights relating to any Joint Researcher Improvements in any and all countries, and to that end will execute, verify and deliver such documents and perform such other act as Company may reasonably request for use in applying for, obtaining, perfecting, evidencing, sustaining and enforcing such Joint Researcher Improvement Patent Rights or other proprietary rights and the assignment thereof. In the event that Company is unable for any reason, after reasonable effort, to secure signatures on any document needed in connection with the actions specified in the preceding sentence, Licensor and Technion and their employees and agents (including, without limitation, Researcher) hereby irrevocably designate and appoint Company and its duly authorized officers and agents as their agent and attorney in fact, which appointment is coupled with an interest, to act for and on their behalf to execute, verify and file any such documents and to do all other lawfully permitted acts to further the purposes of the preceding paragraph with the same legal force and effect as if executed by them. Licensor will not transfer, assign, encumber, grant, sell, lease or otherwise dispose of its interest in Joint Researcher Improvements other than assignment of joint interest therein to Company and license of Licensor's rights therein to Company as set forth herein, except for licenses expressly permitted under Section 14.4.(b).

(c) Other Inventions. This Agreement does not grant Company any right, title and interest in any of Licensor's inventions or results that are not included within Licensed Technology or Joint Researcher Improvement provided that Licensor will not enforce any patents or other rights in respect of such inventions or results against Company, its Affiliates, Sublicensees or their direct or indirect collaborators, licensees or the successors or assigns of any of the foregoing and will include a comparable restrictions in all third party agreements pursuant to which TCRL-related technology may be licensed or sold. Except for the rights granted to Company in respect of Licensed Technology and Joint Researcher Improvement, nothing in this Agreement shall be construed to confer any ownership interest or license rights upon the Company by implication, estoppel or otherwise as to any technology, intellectual property rights, products or materials of Licensor or the Technion.

(d) Disclosure; Transfer of Materials. Licensor and Researcher shall ensure that Researcher shall provide Company with reasonably prompt and full written disclosure of Researcher Improvements and Joint Researcher Improvements as soon as is reasonably practical following discovery or creation thereof together with all reasonably related materials.

4.2 **Company Inventions.** All rights, title and interest in and to any and all improvements, developments or inventions that were or are made, arrived at or discovered by or on behalf of Company, its Affiliates or Sublicensees, including, without limitation, improvements to Licensed Technology or to Joint Researcher Improvements, (other than matter created by or under the supervision of Researcher at the Technion or in his laboratory at Technion and included within the definitions of Researcher Improvements licensed to the Company), are and shall be owned solely and exclusively by Company, including without limitation those relating to TCRL, Licensed Technology, Joint Researcher Improvements or arising from the license of the Licensed Technology hereunder. Without limitation of the foregoing, Licensor acknowledges and agrees that any inventions, results or other matter created by Researcher in the course of providing services to Company prior to or following the Execution Date (other than matter created by or under the supervision of Researcher at the Technion or in his laboratory at Technion and included within the definitions of Researcher Improvements or Joint Researcher Improvements) shall be the sole property of Company; without derogating from the other terms of this Agreement, with respect to inventions, results or other matter that is owned by the Company pursuant to this Agreement, Licensor, on behalf of itself, Technion and their Affiliates irrevocably waives any claims that inventions, results or other matter created by [***] in the context of performing services under the Consulting Agreement are owned by Licensor, Technion or its Affiliates. Researcher shall not utilize Technion facilities or personnel in connection with activities on behalf of Company unless a research arrangement between Technion and Company is in place. Researcher shall not utilize third party intellectual property or materials in connection with activities contemplated hereunder without Company's prior written consent. The parties acknowledge that notwithstanding anything to the contrary herein, the inventions set forth on Exhibit B (which represents a non-exhaustive list of certain inventions owned by the Company) are owned solely by Company and Licensor has no interest therein. Inventions owned by Company may be exploited, commercialized and transferred without any obligation to Licensor except as expressly set forth in this Agreement with respect to Joint Researcher Improvements. For clarity, where products which incorporate Company Inventions fall within the definition of Licensed Products, the provisions herein applicable to Licensed Products shall apply. For clarity, but without derogating from the previous sentence, it is acknowledged that Company will develop and commercialize products (including, without limitation, products that incorporate Company Inventions) which products not fall within the definition of Licensed Products. Notwithstanding anything to the contrary herein, Company shall have no payment or other obligations to Licensor or Technion with respect to products that are not Licensed Products.

5. License Grant.

5.1. License.

(a) Subject to the terms and conditions set forth in this Agreement, Licensor hereby grants to Company and its Subsidiaries:

(i) an exclusive, perpetual (subject to termination only in accordance with the terms and conditions in Section 14, below) worldwide, royalty-bearing license, assignable (subject to Section 15.9), with the right to sub-license (in accordance with Section 5.2 below) under Licensor's rights in the Licensed Technology to

make any and all uses of the Licensed Technology, including, without limitation, the right to use the Licensed Technology for research and development, to commercialize the Licensed Technology in any manner, to research, have researched, develop, have developed, manufacture, have manufactured, use, market, distribute, offer for sale, sell, have sold, export and import Licensed Products and/or provide services relating thereto, (the **"License").** Notwithstanding the foregoing, solely with respect to the patents and patent applications set forth below ("Licensor Reference 567 Patents"), the License shall be exclusive only with respect to use in connection with TCRL and Licensor reserves the right to license the Licensor Reference 567 Patents to third parties with respect to all other uses:

SINGLE CHAIN CLASS I MAJOR HISTOCOMPATIBILITY COMPLEXES

Our Ref Client Ref	Country	Earliest Priority	Entry Date	Filing Date Application No.	Issue Date Patent No.	Next Action	Status	Assignee Inventor
[***]	[***]	[***]	[***]	[***]	[***]	[***]	[***]	[***]
[***]	[***]	[***]	[***]	[***]	[***]	[***]	[***]	[***]

For purposes of this subsection, the term "exclusive" means that Licensor shall not itself nor shall it grant licenses or rights to any third party to engage in any of the foregoing except under Licensor's reserved academic research rights under paragraph (b) below. Licensor will not transfer, assign, encumber, grant, sell, lease or otherwise dispose of Licensed Technology other than as may be expressly permitted herein.

(ii) an exclusive, perpetual (subject to termination only in accordance with the terms and conditions in Section 14.4(b), below) worldwide, royalty-bearing, assignable, freely sublicensable license under Licensor's interest in Joint Researcher Improvements to make any and all uses of the Joint Researcher Improvements, including, without limitation, the right to use the Joint Researcher Improvements for research and development, to commercialize the Joint Researcher Improvements in any manner, to research, have researched, develop, have developed, manufacture, have manufactured, use, market, distribute, offer for sale, sell, have sold, export and import Licensed Products and/or provide services relating thereto. For purposes of this subsection, the term "exclusive" means that Licensor shall not itself nor shall it grant licenses or rights to any third party to engage in any of the foregoing except under Licensor's reserved academic research rights under paragraph (b) below. Licensor will not transfer, assign, encumber, grant, sell, lease or otherwise dispose of its interest in the Joint Researcher Improvements.

(b) Notwithstanding subsection (a) above, Technion shall have the right to make non-commercial, academic use of the Licensed Technology and Joint Researcher Improvements alone or with other academic institutions solely for educational and non-commercial research purposes, including to obtain funding from non-commercial third

parties **("Academic Research");** For the removal of doubt, Licensor shall not, and shall ensure that Technion shall not, obtain funding for Academic Research from any party or participate in Academic Research with other academic institutions on terms that (i) give such party any rights to the Licensed Technology or Joint Researcher Improvements that are inconsistent with the rights granted to Company hereunder, or (ii) limit in any manner the scope or terms of the license and rights granted to Company hereunder. This subsection (b) shall not be construed as Company's consent to academic collaborations between [***] and academic institutions other than Technion where [***] has undertaken under the Consulting Agreement not to engage in such inter-academic collaborations without Company's consent.

5.2. Sublicenses.

(a) Sublicense Grant. Company shall be entitled to grant Sublicenses or other rights to Affiliates or third parties under the License subject to the terms of this Section 5.2. During the Royalty Term for the applicable Licensed Technology, such Sublicenses shall be made only for consideration and in bona fide arm's length-equivalent transactions.

(b) Sublicense Agreements. Sublicenses shall only be granted pursuant to written agreements, which shall be in compliance and not inconsistent with and subject and subordinate to the terms and conditions of this Agreement. Each such sublicense agreement shall contain, among other things, provisions to the following effect: All provisions necessary to ensure Company's ability to perform its obligations under this Agreement, including its obligations under Sections 7 and 8 hereof. In the event of termination of the License (in whole or in part - e.g. termination in a particular country), any existing agreements that contain a Sublicense of, or other grant of right with respect to, Licensed Technology shall terminate to the extent of such Sublicense or other grant of right; *provided, however,* that, for each Sublicensee, upon termination of the Sublicense agreement with such Sublicensee, if the Sublicensee is not then in breach of such Sublicense agreement with Company or this Agreement such that Company would have the right to terminate such Sublicense or Licensor would have the right to terminate this Agreement under Section 14.3(b)(i) (Material Breach), Licensor shall be obligated, at the request of such Sublicensee, to enter into a new agreement with such Sublicensee on substantially the same terms as those contained in such Sublicense agreement, and *provided further* that such terms shall be amended, if necessary, to the extent required to ensure that such Sublicense agreement does not impose any obligations or liabilities on Licensor which are not included in this Agreement. The Sublicensee shall be entitled to further Sublicense its rights under such Sublicense agreement provided that any such Sublicense granted by a Sublicensee shall comply with the terms of this Section 5.2.

(c) Delivery of Sublicense Agreement. Company shall furnish Licensor with a fully executed copy of any such Sublicense agreement, promptly after (and in no event more than [***] following) its execution and shall ensure that any Sublicensee who further Sublicenses its rights (to the extent permitted hereunder) furnishes Company (and Company will provide Licensor) with a fully executed copy of any such Sublicense agreement, promptly after its execution; *provided, however,* that the Sublicense agreement may be redacted to the extent that it contains terms unrelated to the Licensed Technology or Company's payment obligations to Licensor hereunder. In addition, Company shall provide Licensor with copies of any amendments, as well as side letters that are pertinent to an accounting of Company's obligations under this Agreement and shall provide Licensor with written notice of any consideration received by Company for such Sublicense, including without limitation cash, stock or other form of payment and transfer to Licensor the required consideration in accordance with the terms hereof.

(d) Breach by Sublicensee. Company undertakes to take all actions reasonably necessary to enforce its material rights under its agreements with Sublicensees and shall use commercially reasonable efforts to ensure that Sublicensees which grant further Sublicenses take all actions reasonably necessary to enforce their rights under such further Sublicense agreements. Any act or omission by a Sublicensee, which would have constituted a breach of this Agreement had it been an act or omission by Company, shall constitute a breach of this Agreement by the Company; *provided, however,* that to the extent applicable, any such breach shall be subject to a cure period consistent with the terms of this Agreement.

6. Diligence. Company shall use Commercially Reasonable Efforts, and shall cause its Sublicensees to use their Commercially Reasonable Efforts to develop at least one Licensed Product. Subject to Section 15.10 (Force Majeure), if prior to development of the first Licensed Product the Company for a consecutive eighteen (18) month period fails to use Commercially Reasonable Efforts to discover or develop at least one Licensed Product, Licensor shall have the right at its sole discretion, to convert the License to a non-exclusive license, subject to existing third party rights granted by Company to third parties.

7. Consideration for Grant of License

In consideration for the rights and licenses granted to Company under this Agreement, Company shall pay to Licensor the following amounts:

7.1 Royalty Arrangements.

(a) Royalty Rate.

(i) During the Royalty Period (as defined below), in the event that Company itself or an Affiliate of Company will sell Licensed Products under the license, Company shall pay Licensor [***] of Company's or its Subsidiaries' Net Sales.

(ii) Notwithstanding subsection (i), where a Licensed Product is claimed by a Valid Claim and only until the expiration of the last Valid Claim claiming such Licensed Product, the royalty rate applicable to such Licensed Product during such period shall [***] of Company's or its Subsidiaries' Net Sales, and during such period such royalty shall not be reduced in the manner set forth under subclause (v) below (Time Based Reduction of Royalty Rate). Following issuance of a Valid Claim under a patent application, Company shall pay the difference between royalties paid under subclause (i) and this subclause (ii) for the period between filing of such claim and the date of issuance of the patent which includes such claim. For clarity, where a Licensed Product falling under subsection (i) is bundled with a Licensed Product falling under subsection (ii), the royalty under subsection (ii) shall be applied only to that portion of the Net Sales attributed to the Licensed Product falling under subsection (ii), calculated by reference to the average sale prices of such Licensed Products on a stand-alone basis in such country.

(iii) For clarity, at any point in time the royalty rate applicable to a Licensed Product shall be either as set forth in subsection (i) or subsection (ii) above, and in no event shall the applicable royalty rate exceed [***] of Company or its Subsidiaries' Net Sales.

(iv) **Reduction of Royalty Rate Following M&A.** Upon the consummation of an M&A Transaction (in a single or series of transactions,) having an

aggregate value of more than [***], the applicable royalty rates for purposes of subclauseses (i) and (ii) above shall be adjusted as follows:

(x) with respect to Licensed Products conceived and reduced to practice (as determined in accordance with United States patent laws) prior to the closing of the M&A Transaction referenced above, the royalty rates then in effect for purposes of subclauses (i) and (ii) above shall be [***].

(y) with respect to Licensed Products conceived and reduced to practice (as determined in accordance with United States patent laws) following the closing of the M&A Transaction referenced above, the royalty rates then in effect for purposes of subclauses (i) and (ii) above shall be [***].

For clarity, contingent payments or other consideration due post-closing in connection with an M&A Transaction are included in the calculation of the value of the transaction effective as of the closing of the transaction.

(v) **Time Based Reduction of Royalty Rate.** Commencing as of the later of (i) [***] of First Commercial Sale of the first Licensed Product or (ii) January 1, 2030 the royalty rate then in effect shall [***].

(vi) (vi) With the exception of reductions pursuant to Sections 7.1(d) (Generics), 7.3(a) (Third Party Payments) and 7.3(b) (Royalty Cessation), and adjustments for Combination Products, the royalty rate following reductions under subclauses (iv) or (v) above shall [***] of Company's or its Subsidiaries' Net Sales.

(b) Royalty Period. The royalty set forth in this Section 7 shall be payable, on a Licensed Product-by-Licensed Product and country-by-country basis, [***] from the date of the First Commercial Sale of such Licensed Product in such country, provided that only where a Licensed Product is covered by a Valid Claim in the country in which it is sold, the royalty term applicable to sales of such Licensed Product in such country shall be the longer of (i) [***] from the date of the First Commercial Sale of such Licensed Product in such country and (ii) expiration of the last to expire Valid Claim claiming such Licensed Product in such country. The applicable period set forth above shall be the "Royalty Term".

(c) Adjustment of Net Sales for Combination Products. For purposes of determining royalty payments on sales of Combination Products, "Net Sales" shall be adjusted by multiplying the actual Net Sales of such Combination Product during the applicable royalty reporting period, by the fraction A/(A+B) where: "A" is the average sale price of the Licensed Product contained in the Combination Product when sold separately by Company or its Subsidiary in such country; and "B" is the average sale price of the other Additional Ingredients included in the Combination Product when sold separately by its supplier in such country, in each case during the applicable royalty reporting period or if sales of both the Licensed Product and/or other Additional Ingredients did not occur in such country during such period, then in the most recent royalty reporting period in which sales of both occurred. In the event that such average sale price cannot be determined for both the Licensed Product and all other Additional Ingredients included in the Combination Product, Net Sales for the purpose of determining royalty payments shall be calculated by multiplying the Net Sales of the Combination Products by the fraction of C/(C+D) where "C" is the fair market value of the Licensed Product and "D" is the fair market value of all other Additional Ingredients included in the Combination Product. In such event, the parties shall negotiate in good faith to arrive at a determination of the

respective fair market values of the Licensed Product and all other Additional Ingredients included in the Combination Product. Notwithstanding the foregoing, no adjustment of Net Sales shall be made pursuant to this subsection where the Company obtained a license to such Additional Ingredient under a cross-license and where the sole consideration paid by Company for the license to use the Additional Ingredient was a sublicense of rights in Licensed Technology.

(d) Generics adjustment. Notwithstanding the foregoing, if at any time a Generic Product is commercialized and distributed in any particular country by a third party unaffiliated with the Company, its Subsidiaries or a Sublicensee holding license rights in such country, then no royalties shall be due hereunder with respect to Net Sales for such country. **"Generic Product"** shall mean on a country-by-country basis, a product (i) having the same composition of matter as the Licensed Product or (ii) which has a marketing approval as a generic product by the Regulatory Agency in such country and, with respect to both (i) and (ii), which could not have been sold or with respect to which a license would have been required to be obtained from Company, if patent or other exclusivity rights covering the Licensed Product would have been in full force and effect.

7.2. Sublicense Receipts. Company shall pay Licensor a share of Sublicense Receipts as follows:

(i) For sublicenses granted prior to IND filing for such Licensed Product: [***] of Sublicense Receipts; or

(ii) For sublicenses granted after IND filing for such Licensed Product [***] of Sublicense Receipts; or

(iv) For sublicenses granted after Regulatory Approval of the first Licensed [***] of Sublicense Receipts;

provided, however, that other than pursuant to subsection 7.3(a)(Third Party Payments) and (b)(Royalty Cessation), Sublicensing Receipts paid to Licensor for any period during the royalty term under sublicenses shall [***] of the applicable Sublicensee's net sales (as defined in the Sublicense agreement) for such period.

7.3 Adjustments. Sections 7.1 and 7.2 are subject to the following adjustments:

(a) Third-Party Payments. Amounts due to Licensor under this Agreement (including without limitation Section 7.1 (Royalty Arrangements) and 7.2 (Sublicense Receipts)) shall be reduced as follows:

(i) In the event that:

(1) Company or its Affiliates is required (pursuant to court or arbitration order, settlement or under the advice of patent counsel) to make payments to one or more third parties to obtain a license from such third party(ies) in order to legally practice the Licensed Technology or Joint Researcher Improvements in a particular country as a result of a claim that the Licensed Patent Rights or Joint Researcher Improvement Patent Rights infringe third parties intellectual property rights, or

(2) Company is required (pursuant to court or arbitration order, settlement or under the advice of patent counsel) to make payments to one or more third parties arising from or relating to a failure of a representation or warranty of Licensor under Section 12.1 hereunder at any time to be true and correct, or

(3) Company makes makes payments to the [***] mice in connection with Licensed Technology, Company Inventions or activities undertaken by or on behalf of Company pursuant to this Agreement.

Company may offset 100% of such third-party payments against payments that are due to Licensor under this Agreement. In the event a third party claims an ownership interest in Licensed Technology or Joint Researcher Improvements, or a third party makes an allegation which, if correct, would result in the failure of any representation or warranty under Section 12.1 hereunder at any time to be true and correct, and in the opinion of counsel Company may be required to make payments to such third party, then upon such allegation or claim and until such time as such claim or allegation is finally resolved Company shall have the right to deposit amounts due to Licensor hereunder into an escrow account pending resolution of such claim or allegation, such amounts to be used in the event payment is required to be made to such third party (provided that such right shall not apply to amounts which, in the opinion of counsel, exceed the potential liability to third parties).

(ii) In the event that other than pursuant to subsection (i) above Company or its Affiliates makes payments (including, without limitation, milestone payments, royalties or other license fees) to third parties in respect of intellectual property incorporated or used in connection with Licensed Products, Company shall have the right to deduct from amounts due to Licensor under this Agreement the following amounts:

(x) for licenses relating to a Licensed Product or its use (including, without limitation, [***] paid by Company to such third party, provided however that in no event shall the amounts due to Licensor during any Calendar Quarter be reduced under this subsection to [***] of Company's Net Sales for such Calendar Quarter.

(y) for all other licenses (including, without limitation, screening technologies or research tools), [***] of the amounts actually paid by Company to such third party; provided, however, that in no event shall the amounts due to Licensor from the Company be reduced under this subsection to less than the greater of (i) [***] of amounts due to Licensor prior to deductions under this subparagraph in any Calendar Quarter.

(iii) Any amount that Licensee is entitled to deduct that exceeds amounts currently due to Technion or is reduced by the limitation on the deduction may be carried forward (subject to the floor referred to under subsection (ii) above) and Company may deduct such amount from subsequent amounts due to Licensor until the full amount that Company was entitled to deduct is deducted.

(b) Royalty Cessation. On a country-by-country and Licensed Product-by-Licensed Product basis, where:

(i) a Licensed Product was conceived and reduced to practice (as determined in accordance with United States patent law) following the Royalty Cessation Date; and

(ii) as of the date on which payments under Section 7.1 (Royalty Arrangements) and Section 7.2 (Sublicense Receipts) are due pursuant to Section 8.1(b) (Payment) with respect to sales of such Licensed Product, such Licensed Product is not covered by a Valid Claim in the country in which it is sold;

then no payments shall be due to Licensor hereunder with respect to such Licensed Products (including, without limitation, under Section 7.1 (Royalty Arrangements) and Section 7.2 (Sublicense Receipts)) and Company shall have a fully paid-up, worldwide license (with the right to grant sublicenses) under the Licensed Technology and Joint Researcher Improvements to develop, have developed, manufacture, have manufactured, use, market, offer for sale, sell, have sold, import, export, otherwise transfer physical possession of or otherwise transfer title to such Licensed Products. In addition, on a product by product basis, where the first Regulatory Approval for such Licensed Product occurs subsequent to January 1, 2035, no further payments are due in respect of such Licensed Product(including, without limitation, under Section 7.1 (Royalty Arrangements) and Section 7.2 (Sublicense Receipts)) and Company shall have a fully paid-up, worldwide license (with the right to grant sublicenses) under the Licensed Technology and Joint Researcher Improvements to develop, have developed, manufacture, have manufactured, use, market, offer for sale, sell, have sold, import, export, otherwise transfer physical possession of or otherwise transfer title to such Licensed Products.

8. Reports; Payments; Records.

8.1. Reports and Payments.

(a) Quarterly Reports. Within [***] after the conclusion of each Calendar Quarter commencing with the first Calendar Quarter in which Company or an Subsidiary of Company first receives Net Sales or Sublicense Receipts, Company shall deliver to Licensor a report containing the following information (in each instance, with a Licensed Product-by-Licensed Product and country-by-country breakdown):

(i) the number of units of Licensed Products sold by Company and its Subsidiary for the applicable Calendar Quarter, in each country for the applicable Calendar Quarter;

(ii) the gross amount and other consideration received for the Licensed Product sold or leased or otherwise transferred by Company and its Subsidiaries in each country during the applicable Calendar Quarter;

(iii) a calculation of Net Sales for the applicable Calendar Quarter, in each country and for each selling entity including a listing of applicable deductions and a calculation of the amount payable to Licensor thereon;

(iv) the total amount payable to Licensor in U.S. dollars on Net Sales for the applicable Calendar Quarter, together with the exchange rates used for conversion; and

(v) a calculation of any Sublicense Receipts received during the applicable Calendar Quarter and the amount payable to Licensor with respect thereto.

If no amounts are due to Licensor for any Calendar Quarter, the report shall so state.

(b) Payment. Concurrent with the delivery of each report delivered pursuant to Section 8.1(a), Company shall remit to Licensor all amounts due with respect to Net Sales and Sublicense Receipts for the applicable Calendar Quarter.

8.2. Payments Currency. All payments due under this Agreement shall be payable in United States dollars or in the currency in which they were received, at the election of Company, *provided* that amounts that were received in euro, Israeli shekels, and pounds sterling shall be paid in the currency in which they were received. Conversion of foreign currency to U.S. dollars shall be made at the conversion rate existing in the United States (as reported in the Wall Street Journal) on the last working day of the applicable Calendar Quarter. Such payments will be without deduction of exchange charges.

8.3. Records. Company shall maintain, and shall cause its relevant Subsidiaries and Sublicensees to maintain, complete and accurate records of Licensed Products and Combination Products that are made, used, leased, marketed, sold or otherwise transferred under this Agreement, any amounts payable to Licensor in relation to such Licensed Products and all Sublicense Receipts received by Company and its Subsidiaries, which records shall include a country-by-country breakdown and contain sufficient information to permit Licensor to confirm the accuracy of any reports or notifications delivered to Licensor under Section 8.1(a). The relevant party shall retain such records relating to a given Calendar Quarter for at least [***] after the conclusion of that Calendar Quarter. During such three [***], Licensor shall have the right, at Licensor's expense, to cause an independent, certified public accountant who is bound by a suitable confidentiality arrangement with Company, to inspect Company's and the relevant Subsidiaries' records during normal business hours for the sole purpose of verifying any reports and payments delivered under this Agreement. Such accountant shall not disclose to Licensor or any third party any information gained during the course of such inspection, except that such accountant may disclose to Licensor and Company information gained during the course of such inspection relating to the accuracy of reports and payments delivered under this Agreement. The parties shall reconcile any underpayment or overpayment [***] after the accountant delivers the results of the audit. In the event that any audit performed under this subsection reveals an underpayment in excess of [***] in any calendar year, the audited party shall bear the full cost of such audit. Licensor may exercise their rights under this subsection only once every year per audited party and only with reasonable prior notice to the audited party. Company shall cause its relevant Subsidiaries and Sublicensees to fully comply with the terms of this subsection.

8.4. Certified Report. Company shall furnish Licensor, and shall cause its Subsidiaries who make, use, market or sell Licensed Products to furnish Licensor, within [***] after the end of each calendar year, commencing at the end of the calendar year of the First Commercial Sale of a Licensed Product, with that portion of the financial statements of such entity, certified by an independent certified public accountant, which relates directly to Net Revenues or Sublicense Receipts in respect to the previous calendar year.

8.5. Late Payments. Any payments to be paid under this Agreement that are not paid on or before the date such payments are due under this Agreement shall bear interest at an annual interest, compounded monthly, equal to [***] above the London Interbank Offer Rate

(LIBOR) as determined for each month on the last business day of that month, assessed from the day payment was initially due until the date of payment. Payment of such interest by the Company shall not limit, in any way, Licensor's right to exercise any other remedies Licensor may have as a consequence of the lateness of any payment.

8.6. Payment Method. Each payment due to Licensor under this Agreement shall be made by wire transfer of funds to Licensor's accounts in accordance with written instructions provided by Licensor and marked so as to refer to this Agreement.

8.7. Withholding and Similar Taxes. All amounts to be paid to Licensor pursuant to this Agreement shall be without deduction of exchange, collection, or other charges, provided that if provision is made in law or regulation for withholding, such tax shall be deducted by Company from the sums otherwise payable by it hereunder for payment to the proper taxing authority on behalf of Licensor and a receipt of payment of the tax secured and promptly delivered to Licensor. Each Party agrees to assist the other Party in claiming exemption from such deductions or withholdings under any double taxation or similar agreement or treaty from time to time in force.

9. Patent Filing, Prosecution and Maintenance.

9.1 Patent Rights. The Company shall, in consultation with Licensor, be responsible for and control the preparation, filing, prosecution, protection and maintenance of all patents and patent applications within the Licensed Technology and Joint Researcher Improvement Patent Rights at its own expense using an independent patent firm or firms as shall be mutually agreed upon by Licensor and the Company. Notwithstanding the foregoing, Licensor shall bear [***] of patent-related costs and expenses (including, without limitation, fees of patent counsel) relating to Licensor Reference [***] Patents. The Company shall (a) instruct such patent counsel to furnish Licensor with copies of all correspondence relating to such patent rights from the United States Patent and Trademark Office (USPTO) and any other patent office, as well as copies of all proposed responses to such correspondence in time for Licensor to review and comment on each such response; (b) give Licensor an opportunity to review the text of each patent application before filing; (c) consult with Licensor with respect thereto; (d) supply Licensor with a copy of the application as filed, together with notice of its filing date and serial number; and (e) keep Licensor advised of the status of actual and prospective patent filings. The Company shall give Licensor the opportunity to provide comments on and make requests of the Company concerning the preparation, filing, prosecution, protection and maintenance of patents and patent applications within the Licensed Technology and Joint Researcher Improvement Patent Rights, and shall consider such comments and requests in good faith.

9.2 Abandonment. Should Company decide that it does not wish to pay for the preparation, filing, prosecution, protection or maintenance of any patent application or patent within the Licensed Technology or Joint Researcher Improvement Patent Rights in any country (each, an **"Abandoned Patent Right"),** Company shall provide the Licensor with prompt written notice of such election but in any event at [***] prior to the applicable deadline for the filing of an application or responding to an office action in such country, specifying the country(ies) with respect to which it shall no longer pay for such Abandoned Patent Rights. Upon receipt of such notice by Licensor, Company shall be released from its obligations pursuant to Section 9.1 hereof with respect to such Abandoned Patent Right, *provided*, *however,* that the Company shall remain responsible for expenses incurred prior to the receipt by Licensor of such notice.

9.3 Effect of Abandonment. In the event of Company's abandonment of any patent application or patent as described in subsection 9.2 above, **("Abandoned Patent Rights"),** any license granted to Company hereunder with respect to such Abandoned Patent Rights shall automatically terminate and such Abandoned Patent Rights will no longer be deemed Licensed Technology or Joint Researcher Improvements for purposes of the License. Licensor shall then be free, without further notice or obligation to Company, to grant rights in and to such Abandoned Patent Right to third parties, subject to Company's other rights under this Agreement.

9.4. No Warranty. Nothing contained herein shall be deemed to be a warranty by any of the parties that they can or will be able to obtain patents on patent applications included in the Licensed Patent Rights or Joint Researcher Improvement Patent Rights, or that any of the Licensed Patent Rights or Joint Researcher Improvement Patent Rights will afford adequate or commercially worthwhile protection.

9.5. Company Patents. For clarity, Company shall have full and complete discretion in respect of patenting activities with respect to patenting activities in respect of inventions owned by the Company.

10. Confidential Information

10.1. Confidentiality.

(a) Licensor Confidential Information. Company agrees that, without the prior written consent of Licensor in each case, during and following the term of this Agreement it will keep confidential, and not disclose or use Licensor Confidential Information (as defined below) other than for the purposes of this Agreement. Company shall treat such Licensor Confidential Information with the same degree of confidentiality as it keeps its own confidential information, but in all events no less than a reasonable degree of confidentiality. Company may disclose the Licensor Confidential Information only (a) to employees and consultants of Company or of its Affiliates or Sublicensees who have a "need to know'' such information in order to enable Company to exercise its rights or fulfill its obligations under this Agreement and are legally bound by agreements which impose confidentiality and non-use obligations comparable to those set forth in this Agreement and (b) to actual and potential business partners, collaborators, investors, acquirers, contractors, service providers and consultants, provided, in each case, that such recipient of Confidential Information first enters into a legally binding agreement with Company which imposes confidentiality and non-use obligations with respect to Confidential Information comparable to those set forth in this Agreement. For purposes of this Agreement, "Licensor Confidential Information" means any scientific, technical, trade or business information relating to the subject matter of this Agreement designated as confidential or which otherwise should reasonably be construed under the circumstances as being confidential disclosed by or on behalf of Licensor, Technion or any of their employees, researchers or students to Company, whether in oral, written, graphic or machine-readable form, except to the extent such information: (i) was known to Company at the time it was disclosed, other than by previous disclosure by or on behalf of Licensor, Technion or any of their employees, researchers to students; (ii) is at the time of disclosure or later becomes publicly known under circumstances involving no breach of this Agreement; (iii) is lawfully and in good faith made available to Company by a third party who is not subject to obligations of confidentiality to Licensor, or Technion with respect to such information; or (iv) is independently developed by Company without the use of or reference to the Licensor Confidential Information.

(b) Company Confidential Information. Licensor agrees that, without the prior written consent of Company in each case, during and following the term of this Agreement it will keep confidential, and not disclose or use Company Confidential Information (as defined below) other than for the purposes of this Agreement. Licensor shall treat such Company Confidential Information with the same degree of confidentiality as it keeps its own confidential information, but in all events no less than a reasonable degree of confidentiality. Licensor may disclose the Company Confidential Information only to employees and consultants of Licensor or of its Affiliates who have a "need to know" such information in order to enable Licensor to exercise its rights or fulfill its obligations under this Agreement and are legally bound by agreements which impose confidentiality and non-use obligations comparable to those set forth in this Agreement. For purposes of this Agreement, **"Company Confidential Information"** means any scientific, technical, trade or business information relating to the subject matter of this Agreement designated as confidential or which otherwise should reasonably be construed under the circumstances as being confidential disclosed by or on behalf of Company, including without limitation pursuant to Section 8 of this Agreement, whether in oral, written, graphic or machine-readable form, except to the extent such information: (i) was known to Licensor at the time it was disclosed, other than by previous disclosure by or on behalf of Company specifically excluding information disclosed to Licensor by Researcher; (ii) is at the time of disclosure or later becomes publicly known under circumstances involving no breach of this Agreement; (iii) is lawfully and in good faith made available to Licensor by a third party who is not subject to obligations of confidentiality to Company with respect to such information; (iv) is independently developed by Licensor without the use of or reference to the Company Confidential Information; or (v) is required to be disclosed by Licensor pursuant to interrogatories, requests for information or documents, subpoena, civil investigative demand issued by a court or governmental agency of competent jurisdiction or as otherwise required by law (provided that, in such case, Licensor shall notify the Company promptly upon receipt thereof to give the Company the opportunity to seek a protective order or other similar order with respect to such information).

(c) Disclosure of Agreement. Each party may disclose the terms of this Agreement to the extent required, in the reasonable opinion of such party's legal counsel, to comply with applicable laws, as well as to sublicensees and prospective and current investors or acquirers, pursuant to appropriate non-disclosure arrangements. If a party discloses this Agreement or any of the terms hereof in accordance with this subsection, such party agrees, at its own expense, to seek confidential treatment of portions of this Agreement or such terms, as may be reasonably requested by the other party.

(d) Publicity. Except as expressly permitted under subsection (c) above, no party will make any public announcement regarding this Agreement without the prior written approval of the other party.

11. Patent Infringement.

11.1. Enforcement of Patent Rights.

(a) Notice. In the event either party becomes aware of any possible or actual infringement or unauthorized possession, knowledge or use of any Licensed Technology or Joint Researcher Improvements (collectively, an **"Infringement"),** such party shall promptly notify the other party and provide it with details regarding such Infringement.

(b) Suit by Company. Company shall have the right, but not the obligation, to take action in the prosecution, prevention, or termination of any Infringement. Where such litigation involves defending validity and/or enforceability of Licensor Patent Rights, Licensor may elect to appoint its own counsel (at its own expense) to liaise with Company's counsel with respect to such defense, and the Company shall not concede the validity or enforceability of Licensor's Patent Rights without the prior written consent of Licensor, which consent shall not be unreasonably withheld or delayed. The expenses of such suit or suits that Company elects to bring, including any expenses of Licensor incurred at Company's request in conjunction with the prosecution of such suits or the settlement thereof, shall be paid for entirely by Company and Company shall hold Licensor free, clear and harmless from and against any and all costs of such litigation, including attorney's fees. In the event Company exercises its right to sue pursuant to this subsection (b), it shall first reimburse itself out of any sums recovered in such suit or in settlement thereof for all costs and expenses of every kind and character, including attorney's fees, involved in the prosecution of any such suit. If, after such reimbursement, any funds shall remain from said recovery, then Licensor shall receive such percentage of such remaining amounts equal to the applicable adjusted Sublicense Receipts payments rate in effect with respect to the relevant Licensed Product at the time of recovery and the remaining percentage of such funds shall be retained by Company.

(c) Suit by Licensor. If Company does not take action in the prosecution, prevention, or termination of any Infringement pursuant to Section (b) above, and has not commenced negotiations with the infringer for the discontinuance of said Infringement, within [***] after receipt of notice to Company by Licensor of the existence of an Infringement, Licensor may elect to do so. The expenses of such suit or suits that Licensor elects to bring, including any expenses of Company incurred at Licensor request in conjunction with the prosecution of such suits or the settlement thereof, shall be paid for entirely by Licensor and Licensor shall hold Company free, clear and harmless from and against any and all costs of such litigation, including attorney's fees. In the event Licensor exercise its right to sue pursuant to this subsection, it shall first reimburse itself out of any sums recovered in such suit or in settlement thereof for all costs and expenses of every kind and character, including reasonable attorney's fees, necessarily involved in the prosecution of any such suit. If, after such reimbursement, any funds shall remain from said recovery, then Company shall receive such percentage of such remaining amounts equal to the applicable Sublicense Receipts payments rate in effect with respect to the relevant Licensed Product at the time of recovery and the remaining percentage of such funds shall be retained by Licensor.

(d) Own Counsel. Each party shall always have the right to be represented by counsel of its own selection and at its own expense in any suit instituted under this section by the other party for Infringement.

(e) Cooperation. Each party agrees to cooperate fully in any action under this section which is controlled by another party, provided that the controlling party reimburses the cooperating party promptly for any costs and expenses incurred by the cooperating party in connection with providing such assistance.

(f) Standing. If a party lacks standing and another party has standing to bring any such suit, action or proceeding, then such other party shall do so at the request of and at the expense of the requesting party. If a party determines that it is necessary or desirable for another party to join any such suit, action or proceeding, the other party shall execute all papers and perform such other acts as may be reasonably required in the circumstances.

11.2. Legal Action against a Party. Each Party will provide the others with prompt notice of any action, suit or proceeding brought against it, alleging the infringement of the intellectual property rights of a third party by reason of the discovery, development, manufacture, use, sale, importation, or offer for sale of or otherwise due to the use or practice of the Licensed Technology or Joint Researcher Improvements.

12. Warranties; Limitation of Liability.

12.1. Representations and Warranties. Licensor hereby represents and warrants to the Company that (i) it is the registered owner of the Licensed Patent Rights listed in **Exhibit A,** Licensor has the right to grant the licenses contemplated hereunder free and clear of any rights or claims of any third party, and Licensed Technology and Licensor's interest in Joint Researcher Improvements may be exploited in the manner permitted herein without any obligation or liability of the Company or its Affiliates; (ii) neither Licensor nor Technion has granted or will grant any rights in or to Licensed Technology, or Joint Researcher Improvement which are inconsistent with the rights granted to Company under this Agreement; (iii) the provisions of this Agreement, and the execution and delivery of this Agreement and performance by Licensor and Technion hereunder will not violate any provision of applicable law or conflict with, result in or constitute the material breach of any of the terms or conditions of, permit any party to accelerate any right under, renegotiate or terminate, require consent, approval or waiver by any party under any agreement or instrument to which Licensor or Technion are parties or by which they are or will be bound; (iv) no consent of any party or governmental entity is required with respect to the execution and delivery of this Agreement by Licensor or the consummation by Licensor or Technion of the transactions contemplated hereby; (v) with respect to prior agreements granting third parties rights in Licensed Technology ("Former License Agreement"), there are no surviving obligations under any of the Former License Agreements that would, in any manner, impact or affect rights granted to the Company pursuant to this Agreement, and there are no claims pending or threatened by third parties under any of the Farmer License Agreements that would in any manner impact or affect rights granted the Company hereunder and there is no reason to expect the same; (vi) no technology owned by any party other than Licensor will be provided or licensed to Company under this Agreement; (vii) the Licensor and Technion have not entered and will not enter into any agreement pursuant to which any party has ownership, license or other rights in or to Company Inventions and Licensor or Technion have not used third party materials in a manner that would vest third parties with right in or claims with respect to Company Inventions; and (viii) except as stated in Schedule of 12.1 attached hereto, it has no actual knowledge as of the date hereof of any legal suit or proceeding by a third party against Licensor or Technion contesting the ownership or validity of the Licensed Patent Rights, or claiming that the practice of the Licensed Patent Rights or Company Inventions in the manner contemplated by this Agreement would infringe the rights of such third party and will promptly notify Company of any future such suit, proceeding or claim of which it becomes aware.

12.2. Compliance with Law. Company warrants that it will comply with, and shall ensure that its Subsidiaries and Sublicensees comply with, all local, state, federal, and international laws and regulations relating to the development, manufacture, use, sale and importation of Licensed Products. Without limiting the foregoing, the Company represents and warrants that it will comply with all applicable export control laws and regulations.

12.3. No Warranty. Licensor makes no warranties whatsoever as to the commercial or scientific value of the Licensed Technology or Joint Researcher Improvements. Except as otherwise expressly set forth in this Agreement (including without limitation Section 12.1), Licensor makes no representation that the manufacture, use or sale of the Licensed Technology, Joint Researcher Improvements or any Licensed Product, or any element thereof, will not infringe the patent or proprietary rights of any third party. Except as otherwise expressly provided in Section 12.1, no party makes any warranty with respect to any technology, patents, goods, services, rights or other subject matter of this Agreement and hereby disclaims warranties of merchantability, fitness for a particular purpose and non-infringement with respect to any and all of the foregoing.

12.4. Limitation of Liability. Notwithstanding anything else in this Agreement or otherwise, neither Licensor nor Company nor any of their Affiliates will be liable to the other with respect to any subject matter of this Agreement under any contract, negligence, strict liability or other legal or equitable theory for (i) any indirect, incidental, consequential or punitive damages or lost profits of such entities (provided that the provisions of Section 7.3.(a)(i) shall apply with respect to any third parties' indirect, incidental, consequential or punitive damages or lost profits with respect to which Company is required to make payments) or (ii) cost of procurement of substitute goods, technology or services. Licensor's aggregate liability for all damages of any kind arising out of or relating to this Agreement or its subject matter shall not exceed the aggregate amounts paid to Licensor under this Agreement. Notwithstanding the foregoing, Company may set off amounts due from Licensor hereunder (including, without limitation, in connection with Licensor's breach of any term hereof or any representation or warranty herein) in excess of such limitation from amounts subsequently due by Company to Licensor, and any amount that Company is entitled to deduct that is reduced by the limitation may be carried forward and Company may deduct such amount from subsequent amounts due to Licensor until the full amount that Company was entitled to deduct is deducted.

13. Indemnification.

13.1 Indemnity. Company shall indemnify, defend, and hold harmless Licensor, Technion, the Researcher and their respective governors, directors, officers, employees, students and agents and their respective successors, heirs and assigns (the **"Licensor lndemnitees"),** from and against any liability, damage, loss, or expense (including reasonable attorneys fees and expenses of litigation) incurred by or imposed upon any of the Licensor Indemnitees in connection with any claims, suits, actions, demands or judgments **("Claims")** to the extent arising out of a third party claim that the development, use, manufacture, promotion, sale or other disposition of Licensed Technology or Licensed Products by the Company its Subsidiaries and Sublicensees, infringes upon such third party's intellectual property rights, except to the extent such Claim relates to or results from a breach of a representation or warranty by Licensor hereunder or from the negligence or willful misconduct of any Indemnified Party. The foregoing indemnification undertaking shall extend, without limitation, to product liability claims and damages, and to claims, demands, liabilities, losses, costs and expenses attributed to death, personal injury or property damage, or to penalties imposed on account of the violation of any law, regulations or governmental requirement, or any other theory of liability.

13.2. Procedures. If any Licensor Indemnitee receives notice of any Claim, such Licensor Indemnitee shall, as promptly as is reasonably possible, give Company notice of such Claim; *provided, however,* that failure to give such notice promptly shall only relieve Company

of any indemnification obligation it may have hereunder to the extent such failure diminishes the ability of Company to respond to or to defend the Licensor Indemnitee against such Claim. Licensor and Company shall consult and cooperate with each other regarding the response to and the defense of any such Claim and Company shall, upon its acknowledgment in writing of its obligation to indemnify the Licensor Indemnitee, be entitled to and shall assume the defense or represent the interests of the Licensor Indemnitee in respect of such Claim, that shall include the right to select and direct legal counsel and other consultants to appear in proceedings on behalf of the Licensor Indemnitee and to propose, accept or reject offers of settlement, all at its sole cost. Nothing herein shall prevent the Licensor Indemnitee from retaining its own counsel and participating in its own defense at its own cost and expense.

13.3. Insurance. Commencing upon the first clinical trial in humans, Company shall maintain insurance that is reasonably adequate to fulfill any potential obligation to the Licensor Indemnitees consistent with industry standards. Company shall provide Licensor, upon request, with written evidence of such insurance and include Licensor as a beneficiary under such insurance policy. The Company shall continue to maintain such insurance after the expiration or termination of this Agreement during any period in which the Company continues to make, use, or sell Licensed Products, and thereafter for a [***] and shall be relieved of the obligation to maintain such insurance where a Sublicensee maintains such reasonably adequate insurance.

14. Term and Termination.

14.1. Term. The term of this Agreement shall commence on the Execution Date and, unless earlier terminated as provided in this Section 14, shall continue in full force and effect on a Licensed Product-by-Licensed Product country-by-country basis until the expiration of the Royalty Term with respect to such Licensed Product in such country.

14.2. Effect of Expiration. Following the expiration of this Agreement pursuant to on a Licensed Product-by-Licensed Product and country-by-country basis (and provided the Agreement has not been earlier terminated pursuant to Section 14.3, in which case Section 14.4(a) shall apply), Company shall have a fully paid-up, exclusive worldwide license (with the right to grant sublicenses) under the Licensed Technology and Licensor's interest in Joint Researcher Improvements to develop, have developed, manufacture, have manufactured, use, market, offer for sale, sell, have sold, import, export, otherwise transfer physical possession of or otherwise transfer title to such Licensed Products.

14.3. Termination.

(a) Termination without Cause. Company may terminate this Agreement upon [***] prior written notice to Licensor.

(b) Termination for Default.

(i) Material Breach. In the event that Company commits a material breach of its obligations under this Agreement and fails to cure that breach [***] after receiving written notice thereof from Licensor, Licensor may terminate this Agreement immediately upon written notice to Company. In the event that Licensor commits a material breach of its obligations under this Agreement and fails to cure that breach [***] after receiving written notice thereof from Company, Company may terminate this Agreement immediately upon written notice to Licensor. Notwithstanding the foregoing, in the event that any breach is not susceptible of cure within the stated period and the breaching party uses diligent good faith efforts to cure such breach, the stated period will be extended (one time for each breach) by an additional [***].

(ii) Bankruptcy. Either Company or Licensor may terminate this Agreement upon notice to the other if the other party becomes insolvent, is adjudged bankrupt, applies for judicial or extra-judicial settlement with its creditors, makes an assignment for the benefit of its creditors, voluntarily files for bankruptcy or has a receiver or trustee (or the like) in bankruptcy appointed by reason of its insolvency, or in the event an involuntary bankruptcy action is filed against the other party and not dismissed [***], or if the other party becomes the subject of liquidation or dissolution proceedings or otherwise discontinues business. Notwithstanding the foregoing, in the event a receiver or trustee (or the like) is appointed or Company has entered into a settlement with its creditors and Company is otherwise meeting its obligations pursuant to this Agreement, Licensor shall not be entitled to terminate this Agreement as contemplated hereunder during such period. For purposes of the preceding sentence, Licensed Technology and each Joint Researcher Improvement shall be treated separately and Licensor shall not be entitled to terminate Company's exclusive rights in a Joint Researcher Improvement where Company is otherwise meeting its obligations pursuant to this Agreement with respect to such Joint Researcher Improvement.

14.4. Effect of Termination.

(a) Termination of Rights. Upon termination of this Agreement by Company or by Licensor under Section 14.3, (a) the rights and licenses granted to Company under the License shall terminate; (b) all rights in and to the Licensed Technology shall revert to Licensor and Company shall not be entitled to make any further use whatsoever of the Licensed Technology and (c) any existing agreements that contain a sublicense of the Licensed Technology shall terminate to the extent of such sublicense; *provided, however,* that, for each Sublicensee, upon termination of the sublicense agreement with such Sublicensee, Licensor shall be obligated, at the request of such Sublicensee (who is not then in breach of the Sublicense agreement such that the Company would have the right to terminate such Sublicense agreement), to enter into a new license agreement directly with such Sublicensee on substantially the same terms as those contained in such Sublicense agreement, *provided* that such terms shall be amended, if necessary, to the extent required to ensure that such sublicense agreement does not impose any obligations or liabilities on Licensor which are not included in this Agreement.

(b) Notwithstanding anything to the contrary set forth herein, for purposes of Section 14, (i) Company's activities in relation to each Joint Researcher Improvement shall be considered separately from Company's activities in relation to other Joint Researcher Improvements and Licensed Technology, (ii) a breach of Company's obligations with respect to Licensed Technology shall not give Licensor the right to terminate Company's exclusive rights in Joint Researcher Improvements, and (iii) only where Company commits a material breach of its obligations in respect of a Joint Researcher Improvement under this Agreement and fails to cure such breach within [***] after receiving written notice thereof from Licensor, Licensor may terminate the exclusive license granted under Section 5.l(a)(ii) to Company in Licensor's interest in such Joint Researcher Improvement. Following such termination Licensor and Company will each have the right to exploit such Joint Researcher Improvement with respect to which Company's exclusive rights have been terminated and related Joint Researcher Patent Rights without any obligation or accounting to the other, provided that where prior to the date of such termination Company has granted a license in such Joint Researcher Improvement (each such a license, a **"Joint Researcher Improvement Agreement"),** upon

termination of Company's exclusive rights in such Joint Researcher Improvement, if the other party to the Joint Researcher Improvement Agreement is not then in breach of such Joint Researcher Improvement Agreement such that Company would have the right to terminate such Joint Researcher Improvement Agreement, Licensor shall be obligated, at the request of such party, to enter into a new agreement with such party on substantially the same terms as those contained in such Joint Researcher Improvement Agreement, and *provided farther* that such terms shall be amended, if necessary, to the extent required to ensure that such Joint Researcher Improvement Agreement does not impose any obligations or liabilities on Licensor which are not included in this Agreement. Following termination of Company's exclusive rights in any Joint Researcher Improvement, the provisions of Section 9 shall remain in effect with respect to such Joint Researcher Improvement, provided that the parties shall share patenting costs and expenses. Where Licensor does not wish to pay its share of future patenting costs, the provisions of subsections 9.2 shall apply, *mutatis mutandis.*

(c) Accruing Obligations. Termination or expiration of this Agreement shall not relieve the parties of obligations accruing prior to such termination or expiration, including obligations to pay amounts accruing hereunder up to the date of termination or expiration.

(d) Survival. The parties' respective rights, obligations and duties under Sections 1, 2, 4, 7 (as set forth in subsections 7.3(d) and 14(c)), 10, 11, 12, 13, 14, 15, as well as any rights, obligations and duties which by their nature extend beyond the expiration or termination of this Agreement, and outstanding payment obligations shall survive any expiration or termination of this Agreement.

15. Miscellaneous.

15.1. Publications. Researcher agrees, and Licensor shall use its best efforts to ensure, that no publications in writing, in scientific journals or otherwise, or presentations or other public oral disclosures relating to the Licensed Technology or Joint Researcher Improvements are published or presented, as the case may be, by Researcher or by any researcher, employee or student of the Technion, without the prior written consent of Company, which consent shall not be unreasonably withheld or delayed. Licensor shall provide Company with a written copy of the material to be so submitted or presented, and shall allow Company to review such submission to determine whether the publication or presentation contains subject matter for which patent protection should be sought prior to publication or presentation and to identify trade secrets or know-how the disclosure of which could be detrimental to Company or its sublicensees. Company undertakes to reply in writing to any such request for consent by Licensor [***] of application. If no response is made within this period, such consent shall be deemed to be granted. Company may only decline such an application upon reasonable grounds, which shall be detailed in writing. Should Company decide not to allow publication or presentation as provided above, [***] from the date of submission of the request to Company, in order to enable the necessary patent filings to be made. After such [***] period, the researcher, employee or student, as applicable, shall be free to publish or present the postponed publication as edited as aforesaid in any manner he or she sees fit. Where Licensor uses its best efforts as aforesaid, Licensor will bear no liability for Researcher's failure to comply with the provisions of this section.

15.2. Notices. Unless otherwise specifically provided, all notices required or permitted by this Agreement shall be in writing and may be delivered personally, or may be sent by facsimile or certified mail, return receipt requested, to the following addresses, unless

the parties are subsequently notified of any change of address in accordance with this Section 15.2:

If to Company:
Applied Immune Technology Ltd.
Gutwirth Industrial Park, Technion City, Haifa
32000 Israel
Attn: Chief Executive Officer

With a copy (which shall not constitute notice) to:
Yigal Amon & Co., Law Offices
POB 69
Jerusalem, 91000
Israel
Attention: Barry Levenfeld
Fax: +972-2-623-9236

If to Licensor:
Technion Research and Development Foundation Ltd.
Technology Transfer Office
Technion City, Senate Bldg.
Technion City
Haifa 32000
Attention: Manager

With a copy (which shall not constitute notice) to:
Shibolet & Co., Advocates & Notary
4 Berkowitz Street
Museum Tower
Tel Aviv 64238, Israel
Attn.: Adv. Amir S. Iliescu
Telephone: +972-3-777-8333
Facsimile: +972-3-777-8444
Email: A.Iliescu@shibolet.com

Any notice shall be deemed to have been received as follows: (i) by personal delivery, upon receipt; (ii) by facsimile, one business day after transmission or dispatch; (iii) by airmail, three (3) business days after delivery to the postal authorities by the party serving notice. If notice is sent by facsimile, a confirming copy of the same shall be sent by mail to the same address.

15.3. Governing Law and Jurisdiction. This Agreement shall be governed by and construed in accordance with the laws of the State of Israel, without regard to the application of principles of conflicts of law, except for matters of patent law and inventorship of patents, which shall be governed by United States patent laws The parties hereby consent to personal jurisdiction in Israel and agree that any lawsuit they file to enforce their respective rights under this Agreement shall be brought exclusively in the competent court in Tel Aviv, Israel.

15.4. Binding Effect. This Agreement shall be binding upon and inure to the benefit of the parties and their respective legal representatives, successors and permitted assigns.

15.5. Headings. Section and subsection headings are inserted for convenience of reference only and do not form a part of this Agreement.

15.6. Entire Agreement; Counterparts. This Agreement is the sole agreement with respect to the subject matter hereof among the parties hereto and except as expressly set forth herein, and with respect to obligations between the Company and [***] or an entity connected with [***], without derogating from the provisions of the Consulting Agreement, supersedes all other agreements and understandings between the parties with respect to same. Without limiting the foregoing, any research, consulting or other agreements between the Company and Technion or the Researcher signed prior to the Execution Date are hereby deemed amended to reflect the terms set forth herein. This Agreement may be executed simultaneously in two or more counterparts, each of which shall be deemed an original.

15.7. Amendment; Waiver. This Agreement may be amended, modified, superseded or canceled, and any of the terms may be waived, only by a written instrument executed by each party or, in the case of waiver, by the party waiving compliance. The delay or failure of any party at any time or times to require performance of any provisions hereof shall in no manner affect the rights at a later time to enforce the same. No waiver by either party of any condition or of the breach of any term contained in this Agreement, whether by conduct, or otherwise, in any one or more instances, shall be deemed to be, or considered as, a further or continuing waiver of any such condition or of the breach of such term or any other term of this Agreement.

15.8. No Agency or Partnership. Nothing contained in this Agreement shall give either party the right to bind the other, or be deemed to constitute either party as agent for the other party or for any third party.

15.9. Assignment and Successors. This Agreement may not be assigned by either party without the consent of the other, which consent shall not be unreasonably withheld, except that each party may, without such consent, assign this Agreement and the rights, obligations and interests of such party, in whole or in part, to any of its Affiliates, to any purchaser of all or substantially all of its shares, or all or substantially all of the assets or research to which the subject matter of this Agreement relates, or to any successor corporation resulting from any merger or consolidation of such party with or into such corporation.

15.10. Force Majeure. Neither party will be responsible for delays resulting from causes beyond the reasonable control of such party, including without limitation fire, explosion, flood, regulatory delay, war, strike, riot, government regulation or intervention, provided that the nonperforming party uses commercially reasonable efforts to avoid or remove such causes of nonperformance and continues performance under this Agreement with reasonable dispatch whenever such causes are removed.

15.11. Interpretation. The parties hereto acknowledge and agree that: (i) each party and its counsel reviewed and negotiated the terms and provisions of this Agreement and have contributed to its revision; (ii) the rule of construction to the effect that any ambiguities are resolved against the drafting party shall not be employed in the interpretation of this Agreement; and (iii) the terms and provisions of this Agreement shall be construed fairly as to both parties hereto and not in favor of or against either party, regardless of which party was generally responsible for the preparation of this Agreement.

15.12. Severability. If any provision of this Agreement is or becomes invalid or is ruled invalid by any court of competent jurisdiction or is deemed unenforceable, it is the intention of the parties that the remainder of this Agreement shall not be affected.

15.13. Use of Name. The Company shall not, and shall ensure that its Subsidiaries shall not, use the name or insignia of Technion or Licensor or the name of any of Technion's or Licensor's officers, faculty, employees, other researchers or students, or any adaptation of such names, in any advertising, promotional or sales literature, including without limitation any press release, without the prior written approval of Licensor. The Company shall include a similar restriction in its agreements with Sublicensees.

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IN WITNESS WHEREOF, the parties have caused this Agreement to be executed by their duly authorized representatives as of the date first written above.

Technion Research and Development Foundation Ltd.

By:	/s/ Mira Peled-Kamar	By:	/s/ [Authorized Signatory]
Name:	Mira Peled-Kamar	Name:	[Authorized Signatory]
Title:	CEO	Title:	Authorized Signatory

I, the undersigned, hereby confirm that I have read the Agreement, that its contents are acceptable to me and that I will act in accordance with the obligations applicable to me set forth herein.

/s/ [Authorized Signatory]
[***]

CERTAIN CONFIDENTIAL PORTIONS OF THIS EXHIBIT HAVE BEEN OMITTED AND REPLACED WITH "[***]". SUCH IDENTIFIED INFORMATION HAS BEEN EXCLUDED FROM THIS EXHIBIT BECAUSE IT IS (I) NOT MATERIAL AND (II) WOULD LIKELY CAUSE COMPETITIVE HARM TO THE COMPANY IF DISCLOSED.

AMENDMENT NO. 1 TO AMENDED AND RESTATED LICENSE AGREEMENT

This Amendment No. 1 to Amended and Restated License Agreement (collectively with exhibits and appendices hereto, the "Amendment") is entered into on June 30th, 2015 ("**Execution Date**") by and between the Technion Research and Development Foundation Ltd. having a place of business at Senate house, Technion City, Haifa Israel ("**Licensor**")**,** acting on behalf of itself and the Technion- Israel Institute of Technology, and Applied Immune Technology Ltd., a company organized under the laws of the State of Israel and having a place of business at Gutwirth Industrial Park, Technion City, Haifa 32000 Israel ("**Company**").

WHEREAS, Licensor is the wholly-owned subsidiary of Technion – Israel Institute of Technology (the "**Technion")** and serves as its technology licensing arm; and

WHEREAS, the parties entered into an Amended and Restated License Agreement dated as of May 21, 2014 (the "**License Agreement**"); and

WHEREAS, the Parties have agreed to amend the License Agreement to clarify that TCRL compounds directed to a peptide that is presented by [***] within the scope of the technology licensed to Company under the License Agreement; and

WHEREAS, notwithstanding the foregoing, the parties have agreed that the Existing Patents (as defined below) are expressly excluded from the scope of the license and AIT shall have no right or interest therein; and

WHEREAS, Company wishes to fund research in the field of [***] in the laboratory of [***] ("**Researcher**") at the Technion on the terms and subject to the conditions set forth below.

NOW, THEREFORE, the parties hereto, intending to be legally bound, hereby agree as follows:

1. Amendment to License Agreement. Effective as of March 1, 2005, the definitions of "TCRL" and "TCRL Compound" in the License Agreement shall be deleted and replaced by the following:

   ***"TCRL"* means any biological or non-biological binding moiety** [***].

   ***"TCRL Compound"* means a specific compound comprising a biological or non-biological binding moiety** [***].

   For clarity, except as otherwise set forth in this Amendment, references in the Agreement to MHC shall be deemed to relate to both [***] as appropriate. For clarity, notwithstanding the terms of this Amendment or anything to the contrary set forth in the License Agreement, the patent applications listed in Exhibit A to this Amendment ("**Existing** [***]"), which, to TRDF's knowledge, are the sole patent applications filed in the name of the Researcher or Technion as of the date hereof relating to [***] complexes recognized by T-cells, are expressly excluded from the scope of the licenses granted AIT under the License Agreement, are expressly excluded from the definition of "Licensed Patent Rights" under the License Agreement, and AIT shall have no right or interest therein.

2. The following clause is hereby added at the end of existing Section 14.4(b) of the License Agreement:

"Notwithstanding anything to the contrary set forth herein, for purposes of Section 14, Company's and/or Licensor's activities in relation [***] **shall be considered separately from Company's and/or Licensor's activities in relation to other Licensed Technology, {ii) a breach of Company's and/or Licensor's obligations with respect to** [***] **shall not give Licensor the right to terminate Company's exclusive rights in other Licensed Technology, (iii) only where Company commits a material breach of its obligations in respect of** [***] **under this Agreement and fails to cure such breach** [***] **after receiving written notice thereof from Licensor, Licensor may terminate the exclusive license granted in** [***] **under Section 5.1(a)(ii) and (iv) Company shall not have any rights to deduct or withhold payments and shall not deduct or withhold payments otherwise due to Licensor with respect to any Licensed Technology (which does not include** [***]) **due to any potential liability or indebtedness in connection with** [***] **and Company shall not have any rights to deduct or withhold payments and shall not deduct or withhold payments otherwise due to Licensor with respect to** [***] **due to any potential liability or indebtedness in connection with any Licensed Technology (which does not Include** [***]**).**

3. Funded Research; Inclusion of [***] in Licensed Technology.

(a) Company agrees to fund research in Researcher's laboratory at the Technion relating to [***] complexes recognized by T-Cells in an [***] for a period [***] from the Execution Date of this Amendment ("**Initial Research Period**"). Such amount may be increased, subject to agreement on a research plan, by the parties' mutual agreement in their discretion. Company may cease providing such research funding in the event of breach under the License Agreement, if [***] ceases to be available to perform the research or if the License Agreement is terminated for any reason. Company may, but shall not be obligated, to continue such funding in its discretion for additional periods, subject to the Parties mutual agreement in writing.

The Parties further agree that, subject to the provisions of Section 2 above, the diligence requirements under Section 6 of the License Agreement shall apply to [***] *mutatis mutandis*.

(b) Without limiting the Parties rights under the License Agreement, during the Initial Research Period and any subsequent period in which Company funds research relating to [***] in the Researcher's laboratory at the Technion, all results or inventions relating to [***] created by or under the supervision of the Researcher at the Technion ([***]) (collectively, "**Research Results**") will be automatically deemed Researcher Improvements under the license Agreement, provided that Research Results that are specific TCRL Compounds ([***]) will be Joint Researcher Improvements.

(c) The terms of the License Agreement relating to Researcher Improvements and Joint Researcher Improvements (as applicable) apply equally to Research Results, including without limitation the provisions of Section 7 (Consideration for Grant of License). For clarity, provided the funding commitment in paragraph (a) above is met, the terms of this paragraph apply to Research Results even if aggregate research funding provided by Company to Technion for research in Researcher's laboratory is [***].

(d) During the Initial Research Period and any subsequent period in which Company funds research relating to [***] in the Researcher's laboratory at the Technion, the Researcher undertakes that he will first notify and coordinate with the Company in writing before engaging in collaborations with third parties or using third party intellectual property in connection with [***] research, and if the Company objects in writing during the [***] period following receipt of said notice he will either find an alternative acceptable to the Company or abstain from performing the research using

funding from the Company. It is hereby agreed by the Parties that the limitations contained in this subclause (d) shall not affect any research by or under the supervision of the Researcher which commenced prior to the Effective Date in the Researcher's laboratory at the Technion, provided that in each case (i) no funding from Company is used in connection with such research; and (ii) for collaborations with third parties or use of third party intellectual property in connection with [***] research performed following the Execution Date, Company has received written notice of such.

(e) Notwithstanding the terms of paragraphs (b} and (c) above, the side letter between Licensor and the [***] investors named therein [***] will not apply to elements of Licensed Technology that are [***] complexes relating to TCRL's. Solely with respect to the foregoing, the following representations and warranties replace the representations and warranties set forth in Section 12.1 of the License Agreement:

Licensor hereby represents and warrants to the Company that (i) neither Licensor nor Technion has granted or will grant any rights in or to Licensed Technology, or Joint Researcher Improvement which are inconsistent with the rights granted to Company under this Agreement; and (ii) the Licensor and Technion have not entered and will not enter into any agreement pursuant to which any party has ownership1 license or other rights in or to Company Inventions.

4. General. Capitalized terms used and not otherwise defined in this Amendment shall have the meanings ascribed to such terms under the License Agreement. The terms of this Amendment shall be deemed an integral part of the License Agreement. Other than as specifically amended herein, the provisions, terms and conditions of the license Agreement shall remain unchanged and in full force and effect.

[Remainder of page intentionally left blank]

IN WITNESS WHEREOF, the parties have caused this Amendment to be executed by their duly authorized representatives as of the date first written above.

Applied Immune Technologies Ltd.

By: /s/ Mira Peled-Kamar
Name: Mira Peled-Kamar
Title: CEO

Technion Research and Development Foundation Ltd.

By: /s/ [Authorized Signatory]
Name: [Authorized Signatory]
Title: Authorized Signatory

I, the undersigned, hereby confirm that I have read this Amendment No. 1 to License Agreement, that its contents are acceptable to me and that I will act in accordance with the obligations applicable to me set forth herein.

/s/ [Authorized Signatory]
[***]

CERTAIN CONFIDENTIAL PORTIONS OF THIS EXHIBIT HAVE BEEN OMITTED AND REPLACED WITH "[***]". SUCH IDENTIFIED INFORMATION HAS BEEN EXCLUDED FROM THIS EXHIBIT BECAUSE IT IS (I) NOT MATERIAL AND (II) WOULD LIKELY CAUSE COMPETITIVE HARM TO THE COMPANY IF DISCLOSED.

AMENDMENT No. 2 TO

AMENDED AND RESTATED LICENSE AGREEMENT

This Amendment No. 2 to Amended and Restated License Agreement (this "**Amendment**") dated as of January 13, 2016 (the "**Effective Date**"), is entered into among Technion Research and Development Foundation Ltd. ("**TRDF**"), Applied Immune Technology Ltd. ("**AIT**"), and Adicet Bio Inc. ("**Adicet**") (TRDF, AIT and Adicet, collectively, the "**Parties**"), with respect to the following facts:

TRDF and AIT are parties to the Amended and Restated License Agreement entered into on May 21st, 2014, and its Amendment No. 1 dated June 30th, 2015, as may be further amended or restated from time to time (collectively, the "**License Agreement**"). All capitalized terms used, but not defined, herein shall have the respective meanings set forth in the License Agreement.

The Parties desire to amend the License Agreement in certain respects and agree to the other provisions of this Amendment.

Now, therefore, the Parties hereby agree as follows:

1. The License Agreement hereby is amended as follows:

1.1 For purposes of Section 2 ("Definitions"), Section 7 ("Consideration for Grant of License") (as amended hereby) and Section 8 ("Reports; Payments; Records") of the License Agreement and the defined terms as used therein, "Licensed Product" shall mean any product (a) which entirely or partially (1) comprises or incorporates technology developed by or in collaboration with, licensed to, controlled or otherwise acquired by Adicet Bio Inc. ("Adicet") or its Subsidiaries or Affiliates controlled by it (without regard to the [***] requirement in the definition of "Subsidiary" (a "Downstream Affiliate") or by AIT or its Subsidiaries or its Downstream Affiliates (including but not limited to the Licensed Technology and Joint Researcher Improvements) (the "Adicet Licensed Product" and the "AIT Licensed Product", respectively), or (2) the making, using or selling of which falls within the scope of the Licensed Technology or Joint Researcher Improvements, and (b) for which an IND is granted on or prior to December 31, 2024.

In addition, the following defined terms under Section 2 of the License Agreement shall be deleted and the corresponding provisions in the License Agreement shall be revised accordingly: "Additional Ingredient", "Combination Product", "Royalty Cessation Date" and "Valid Claim".

1.2 Section 7.1 of the License Agreement is amended and restated to read in full as follows:

"7.1 Royalties. During the Royalty Period (as defined below), in the event that Company itself or any Subsidiary or Downstream Affiliates of Company or Adicet will sell Licensed Products, Company shall pay Licensor a running royalty equal [***] of Net Sales by Company itself or any Subsidiary or Downstream Affiliates of Company or Adicet. Notwithstanding anything to the contrary herein, Company or Adicet shall not owe to Licensor (and Licensor shall not be entitled to receive) any royalties on any sales by Adicet, AIT or their respective Subsidiaries or Downstream Affiliates to each other but shall not derogate from any obligations to pay royalties on sales to third parties."

1.3 Section 7.2 of the License Agreement is amended and restated to read in full as follows:

"7.2 Sublicense Receipts. During the Royalty Period, in the event that a Sublicensee itself or any Subsidiary or Affiliates of Sublicensee will sell Licensed Products, Company shall pay Licensor the lesser of (a) [***] sales of Licensed Products by Sublicensee itself or any Subsidiary or Affiliates of Sublicensee (as defined in the sublicense agreement), or (b) except if a Sublicensee is an Affiliate of Company or Adicet (in which case only the preceding subsection (a) will apply), [***] of the amounts received by Company or Adicet or its Subsidiary or Downstream Affiliate in the form of royalties on net sales of Licensed Products by Sublicensee itself or any Subsidiary or Affiliates of Sublicensee (as defined in the sublicense agreement). Company shall owe no other sublicense-related payments. Notwithstanding anything to the contrary herein, Company or Adicet shall not owe to Licensor (and Licensor shall not be entitled to receive) royalties based on any amounts received by Adicet, AIT or their respective Subsidiaries or Downstream Affiliates from each other, but shall not derogate from any obligations to pay royalties on sales to third parties."

1.4 Section 7.3 of the License Agreement is amended and restated to read in full as follows:

"7.3 Royalty Period and No Adjustments. "Royalty Period" shall mean, with respect to each Licensed Product, [***] after the First Commercial Sale of such Licensed Product, on a Licensed Product-by-Licensed Product basis. There shall be no adjustments or offsets to the royalty obligations hereunder (including, without limitation, adjustments or offsets for combination products, third party royalty stacking, generic products, M&A or time based adjustments). Other than the payments expressly set forth in Sections 7.1 and 7.2, Adicet, AIT and their respective Affiliates shall not owe to Licensor any payments in connection with the sale of Licensed Products or the sublicense of the Licensed Technology or Joint Researcher Improvements. For the avoidance of any doubt, nothing herein shall derogate from the commitment by the Company to pay for the preparation, filing, prosecution, protection and maintenance of all patents and patent applications within the Licensed Technology and Joint Researcher Improvement Patent Rights in accordance with Section 9 to the License Agreement and to fund the research in Researcher's laboratory at the Technion relating to [***] complexes recognized by T-Cells during the Initial Research Period as stated in Amendment No. 1."

1.5 Unless terminated in accordance with the terms of the Agreement, it is hereby clarified that the term of the Agreement as set forth in Section 14.1 of the License Agreement shall not be sooner than the "Royalty Period" as such term is defined herein.

1.6 In the event of a termination pursuant to Section 14.3(a) ("Termination without Cause"), the obligations of Company to pay royalties under Section 7 of the License Agreement and Adicet to pay royalties under Section 2 of this Amendment shall survive such termination with respect to those Licensed Products for which an IND was granted prior to the date of such termination ([***]) as well as any obligations which in accordance with the License Agreement are intended to survive termination.

2. Adicet shall be bound by the obligations under Section 7 ("Consideration for Grant of License") (as amended hereby) and Section 8 ("Reports; Payments; Records") of the License Agreement with respect to sales of any Licensed Product by Adicet, its Subsidiaries or Downstream Affiliates, or Sublicensees, its Subsidiaries or Affiliates. It is hereby clarified that this provision shall not be affected by any termination or assignment of the License Agreement or any disposition of AIT or AIT's assets or securities.

3. Without derogating or amending the provisions of Section 2 above in any manner and in addition thereto, Adicet shall also be jointly and severally bound by the obligations of AIT under the License Agreement, including without limitation Section 7 ("Consideration for Grant of License") (as amended hereby) and Section 8 ("Reports; Payments; Records") of the License Agreement, with respect to the Licensed Products – only for so long as Adicet directly or indirectly owns or controls AIT; provided, however, without limiting Adicet's obligation under Section 2 of this Amendment, upon the sale, transfer or change of control to a third party of control of AIT, such third party thereafter shall be jointly and severally bound by the obligations of AIT under the License Agreement, including without limitation Section 7 ("Consideration for Grant of License") (as amended hereby) and Section 8 ("Reports; Payments; Records") of the License Agreement. Nothing herein shall relieve Adicet from its obligations under Section 2 of this Amendment regarding Adicet Licensed Products. Adicet additionally shall remain bound by all the terms and conditions of any sublicense agreement with AIT.

4. If a third party acquires Adicet and its Subsidiaries or Downstream Affiliates in an M&A Transaction, then Licensed Products shall exclude all products of the acquiror or its Affiliates (other than Adicet and its Subsidiaries and Downstream Affiliates) provided that such products do not comprise or incorporate technology owned or controlled by Adicet or its Subsidiaries or Downstream Affiliates, or by AIT or its Subsidiaries or Downstream Affiliates (including without limitation the Licensed Technology and Joint Researcher Improvements).

5. If a third party acquires AIT and its Subsidiaries or Downstream Affiliates in an M&A Transaction, then Licensed Products shall exclude all products of the acquiror or its Affiliates (other than AIT and its Subsidiaries and Downstream Affiliates) provided that such products do not comprise or incorporate technology owned or controlled by Adicet or its Subsidiaries or Downstream Affiliates, or by AIT or its Subsidiaries or Downstream Affiliates (including without limitation the Licensed Technology and Joint Researcher Improvements) and further provided that in such M&A Transaction, Adicet shall not be relieved from its obligations under Section 2 of this Amendment regarding Adicet Licensed Products without TRDF's written consent which shall not be unreasonably withheld.

6. Without limiting Adicet's obligations under this Amendment, Adicet shall have the option to acquire and assume from AIT all rights and obligations of Company set forth in the License Agreement with respect to all but not part of the licensed intellectual property and technology thereunder.

7. As of the date hereof, the License Agreement is in full force and effect, and TRDF is not aware of any facts or circumstances that may indicate that AIT has not used Commercially Reasonable Efforts to discover or develop at least one Licensed Product.

8. Other than as specifically amended herein, the provisions, terms and conditions of the License Agreement shall remain unchanged and in full force and effect.

9. Nothing herein shall be construed (a) as providing Adicet or AIT or their respective Affiliates with any ownership or license rights to any intellectual property beneficially owned by TRDF other than the intellectual property subject to the License Agreement, or (b) as providing TRDF with any ownership or license rights to any intellectual property beneficially owned by Adicet or AIT or their respective Affiliates.

The effectiveness of this Amendment is conditioned upon the closing of that certain Series A Preferred Stock Purchase Agreement dated as of January 13, 2016, regarding, and the closing of, the acquisition by Adicet of AIT. To the extent such closings do not occur by June 30, 2016, this Amendment shall be void and null, *ab initio*.

Accepted and Agreed:

Adicet Bio Inc.

By: /s/ Aya Jakobovits
Title: President & CEO

Date: January 13, 2016

Accepted and Agreed:

Applied Immune Technology Ltd.

By: /s/ Mira Peled-Kamar
Title: CEO

Date: January 13, 2016

Accepted and Agreed:

Technion Research and Development Foundation Ltd.

By: /s/ [Authorized Signatory]
Title: [Authorized Signatory]

Date: January 13, 2016

Accepted and Agreed:

/s/ Authorized Signatory
[***]

Date: January 13, 2016

Exhibit 10.46

FINAL

CERTAIN CONFIDENTIAL PORTIONS OF THIS EXHIBIT HAVE BEEN OMITTED AND REPLACED WITH "[***]". SUCH IDENTIFIED INFORMATION HAS BEEN EXCLUDED FROM THIS EXHIBIT BECAUSE IT IS (I) NOT MATERIAL AND (II) WOULD LIKELY CAUSE COMPETITIVE HARM TO THE COMPANY IF DISCLOSED.

LICENSE AND COLLABORATION AGREEMENT

By and Between

REGENERON PHARMACEUTICALS, INC.

and

ADICET BIO, INC.

Dated as of July 29, 2016

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LICENSE AND COLLABORATION AGREEMENT

THIS LICENSE AND COLLABORATION AGREEMENT ("Agreement"), dated as of July 29, 2016 (the "Effective Date"), is by and between REGENERON PHARMACEUTICALS, INC., a corporation organized under the laws of New York and having a principal place of business at 777 Old Saw Mill River Road, Tarrytown, New York 10591 ("Regeneron"), and ADICET BIO, INC., a corporation organized under the laws of Delaware and having a place of business at 200 Constitution Drive, Menlo Park, California 94025 ("Adicet") (with each of Regeneron and Adicet referred to herein individually as a "Party" and collectively as the "Parties").

WHEREAS, Adicet has scientific expertise and technology that are useful for the discovery and development of immune cell therapeutic products;

WHEREAS, Regeneron has scientific expertise and technology that are useful for the discovery and development of such immune cell therapeutic products;

WHEREAS, the Parties wish to enter into and collaborate with respect to a research program in which they will research and develop next-generation immune cell therapeutic technologies and immune cell therapeutic products directed to certain molecular targets selected by the Parties;

WHEREAS, Adicet wishes to grant Regeneron an option to license a certain number of such immune cell products;

WHEREAS, Regeneron wishes to grant Adicet an option to co-fund development, and collaborate with Regeneron on immune cell products for which Regeneron has exercised its option, in exchange for a commensurate share of the financial returns for such co-funded immune cell products; and

WHEREAS, the Parties wish to grant each other licenses to perform their respective obligations in the Research Program and in connection with the development, manufacturing and commercialization of such immune cell products, all as set forth in this Agreement.

NOW, THEREFORE, in consideration of the following mutual promises and obligations, and for other good and valuable consideration the adequacy and sufficiency of which are hereby acknowledged, the Parties agree as follows:

ARTICLE 1
DEFINITIONS

Capitalized terms used in this Agreement, whether used in the singular or plural, except as expressly set forth herein, shall have the meanings set forth below:

1.1 "Adicet Background IP" shall mean the Adicet Background Patent Rights and the Adicet Background Know-How.

1.2 “Adicet Background Know-How” shall mean any and all Know-How that (i) is Controlled by Adicet or its Affiliates as of the Effective Date or thereafter during the Research Program Term and (ii) is used by or behalf of Adicet or its Affiliates or is provided by or on behalf of Adicet or its Affiliates to Regeneron for use, in each case in the performance of this Agreement; provided, however, that Adicet Background Know-How shall exclude Adicet CTM Inventions and Collaboration Inventions.

1.3 “Adicet Background Patent Rights” shall mean those Patent Rights that (i) are Controlled by Adicet or its Affiliates as of the Effective Date or thereafter during the Research Program Term (or thereafter are prosecuted therefrom), and (ii) claim Know-How that is used by or on behalf of Adicet or its Affiliates or provided by or on behalf of Adicet or its Affiliates to Regeneron for use, in each case in the performance of this Agreement; provided, however, that Adicet Background Patent Rights shall exclude Patent Rights to the extent they claim Adicet CTM Inventions and Collaboration Inventions.

1.4 “Adicet CTM” shall mean (i) a Targeting Moiety that was first generated solely by or on behalf of Adicet under the Research Program that Binds a Collaboration Target or (ii) a derivative, modification, fragment or improvement of such Collaboration Targeting Moiety that Binds the same Collaboration Target as the molecule described in subclause (i), in each case without use of the Regeneron Transferred Technologies. Adicet CTMs shall exclude any Targeting Moiety that is a Regeneron CTM.

1.5 “Adicet CTM Invention” shall mean any composition of, or method of using or making an Adicet CTM in each case that is discovered, invented, created or otherwise generated under this Agreement.

1.6 “Adicet Designated Activities” shall mean Adicet’s Research Plan Activities and those additional activities which Adicet agrees to perform pursuant to this Agreement.

1.7 “Adicet IP” shall mean the Adicet Patent Rights and the Adicet Know-How.

1.8 “Adicet Know-How” shall mean Adicet Background Know-How and any and all other Know-How Controlled by Adicet or its Affiliates, in each case to the extent it either (a) constitutes Adicet CTM Inventions or Collaboration Inventions, or (b) with respect to Adicet Background Know-How (i) is reasonably necessary to make, use, offer for sale, sell or import a Research Program ICP or (ii) is useful to make, use, offer for sale, sell or import a Research Program ICP and was actually provided by Adicet or its Affiliates to Regeneron pursuant to the Research Program or Section 6.4, 10.4 or 13.4.

1.9 “Adicet Mice Derived Adicet Targeting Moiety IP” shall mean that certain Adicet IP that constitutes, or to the extent it claims, any Mice Derived Adicet Targeting Moiety Invention that is incorporated into, or otherwise constitutes, a composition of, or any method of making or any method of using, any Regeneron Non-ICP Product (or any component thereof).

1.10 “Adicet Patent Rights” shall mean Adicet Background Patent Rights and those other Patent Rights Controlled by Adicet or its Affiliates, in each case to the extent they either (a) claim any Collaboration Inventions or Adicet CTM Inventions, or (b) with respect to Adicet Background Patent Rights (i) is reasonably necessary to make, use, offer for sale, sell or import a Research Program ICP or (ii) is useful to make, use, offer for sale, sell or import a Research Program ICP and was actually provided by Adicet or its Affiliates to Regeneron pursuant to the Research Program or Section 6.4, 10.4 or 13.4.

1.11 “Adicet Product IP” shall mean that certain Adicet IP, in each case that is incorporated into, or otherwise constitutes, a composition of, or any method of making or any method of using, any Collaboration ICP or Royalty Product or Co-Funded Product (or any component thereof).

1.12 “Adicet Royalty-Bearing Collaboration ICPs” shall mean (a) Declined Collaboration ICPs and (b) Option-Ineligible ICPs.

1.13 “Adicet Royalty Product” shall mean any therapeutic, prophylactic, diagnostic or theranostic product, therapy, treatment or service that incorporates, includes or consists of an Adicet Royalty-Bearing Collaboration ICP.

1.14 “Adicet Trademarks” shall mean the Trademarks Controlled by Adicet during the Term and designated in writing by Adicet for use with one or more Collaboration ICPs.

1.15 “Affiliate” shall mean, with respect to any Person, another Person which controls, is controlled by, or is under common control with such Person. A Person shall be deemed to control another Person if such Person possesses, directly or indirectly, the power to direct or cause the direction of the management and policies of such other Person, whether through the ownership of voting securities, by contract, or otherwise. Without limiting the generality of the foregoing, a Person shall be deemed to control another Person if any of the following conditions is met: (a) in the case of corporate entities, direct or indirect ownership of more than fifty percent (50%) of the stock or shares having the right to vote for the election of directors, and (b) in the case of non-corporate entities, direct or indirect ownership of more than fifty percent (50%) of the equity interest with the power to direct the management and policies of such non-corporate entities. The Parties acknowledge that in the case of certain entities organized under the laws of certain countries outside of the United States, the maximum percentage ownership permitted by law for a foreign investor may be less than fifty percent (50%), and that in such case such lower percentage shall be substituted in the preceding sentence, provided that such foreign investor has the power to direct the management and policies of such entity. For purposes of this Agreement, in no event shall Adicet or any of its Affiliates be deemed an Affiliate of Regeneron, or any of its Affiliates nor shall Regeneron or any of its Affiliates be deemed an Affiliate of Adicet or any of its Affiliates.

1.16 “Agreement” shall have the meaning set forth in the introductory paragraph, including all Schedules and Exhibits.

1.17 “Antibody” shall mean any antibody, or any fragment, variant, derivative or construct thereof, or antibody fusion protein produced therefrom.

1.18 “Anti-Corruption Laws” shall mean all Applicable Laws regarding public or private-sector corruption, bribery, kickbacks, speed or facilitation payments, ethical business conduct, money laundering, embezzlement, political contributions, gifts, gratuities, expenses, entertainment, hospitalities, agency relationships, commissions, lobbying, books and records, and financial controls, including the FCPA, the U.S. Travel Act, and other anti-corruption laws.

1.19 “Anticipated First Commercial Sale” shall mean, with respect to a Co-Funded Product in a particular country of the Co-Funding Territory, the date agreed upon by the JSC in advance as the expected date of First Commercial Sale of such Co-Funded Product in such country. The JSC shall attempt to agree upon such date [***] in advance of its expected occurrence. In the event that Development timelines are accelerated such that the JSC is unable to agree on the expected date of First Commercial Sale [***] in advance of its expected occurrence, the JSC shall attempt to agree upon the expected date of First Commercial Sale as soon as practicable after the Development timeline acceleration.

1.20 “API” shall mean any active pharmaceutical (including biological) ingredient or component (other than an adjuvant or excipient).

1.21 “Applicable Law” shall mean applicable laws, rules, and regulations, including any rules, regulations, guidelines, or other requirements of any Regulatory Authority, which may be in effect from time to time.

1.22 “Approval” shall mean, with respect to each Product, any approval (including Marketing Approvals and Pricing Approvals), registration, license or authorization from any Regulatory Authority required for the Development, Manufacture or Commercialization of such Product in a regulatory jurisdiction anywhere in the Territory, and shall include, without limitation, an approval, registration, license or authorization granted in connection with any Registration Filing.

1.23 “Binds” or “binds” shall mean, with respect to a particular Targeting Moiety and Target, that such Targeting Moiety (i) binds directly to such Target and was initially identified and selected by screening against such Target, and (ii) contributes to a cytotoxic or cytostatic response against the cell expressing such Target (whether by itself or by delivery of an immune cell on the surface of which it is expressed).

1.24 “Business Day” shall mean any day other than a Saturday, a Sunday or a day on which commercial banks in New York, New York, are authorized or required by law to remain closed.

1.25 “Change of Control” shall mean, with respect to a Party, (a) a merger or consolidation of such Party with a Third Party that results in the voting securities of such Party outstanding immediately prior thereto, or any securities into which such voting securities have been converted or exchanged, ceasing to represent more than fifty percent (50%) of the combined voting power of the surviving entity or the parent of the surviving entity immediately after such merger or consolidation, or (b) a transaction or series of related transactions in which a Third Party, together with its Affiliates, becomes the beneficial owner of more than fifty percent (50%) of the combined voting power of the outstanding securities of such Party, or (c) the sale or other transfer to a Third Party of all or substantially all of such Party’s business to which the subject matter of this Agreement relates.

1.26 “Clinical Supply Costs” shall mean, with respect to a Co-Funded Product, the Manufacturing Cost for the Clinical Supply Requirements, at the time the applicable Co-Funded Product is produced.

1.27 “Clinical Supply Requirements” shall mean, with respect to a Co-Funded Product, the quantities of such Co-Funded Product required by Regeneron for Development in the Co-Funding Territory under this Agreement in accordance with the applicable Development Plan.

1.28 “Co-Administration Study” shall mean, a clinical study for purposes of testing the safety or efficacy of, and generating data to support, a Regulatory Filing for the Marketing Approval of the administration to patients of (i) an Adicet Royalty Product together with (ii) any product that is directed towards a target, but that is not a Product or a component thereof, for the treatment of one or more diseases or conditions in such subjects. For clarity, Co-Administration Studies shall include studies of combination regimens with sequential administration schedules.

1.29 “Co-Fund” or “Co-Funding” shall mean, with respect to an Optioned Collaboration ICP, that Adicet has delivered a Co-Funding Notice and is co-funding Regeneron’s Development of such Optioned Collaboration ICP for the Co-Funding Territory at the Co-Funding Percentage, in accordance with Section 8.1.

1.30 “Co-Funded Product” shall mean any therapeutic, prophylactic, diagnostic or theranostic product, therapy, treatment or service that incorporates, includes or consists of an Optioned Collaboration ICP that Adicet is Co-Funding, but only with respect to the Development, Commercialization or Manufacture of such Optioned Collaboration ICP for the Co-Funding Territory. For clarity, if Adicet only elects to Co-Fund Development of an Optioned Collaboration ICP for the United States, then such Optioned Collaboration ICP shall only be a Co-Funded Product with respect to the Development, Commercialization and Manufacture of such Optioned Collaboration ICP for the United States, but shall be a Regeneron Royalty Product with respect to the development, commercialization and manufacture of the Product for the Royalty Territory.

1.31 “Co-Funded Product Net Sales” shall mean, with respect to a Co-Funded Product, (i) the Net Sales of such Co-Funded Product sold by or on behalf of Regeneron or its Affiliates, plus (ii) other proceeds received by Regeneron from Third Parties in respect of the sale, license or other disposition of such Co-Funded Product and rights thereto (including, for example, royalties, milestones, upfront and transfer payments); provided, however, that (a) sales of such Co-Funded Product by or on behalf of licensees or sublicensees shall be omitted from (i), (b) amounts paid to Regeneron as a result of sales of such Co-Funded Product by licenses or sublicensees shall be included in (ii) above, and (c) in the case of sales of Combination Products, the Net Sales included in (i) shall be determined as set forth in Schedule 2.

1.32 “Co-Funding Arrangement” shall mean the co-funding and profit-sharing arrangement between the Parties for Co-Funded Products as described in Article 8 and elsewhere in this Agreement.

1.33 “Co-Funding Percentage” shall mean, with respect to a Co-Funded Product, the percentage share of financial investment, profit and loss as between the Parties on a Co-Funding Territory basis as determined in accordance with Section 8.1(a). The Regeneron Co-Funding Percentage and the Adicet Co-Funding Percentage shall together equal one hundred percent (100%).

1.34 "Co-Funding Term" shall mean on a Co-Funded Product-by-Co-Funded Product basis and with respect to all Co-Funded Products that Bind a given Collaboration Target, the time period commencing on the date Regeneron receives Adicet's Co-Funding Notice (in accordance with Section 8.1) and concluding on the effective date of (i) Adicet's termination of the Co-Funding Term pursuant to Section 22.4, and (ii) Regeneron's termination of the Co-Funding Term pursuant to Section 22.3.

1.35 "Co-Funding Territory" shall mean any one of (i) the United States, (ii) the United States and the European Union, or (iii) the entire Territory, as specified by Adicet in the Co-Funding Notice for such Co-Funded Product.

1.36 "Co-Promote" or "Co-Promotion" shall mean the joint Detailing of Co-Funded Product(s) by the Parties (or their respective Affiliates) under the same Trademark in the United States pursuant to the applicable Co-Promotion Agreement.

1.37 "Collaboration ICP" shall mean any ICP that contains a Collaboration Targeting Moiety.

1.38 "Collaboration Invention" shall mean all Intellectual Property that (a)(i) is discovered, invented, created or otherwise generated in the performance by or on behalf of either Party (or by the Parties jointly) of any Research Program and (ii) is necessary or useful for the research, development, commercialization or manufacture of any Collaboration ICP, Royalty Product or Co-Funded Product under this Agreement, or (b) otherwise is discovered, invented, created or otherwise generated in the performance by or on behalf of either Party (or by the Parties jointly) of any Technology Research Program; provided, however, that Collaboration Inventions shall exclude all Adicet CTM Inventions, Regeneron CTM Inventions, Regeneron Mice Inventions and Regeneron Transferred Technologies Inventions.

1.39 "Collaboration Target" shall mean any Target placed on the Target List pursuant to Section 2.5, but excluding those Targets that are Non-Collaboration Targets or that become Terminated Targets.

1.40 "Collaboration Targeting Moiety" or "CTM" shall mean (a) Regeneron CTMs, (b) Adicet CTMs and (c)(i)any Targeting Moiety other than a Regeneron CTM or Adicet CTM that Binds to a Collaboration Target [***] or (ii) a derivative, fragment or modification of a molecule described in the foregoing subclause (c)(i) that Binds to the same Collaboration Target as the molecule described in subclause (c)(i).

1.41 "Combination Product" shall mean any Product in the form of a combination product or combination therapy that includes one or more APIs in addition to the Collaboration ICP or Mice Derived Adicet ICP as applicable (whether such API is combined with the Product in a single formulation or package, as applicable, or formulated or packaged separately but sold together for a single price).

1.42 "Commercial Overhead Charge" shall mean, on a country-by-country and Co-Funded Product-by-Co-Funded Product basis, beginning [***] prior to the date of the Anticipated First Commercial Sale in the applicable country in the Co-Funding Territory, an amount (proposed by Regeneron and approved by the JSC at least [***] prior to the Anticipated First Commercial Sale in such country) to cover Regeneron's internal costs for [***]. The Commercial Overhead Charge will be updated by Regeneron and approved by the JSC as of January 1 of each following Contract Year.

1.43 “Commercial Plan” shall mean, with respect to a Co-Funded Product, the [***] rolling plan developed by Regeneron and approved by the JSC, which (a) shall describe the significant Commercialization activities (including significant pre-launch and launch activities) planned to be undertaken by Regeneron for such Co-Funded Product in the Co-Funding Territory and the associated budget for such Commercialization activities, and (b) shall contain not less the same information and detail as provided to Regeneron management with direct supervisory control over such activities.

1.44 “Commercial Supply Costs” shall mean, with respect to a Co-Funded Product, the Manufacturing Cost for the Commercial Supply Requirements therefor, at the time the applicable Co-Funded Product is produced.

1.45 “Commercial Supply Requirements” shall mean, with respect to a Co-Funded Product, the quantities of such Co-Funded Product required by Regeneron for Commercialization in the Co-Funding Territory under this Agreement in accordance with the applicable Commercial Plan, including, as applicable, quantities required for pre-launch stockpiling.

1.46 “Commercialize” or “Commercialization” shall mean, with respect to a Co-Funded Product, any and all activities directed to marketing, distributing, market access, Detailing, promoting, and/or importing, such Co-Funded Product in the Co-Funding Territory, including market research, obtaining Pricing Approvals, pre-launch marketing, marketing and educational activities, and surveys, registries and clinical trials not intended to gain additional labeled indications in the Co-Funding Territory, post-Approval pharmacovigilance (excluding pharmacovigilance for clinical trials under the Development Plan).

1.47 “Commercially Reasonable Efforts” shall mean with respect to the efforts to be expended by a Party or its Affiliate with respect to any objective, activity or decision to be undertaken hereunder, reasonable, good faith efforts to accomplish such objective, activity or decision as a Third Party of similar size and resources in the biopharmaceutical industry, would normally use to accomplish a similar objective, activity or decision under similar circumstances, it being understood and agreed that with respect to the research, development, manufacture, seeking and obtaining Marketing Approval, or commercialization of a Collaboration ICP or a Royalty Product or Co-Funded Product, such efforts and resources shall be consistent with those efforts and resources commonly used by a Third Party of similar size and resources in the biopharmaceutical industry under similar circumstances for similar compounds or products owned by it or to which it has similar rights, which compound or product, as applicable, is at a similar stage in its development or product life and is of similar market potential, taking into account all scientific, commercial, and other factors that such Third Party would take into account under similar circumstances, including issues of safety and efficacy, expected and actual cost and time to develop, expected and actual profitability (including royalties and other payments required hereunder), expected and actual competitiveness of alternative Third Party products in the marketplace, the nature and extent of expected and actual market exclusivity (including patent coverage and regulatory exclusivity), the expected likelihood of Marketing Approval, the expected

and actual reimbursability and pricing, and the expected and actual amounts of marketing and promotional expenditures required. Commercially Reasonable Efforts shall be determined on a Target-by-Target, CTM-by-CTM, Collaboration ICP-by-Collaboration ICP, Royalty Product-by-Royalty Product, or Co-Funded Product-by-Co-Funded Product basis, as applicable, in view of conditions prevailing at the time, and evaluated taking into account all relevant factors.

1.48 "Competing Product" shall mean an ICP [***] that is not a Co-Funded Product or a Royalty Product and that [***].

1.49 "Contract Year" shall mean the period beginning on the Effective Date and ending on December 31, 2016, and each succeeding twelve (12) month period thereafter during the Term (except that the last Contract Year shall end on the effective date of any termination or expiration of the Term).

1.50 "Control" shall mean, with respect to any material, Confidential Information, Intellectual Property right, or Trademark that a Party (a) owns such material, Confidential Information, Intellectual Property right, or Trademark, or (b) has a license or right to use to such material, Confidential Information, Intellectual Property right, or Trademark, in each case of (a) or (b), with the ability to grant to the other Party access, a right to use, or a license, or a sublicense (as applicable) to such material, Confidential Information, Intellectual Property right, or Trademark on the terms and conditions set forth herein, without violating the terms of any agreement with or obligation to any Third Party in existence as of the time such Party or its Affiliates would first be required hereunder to grant the other Party such access, right to use or (sub)license.

1.51 "Cost of Goods Sold" shall mean, with respect to a Co-Funded Product for a Quarter, Manufacturing Cost (calculated in accordance with GAAP and Schedule 1) for such Co-Funded Products sold in the Co-Funding Territory during such Quarter.

1.52 "Cover", "Covering" or "Covered" means, with respect to a product, technology, process or method, that, in the absence of ownership of or a license granted under a Valid Claim, the practice or exploitation of such product, technology, process or method would infringe such Valid Claim (if in a Patent).

1.53 "CPI" shall mean the Consumer Price Index – All Urban Consumers for the applicable country in which the personnel are located published by the United States Department of Labor, Bureau of Statistics (or its successor equivalent index), or an equivalent index in a foreign country applicable to FTEs in such country, accounting if possible for the area in such country where the personnel are located.

1.54 "CPI Adjustment" shall mean the percentage increase or decrease, if any, in the CPI applicable to such personnel for [***] of the Contract Year prior to the Contract Year for which the adjustment is being made.

1.55 "Declined Collaboration ICPs" shall mean (a) all Option-Eligible Collaboration ICPs with respect to which (i) Adicet delivers a Final Option Data Package in accordance with Section 2.4(d) and (ii) Regeneron fails to exercise its Option, or expressly declines to exercise its Option, prior to the expiration of the Option Period, and (b) all Collaboration ICPs that become Declined Collaboration ICPs in accordance with Sections 2.4(c), 2.5(g), 4.3(a)(i), 4.3(a)(ii) or 22.10(a).

1.56 "Detail" shall mean, with respect to each Co-Funded Product, a selling presentation for such product by a representative of a Party's sales force, or another employee of such Party who may be deemed to be part of the promotional activities for such Co-Funded Product (e.g., key account manager).

1.57 "Develop" or "Development" shall mean, with respect to a Co-Funded Product, the following activities undertaken or performed for such Co-Funded Product (following Regeneron's exercise of the Option for such Co-Funded Product): (a) activities relating to research, pre-clinical and clinical development of such Co-Funded Product, including test method development and stability testing, assay development, toxicology, pharmacology, formulation, quality assurance/quality control development, technology transfer, statistical analysis, process development and scale-up, pharmacokinetic studies, data collection and management, clinical studies (including research to design clinical studies), regulatory affairs, project management, drug safety surveillance activities related to clinical studies, the preparation submission and maintenance of Registration Filings, but excluding activities necessary to obtain a Pricing Approval, reimbursement and/or listing on health care providers' and payers' formularies and (b) any other research and development activities with respect to such Co-Funded Product, including, activities to support the discovery of biomarkers and activities to support new product formulations, delivery technologies and/or new indications, either before or after the First Commercial Sale.

1.58 "Development Costs" shall mean, with respect to a Co-Funded Product, those costs incurred by Regeneron for the Development of such Co-Funded Product in accordance with this Agreement and the applicable Development Plan (and in accordance with the Co-Funding Materials prior to approval of the Development Plans) including:

(a) Out-of-Pocket Costs (including fees and expenses) for obtaining Marketing Approvals for such Co-Funded Product under this Agreement;

(b) Development FTE Costs;

(c) Clinical Supply Costs;

(d) Out-of-Pocket Costs incurred for (i) Manufacturing process, formulation, cleaning, and shipping development and validation, (ii), Manufacturing scale-up and improvements, (iii) stability testing, (iv) quality assurance/quality control development (including management of Third Party fillers, packagers and labelers), and (v) internal and Third Party costs and expenses incurred in connection with (A) qualification and validation of Third Party contract manufacturers and vendors and (B) subject to the terms of this Agreement, establishing a primary or secondary source supplier, including, the transfer of process and Manufacturing technology and analytical methods, scale-up up to First Commercial Sale, process and equipment validation, cleaning validation and initial Manufacturing licenses, approvals and Regulatory Authority inspections (in each case, to the extent not included in Clinical Supply Costs or Commercial Supply Costs); in each case for such Co-Funded Product under this Agreement;

(e) any Third Party License Payments under a Third Party License entered into in accordance with Section 16.7 below to the extent attributable to the Development of such Co-Funded Product (to the extent not otherwise included in Development Costs); and

(f) any other costs or expenses for such Co-Funded Product specifically identified and included in the applicable Development Plan or included as Development Costs under this Agreement.

(g) In the event that any of the foregoing costs benefit both Co-Funded Product(s) and other products or activities (for example, if a manufacturing scale-up activity is not exclusively of benefit to Co-Funded Products) or benefits both Co-Funded Product(s) in the Co-Funding Territory and Regeneron Royalty Products in the Royalty Territory, then Regeneron shall apportion such costs in a manner that fairly reflects the benefit to the Co-Funded Products and the other products or activities or the benefit to the Co-Funded Product(s) in the Co-Funding Territory and the Regeneron Royalty Products in the Royalty Territory. Regeneron shall disclose both the total costs incurred and the apportionment in the information reported under Section 10.3. At the request of Adicet, Regeneron shall provide additional reasonable supporting documentation and make its personnel reasonably available to answer questions. In the event of a dispute regarding an apportionment, the Parties shall resolve the dispute in accordance with Article 23. In no event shall the same costs be included more than once in Development Costs under this Agreement, even if such costs are of benefit to multiple Co-Funded Products.

If Adicet only elects to Co-Fund Development of an Optioned Collaboration ICP for a Co-Funding Territory that is less than the entire Territory, then any costs of Development activities conducted by Regeneron shall not be Development Costs to the extent such activities are solely in support of the Marketing Approval or commercialization of such Product in the Royalty Territory and do not also support the Marketing Approval or commercialization of such Product in the Co-Funding Territory.

1.59 "Development FTE Cost" shall mean the product of (a) the number of FTEs performing activities under a Development Plan and (b) the applicable Development FTE Rate for such FTEs.

1.60 "Development FTE Rate" shall mean the rate proposed by Regeneron and approved by the JSC in the first Contract Year in which Regeneron first exercises its Option, such amount to be adjusted annually (effective as of [***] of each subsequent Contract Year, but such adjustment determined no later than the preceding [***]) with respect to the FTEs in a particular location, by the applicable CPI Adjustment.

1.61 "Development Payment Report" shall mean the Quarterly report prepared by Regeneron in accordance with Section 10.3 which sets forth in reasonable detail, for each Co-Funded Product individually, and in the aggregate for all Co-Funded Products, (a) the Development Costs incurred by Regeneron for such Quarter and (b) the Quarterly Development True-Up calculated in accordance with Schedule 2.

1.62 "Development Plan" shall mean, with respect to a Co-Funded Product, [***] rolling plan developed by Regeneron and approved by the JSC for the Development of such Co-Funded Product for Commercialization in the Co-Funding Territory, which shall include the following:

(a) the overall strategies and timelines for Developing and obtaining Approvals for such Co-Funded Product in the Co-Funding Territory;

(b) clinical study design, clinical methodology and monitoring requirements for clinical trials of such Co-Funded Product;

(c) a non-binding budget forecast for the next [***] Contract Years, as the same may be amended from time-to-time in accordance with the terms of this Agreement; and

(d) pre-clinical research directed to such Co-Funded Product.

1.63 "European Union" or "EU" shall mean the countries of the European Economic Area, as it is constituted on the Effective Date and as it may be modified from time to time after the Effective Date.

1.64 "Executive Officers" shall mean the Chief Executive Officer of Regeneron and the Chief Executive Officer of Adicet, or their respective designees with equivalent decision-making authority with respect to matters under this Agreement.

1.65 "FCPA" shall mean the U.S. Foreign Corrupt Practices Act of 1977 (15 U.S.C. §§78dd-1, *et seq.*) as amended.

1.66 "FDA" shall mean the United States Food and Drug Administration and any successor agency thereto.

1.67 "Field Force Cost" shall mean, for a Co-Funded Product in any country or Region in the Co-Funding Territory, the product of (a) the number of Regeneron FTEs conducting Details, performing account management, medical science liaison or medical affairs functions (or the number of Adicet FTEs conducting such activities in connection with Adicet's Co-Promotion of such Co-Funded Product under the Co-Promotion Agreement) and (b) the applicable Field Force FTE Rate. For the avoidance of doubt, the activities of Third Party contract personnel, shall be charged as Out-of-Pocket Costs and not included in the Field Force Cost.

1.68 "Field Force FTE Rates" shall mean, on a country-by-country or Region-by-Region (as proposed by Regeneron and approved by the JSC) basis (determined based on the location of the field force representative), a rate or rates proposed by Regeneron and approved by the JSC at least [***] prior to the Anticipated First Commercial Sale in the country or Region, as applicable, based upon the fully burdened cost (inclusive of bonuses and other incentive compensation) of field force representatives of pharmaceutical companies in the applicable country in comparable roles, and including an allocation of regional and country field force management cost, to be updated as proposed by Regeneron and approved by the JSC [***] to the Anticipated First Commercial Sale, such amount to be adjusted annually (effective as of [***] of each subsequent Contract Year, but such adjustment determined no later than the preceding [***]) by the percentage increase or decrease, if any, in the CPI applicable to such personnel through [***]. The Field Force FTE Rate shall be inclusive of Out-of-Pocket Costs and other expenses for the employee providing the services, including travel costs, information systems and allocated costs, such as, for example, allocated overhead costs.

1.69 “Finished Product” means the final, finished, packaged and labeled form, ready for sale, of a Product.

1.70 “First Commercial Sale” shall mean, with respect to a Product in a country in the Territory, or Co-Funding Territory, as applicable, the first commercial sale of the Product to a Third Party (other than a licensee or sublicensee) for use in such country following receipt of Marketing Approval. Sales for test marketing or clinical trial purposes or compassionate or similar use shall not constitute a First Commercial Sale.

1.71 “FTE” shall mean a full time equivalent employee (i.e., one fully-committed or multiple partially-committed employees aggregating to one full-time employee) employed by Party (or its Affiliate) who performs work for the Development or Commercialization of Co-Funded Products, with such commitment of time and effort to constitute one employee performing such work on a full-time basis, which for purposes hereof shall be 1800 hours per year.

1.72 “GAAP” shall mean generally accepted accounting principles as applicable in the United States.

1.73 “Good Practices” shall mean compliance with the applicable standards contained in then-current “Good Laboratory Practices,” or “GLP”, “Good Manufacturing Practices” or “GMP” and/or “Good Clinical Practices,” or “GCP” as promulgated by the FDA and all analogous guidelines promulgated by the EMA or the ICH, as applicable.

1.74 “Governmental Authority” shall mean any court, agency, authority, department, regulatory body, or other instrumentality of any government or country or of any national, federal, state, provincial, regional, county, city, or other political subdivision of any such government or any supranational organization of which any such country is a member.

1.75 “Immune Cell Products” or “ICPs” shall mean human immune cells that are engineered ex *vivo* to express a Targeting Moiety on its cell surface.

1.76 “IND” shall mean, with respect to each Collaboration ICP, an Investigational New Drug Application filed with the FDA pursuant to 21 C.F.R. § 312 before the commencement of clinical trials involving such Collaboration ICP, including all amendments and supplements to such application, or any equivalent filing with any Regulatory Authority outside the United States.

1.77 “IND Acceptance” shall mean, with respect to a particular Collaboration ICP, that the first IND for such Product was accepted by the relevant Regulatory Authority, as evidenced by no objection by such Regulatory Authority within [***] after the date of the IND submission.

1.78 “Initial Development Cost Forecast” means the non-binding forecast for the total expected costs of Development for a Co-Funded Product in the Territory during the period that begins on IND Acceptance and ends upon the expected first Marketing Approval for such Co-Funded Product. The initial Total Co-Funding Territory Development Budget shall set forth separate budget forecasts for (i) the United States, (ii) the United States and the European Union, and (iii) the entire Territory.

1.79 “Initial Option Data Package” shall mean, with respect to a particular Collaboration ICP, (i) the set of preclinical data and analyses, regulatory communications, CMC information, and results and commercial/financial information that is described in the Research Plan and is generated by Adicet up to the point of Adicet’s delivery of the Initial Option Data Package, (ii) the disclosures to Regeneron counsel required by Section 16.6 with respect to such Collaboration ICP and (iii) any additional Collaboration ICP-related information as mutually agreed in writing by the Parties.

1.80 “Intellectual Property” shall mean any Know-How, Patent Rights, copyrights, trade secrets, and any other intellectual property rights, excluding Trademarks.

1.81 “Joint Research Committee” or “JRC” shall mean the Joint Research Committee described in Section 3.1.

1.82 “Know-How” shall mean any and all proprietary technical, scientific or other information, data, test results, knowledge, techniques, discoveries, inventions, specifications, designs, trade secrets, regulatory filings and other technology (whether or not patentable or otherwise protected by trade secret law), in each case that is not in the public domain or otherwise publicly known.

1.83 “Launch Preparation Expenses” shall mean, with respect to a Co-Funded Product, on a country-by-country basis in the Co-Funding Territory, all Commercialization expenses incurred prior to receipt of Marketing Approval for such Co-Funded Product for such Co-Funded Product.

1.84 “Legal Dispute” shall mean any dispute related to a Party’s alleged failure to comply with this Agreement or the validity, breach, termination or interpretation of this Agreement.

1.85 “Licensed Mice” shall mean Regeneron’s proprietary, genetically engineered mice set forth on Schedule 3.

1.86 “Major Market Country” shall mean each of the United States of America, Japan, France, Germany, Italy, the United Kingdom, Spain, Canada, and [***].

1.87 “Manufacture” or “Manufacturing” shall mean activities directed to producing, manufacturing, processing, packaging, labeling, devices and other delivery technologies, assembly, quality assurance testing and release, shipping and/or storage of a Co-Funded Product, Royalty Product or Collaboration ICP (or any components or process steps involving the Co-Funded Product, Royalty Product or Collaboration ICP, including immune cell culturing, activation and expansion), placebo or a comparator agent, as the case may be.

1.88 “Manufacturing Cost” shall mean the fully burdened cost (without mark-up) of Manufacturing (i) Co-Funded Products or (ii) Optioned Collaboration ICPs pursuant to Section 13.2, each as calculated in accordance with Schedule 1.

1.89 "Marketing Approval" shall mean an approval of the applicable Regulatory Authority necessary for the marketing and sale of a Product in a country, but excluding any separate Pricing Approval.

1.90 "Mice Derived Adicet ICP" shall mean any ICP Controlled by Adicet that contains a Mice Derived Adicet Targeting Moiety.

1.91 "Mice Derived Adicet ICP Product" shall mean any therapeutic, prophylactic, diagnostic or theranostic product, therapy, treatment or service that incorporates, includes or consists of a Mice Derived Adicet ICP.

1.92 "Mice Derived Adicet Targeting Moiety" shall mean any Targeting Moiety (a)(i) that Binds to a Non-Collaboration Target, (ii) that is generated by Adicet using Licensed Mice outside the course of the Research Program in accordance with Adicet's license to use Licensed Mice in accordance with Section 5.1(d), and (iii) which is incorporated into an ICP that is designated by Adicet as a lead product candidate pursuant to Section 5.1(d)(ii)(B); (b)(i) that Binds to the same Non-Collaboration Target as the Targeting Moiety described in subclause (a), (ii) that is generated by Adicet using Licensed Mice outside the course of the Research Program in accordance with Adicet's license to use Licensed Mice in accordance with Section 5.1(d), and (iii) which were so generated and identified as Binding to such Non-Collaboration Target prior to designation by Adicet of the applicable lead product candidate pursuant to Section 5.1(d)(ii)(B); or (c) that is a derivative, fragment or modification of a molecule described in the foregoing subclause (a) or (b) and Binds to the same Non-Collaboration Target as the molecule described in subclause (a) or (b).

1.93 "Mice Derived Adicet Targeting Moiety Inventions" shall mean the composition of, or method of using or making a Mice Derived Adicet Targeting Moiety.

1.94 "Net Sales" shall mean, with respect to a Product, the gross amount invoiced for bona fide arms' length sales of Products in the Territory by or on behalf of a Party, or its Affiliates, licensees or sublicensees to Third Parties, less the following deductions determined in accordance with GAAP consistently applied:

(a) normal and customary trade, cash, quantity and free-goods allowances granted and taken directly with respect to sales of such Product;

(b) amounts repaid or credited with respect to such Product by reason of defects, rejections, recalls, returns, rebates and allowances;

(c) chargebacks and other amounts paid on sale or dispensing of such Product;

(d) Third Party cash rebates and chargebacks related to sales of such Product, to the extent allowed;

(e) retroactive price reductions for such Products that are actually allowed or granted;

(f) compulsory refunds, credits and rebates directly related to the sale of such Products, accrued, paid or deducted pursuant to government entities or payor agreements (including managed care agreements) or governmental regulations;

(g) branded co-pay or similar programs specifically for the Product;

(h) freight, postage, shipment and insurance costs (or wholesaler fees in lieu of those costs) and customs duties incurred in delivering such Products that are separately identified on the invoice or other documentation;

(i) sales taxes, excess duties, or other consumption taxes and compulsory payments to Governmental Authorities or other governmental charges imposed on the sale of such Products, which are separately identified on the invoice or other documentation; and

(j) if and to the extent expressly agreed in writing by the Parties, any other specifically identifiable costs or charges included in the gross invoiced sales price of such Product falling within categories substantially equivalent to those listed above and ultimately credited to customers or a Governmental Authority or agency thereof.

Net Sales in currency other than United States Dollars shall be translated into United States Dollars according to the provisions of Section 14.7(e) of this Agreement.

Sales between Adicet, Regeneron, and their licensees or sublicensees and the Affiliates of any of the foregoing, for resale, shall be disregarded for purposes of calculating Net Sales. Any of the items set forth above that would otherwise be deducted from the invoice price in the calculation of Net Sales but which are separately charged to and paid by Third Parties shall not be deducted from the invoice price in the calculation of Net Sales.

In the case of any sale of a Product for consideration other than cash, such as barter or countertrade, then (i) the gross amount invoices for such Product for purposes of calculating Net Sales of such Product shall equal the weighted average invoiced sales price of such Product sold in the same country during the same reporting period, or (ii) if no such invoiced sales occur in such country in such reporting period, then the Net Sales of such Product shall equal the fair market value of the consideration received as reasonably agreed by the Parties.

Solely for purposes of calculating Net Sales, if Adicet, Regeneron or any of their Affiliates, licensees or sublicensees sells any Product in the form of a Combination Product, then (A) if such Product is a Royalty Product or a Mice Derived Adicet ICP Product, then prior to the first commercial sale of such Royalty Product or Mice Derived Adicet ICP Product in the form of a Combination Product, then (1) if the ICP component and the other API component of such Product each are sold separately in the applicable country and the applicable period, then Net Sales of such Product will be calculated by multiplying the Net Sales (as described above) of the Combination Product by the fraction A/(A+B), where A is the weighted average Net Sales price of the ICP component thereof sold separately in such country during such period in the same formulation and dosage, and B is the weighted average Net Sales price of the other API component thereof sold separately in such country during such period in the same formulation and dosage, and (2) otherwise, including with respect to calculating Net Sales of a Regeneron Non-ICP Product sold as Combination Product, the Parties shall reasonably determine, by mutual agreement prior

to the First Commercial Sale of such Combination Product, the relative value of each component of such Combination Product and the appropriate method for accounting for sales of such Combination Product, and (B) if such Product is a Co-Funded Product, then Net Sales of such Co-Funded Product in the form of a Combination Product shall be determined as set forth in Schedule 2.

1.95 "Non-Collaboration Targets" shall mean (a) during the Target Selection Term, (i) Targets that are designated Non-Collaboration Targets pursuant to Section 4.1(d), and (ii) Terminated Targets, and (b) as of the date of the final expiration or termination of the Target Selection Term, including any mutually agreed extensions, all targets that are not Collaboration Targets.

1.96 "Option-Eligible Collaboration ICPs" shall mean (a) all Collaboration ICPs that are subject to the Option as set forth in Section 6.1(b) and (b) all other Collaboration ICPs that Bind the same Collaboration Target as a Collaboration ICP described in subsection (a). Option-Eligible Collaboration ICPs shall exclude Optioned Collaboration ICPs, Declined Collaboration ICPs or Option-Ineligible ICPs.

1.97 "Option-Ineligible Collaboration ICPs" shall mean (a) all Collaboration ICPs that are excluded from the Option as set forth in Section 6.1(b) and (b) all other Collaboration ICPs that Bind to the same Collaboration Target as a Collaboration ICP described in subsection (a). Option-Ineligible Collaboration ICPs exclude all such Option-Ineligible ICPs to the extent that Regeneron exercises its ROFN pursuant to Section 6.3 and obtains a license or other right thereunder.

1.98 "Optioned Collaboration ICPs" shall mean (a) the Collaboration ICPs that exist at the time of Adicet's delivery of the Option Data Package to Regeneron, with respect to which Regeneron has exercised an Option pursuant to Section 6.2 and (b) all other Collaboration ICPs that contain a Targeting Moiety that [***].

1.99 "Other Shared Expenses" shall mean those costs and expenses specifically referred to in Sections 12.3, 16.4(c), 16.8(c)(iii), 16.9 and 20.1(c) and other costs mutually agreed in writing by the Parties to be included therein.

1.100 "Out-of-Pocket Costs" shall mean costs and expenses paid to Third Parties (or payable to Third Parties and accrued in accordance with GAAP) by Regeneron (or its Affiliate) or Adicet (or its Affiliate) directly incurred in the performance of the Collaboration.

1.101 "Patent Application" shall mean any application for a Patent, including any provisional, non-provisional, continuation, continuation-in-part or divisional applications and any PCT international applications or national phase applications, whether in the U.S. or any foreign country.

1.102 "Patent Rights" shall mean Patents and Patent Applications and without limiting the foregoing, the right to claim priority of such Patents and Patent Applications.

1.103 "Patents" shall mean any patent (including any reissue, extension, substitution, confirmation, re-registrations, re-examination, revival, supplementary protection certificate or patents of addition), whether in the U.S. or any foreign country.

1.104 "Person" shall mean an individual, partnership, joint venture, limited liability company, corporation, firm, trust, unincorporated organization and government or other department or agency thereof.

1.105 "Phase I Trial" shall mean a human clinical trial that would satisfy the requirements of 21 C.F.R. 312.21(a) (as amended or any replacement thereof), including an equivalent clinical trial conducted in a country other than the United States.

1.106 "Phase II Trial" shall mean a human clinical trial that would satisfy the requirements of 21 C.F.R. 312.21(b) (as amended or any replacement thereof), including an equivalent clinical trial conducted in a country other than the United States.

1.107 "Phase III Trial" shall mean a human clinical trial that would satisfy the requirements of 21 C.F.R. 312.21(c) (as amended or any replacement thereof), including, to the extent satisfying the foregoing requirements (a) a human clinical trial that becomes a registration trial sufficient for filing an application for a Marketing Approval for such product in the United States or (b) an equivalent clinical trial in conducted in a country other than the United States.

1.108 "Pricing Approval" shall mean such approval, agreement, determination or decision establishing prices for a Product that can be charged to consumers or will be reimbursed by Governmental Authorities in a country where Governmental Authorities or Regulatory Authorities of such country approve or determine pricing for pharmaceutical products for reimbursement or otherwise.

1.109 "Product" shall mean an Adicet Royalty Product, Regeneron Royalty Product, Co-Funded Product, Mice Derived Adicet ICP Product or Regeneron Non-ICP Product, as context requires.

1.110 "Product Specifications" means those Manufacturing, performance, quality-control release specifications for a Collaboration ICP, which shall be set forth in the applicable Research Plan.

1.111 "Product Trademark" shall mean, with respect to each Co-Funded Product in the Territory, the Trademark(s) selected by Regeneron solely for use on such Co-Funded Product throughout the Territory and/or accompanying logos, slogans, trade names, trade dress and/or other indicia of origin, in each case as selected by Regeneron.

1.112 "Profit Payment Report" shall mean the consolidated Quarterly report prepared by Regeneron (based on information reported under Section 14.7(b)) setting forth in reasonable detail, for each Major Market Country in the Co-Funding Territory and to the extent Regeneron's internal systems are segregating such information on a country-by-country basis, for each such country in the Co-Funding Territory, and in the aggregate for the Co-Funding Territory as a whole, (a) Co-Funded Product Net Sales, Cost of Goods Sold, and Shared Commercial Expenses invoiced or incurred by each Party for such Quarter, (b) Other Shared Expenses incurred by each Party for such Quarter, and (c) the Quarterly Profit True-Up, and the component items and calculations in determining such Quarterly Profit True-Up, calculated in accordance with Schedule 2. If an item is included in one Quarterly report, in no event shall the same item be included in a subsequent Quarterly report.

1.113 “Public Official or Entity” shall mean (i) any officer, employee, agent, representative, department, agency, de facto official, corporate entity, instrumentality or subdivision of any government, military or international organization, including any state-owned or affiliated company or hospital, or (ii) any candidate for political office, any political party or any official of a political party.

1.114 “Quarter” or “Quarterly” shall refer to a calendar quarter, except that the first (1st) Quarter shall commence on the Effective Date and extend to the end of the then-current calendar quarter and the last calendar quarter shall extend from the first day of such calendar quarter until the effective date of the termination or expiration of this Agreement.

1.115 “Regeneron Background IP” shall mean the Regeneron Background Patent Rights and the Regeneron Background Know-How.

1.116 “Regeneron Background Know-How” shall mean any and all Know-How that (i) is Controlled by Regeneron or its Affiliates as of the Effective Date or thereafter during the Research Program Term and (ii) is used by or behalf of Regeneron or its Affiliates or is provided by or on behalf of Regeneron or its Affiliates to Regeneron for use, in each case in the performance of this Agreement; provided, however, that Regeneron Background Know-How shall exclude Regeneron CTM Inventions and Collaboration Inventions.

1.117 “Regeneron Background Patent Rights” shall mean those Patent Rights that (i) are Controlled by Regeneron or its Affiliates as of the Effective Date or thereafter during the Research Program Term (or thereafter are prosecuted therefrom), and (ii) claim Know-How that is used by or behalf of Regeneron or its Affiliates or is provided by or on behalf of Regeneron or its Affiliates to Adicet for use, in each case in the performance of this Agreement; provided, however, that Regeneron Background Patent Rights shall exclude Patent Rights to the extent they claim Regeneron CTM Inventions and Collaboration Inventions.

1.118 “Regeneron CTM” shall mean (a)(i) a Targeting Moiety that was first generated solely by or on behalf of Regeneron under the Research Program or otherwise Controlled by Regeneron and introduced by Regeneron under the Research Program, in each case, that Binds a Collaboration Target or (ii) a derivative, modification, fragment or improvement of such Targeting Moiety that Binds to the same Collaboration Target as the molecule described in subclause (a)(i) or (b)(i) a Targeting Moiety, that was first generated by or on behalf of Adicet or jointly generated by or on behalf of the Parties using the Regeneron Transferred Technologies that Binds a Collaboration Target or (ii) a derivative, modification, fragment or improvement of such Targeting Moiety that Binds to the same Collaboration Target as the molecule described in subclause (b)(i).

1.119 “Regeneron CTM Invention” shall mean any composition of, or method of using or making a Regeneron CTM in each case that is discovered, invented, created or otherwise generated under this Agreement.

1.120 “Regeneron Designated Activities” shall mean Regeneron’s Research Plan Activities.

1.121 “Regeneron IP” shall mean the Regeneron Patent Rights and the Regeneron Know-How.

1.122 “Regeneron Know-How” shall mean Regeneron Background Know-How and any and all other Know-How Controlled by Regeneron or its Affiliates, in each case to the extent it either (a) constitutes Regeneron CTM Inventions, Regeneron Mice Inventions or Regeneron Transferred Technologies Inventions, or (b) with respect to Regeneron Background Know-How (i) is reasonably necessary to make, use, offer for sale, sell or import a Regeneron CTM or (ii) is useful to make, use, offer for sale, sell or import a Regeneron CTM or Research Program ICP and either is Regeneron Transferred Technology actually provided by Regeneron or its Affiliates to Adicet pursuant to Section 2.1(d)(ii) or was actually provided by Regeneron or its Affiliates to Adicet under the Research Program.

1.123 “Regeneron Mice” shall mean Regeneron’s proprietary, genetically engineered mice that are used in the performance of this Agreement, and any progeny (including cross-bred progeny resulting from producing a genetically engineered mouse by breeding or by using any portion of any of Regeneron’s proprietary genetically engineered mice) or other mice derived therefrom. For clarity, Regeneron Mice shall include the Licensed Mice.

1.124 “Regeneron Mice Inventions” shall mean the composition of or any method specific to using or making Regeneron Mice, including methods specific to selecting and screening Targeting Moieties derived from the Regeneron Mice, in each case that is discovered, invented, created or otherwise generated by or on behalf of one or both Parties, their Affiliates, employees, agents and consultants pursuant to this Agreement (including under the Research Program).

1.125 “Regeneron Mice IP” shall mean that certain Regeneron IP that constitutes, or to the extent it claims, Regeneron Mice, Regeneron Mice Inventions, Regeneron Transferred Technologies or Regeneron Transferred Technologies Inventions.

1.126 “Regeneron Non-ICP Product” shall mean any therapeutic, prophylactic, diagnostic or theranostic product, therapy, treatment or service that incorporates, includes or consists of a Mice Derived Adicet Targeting Moiety but does not incorporate, include or consist of an ICP.

1.127 “Regeneron Patent Rights” shall mean Regeneron Background Patent Rights and those other Patent Rights Controlled by Regeneron or its Affiliates, in each case to the extent they either (a) claim any Collaboration Inventions, Regeneron CTM Inventions, Regeneron Mice Inventions or Regeneron Transferred Technologies Inventions, or (b) with respect to Regeneron Background Patent Rights (i) is reasonably necessary to make, use, offer for sale, sell or import a Regeneron CTM or (ii) is useful to make, use, offer for sale, sell or import a Regeneron CTM or Research Program ICP and claims either Regeneron Transferred Technology actually provided by Regeneron or its Affiliates to Adicet pursuant to Section 2.1(d)(ii) or Intellectual Property that was actually provided by Regeneron or its Affiliates to Adicet under the Research Program.

1.128 “Regeneron Product IP” shall mean that certain Regeneron IP, in each case that is incorporated into, or otherwise constitutes, the composition of, or any method of making or any method of using, any Collaboration ICP or Royalty Product or Co-Funded Product (or any component thereof).

1.129 “Regeneron Royalty-Bearing Collaboration ICPs” shall mean Optioned Collaboration ICPs for which Adicet has not exercised its Co-Funding Option in accordance with Section 8.1.

1.130 “Regeneron Royalty Product” shall mean any therapeutic, prophylactic, diagnostic or theranostic product, therapy, treatment or service that incorporates, includes or consists of a Regeneron Royalty-Bearing Collaboration ICP.

1.131 “Regeneron Trademarks” shall mean the Trademarks Controlled by Regeneron during the Term and designated in writing by Regeneron for use with the Collaboration ICPs.

1.132 “Regeneron Transferred Technologies” shall mean (i) the Licensed Mice, (ii) any other Regeneron Mice that are used, or intended for use, for testing the efficacy or toxicity of any Collaboration ICP, (iii) any other Regeneron Mice approved by the JRC to be transferred from Regeneron to Adicet pursuant to Section 2.1, (iv) any antibodies or other targeting moieties, or any other technology Controlled by Regeneron that has been approved by the JRC to be transferred from Regeneron to Adicet pursuant to Section 2.1, and (v) any Know-How Controlled by Regeneron or its Affiliates regarding the instructions, protocols and other information provided by Regeneron pursuant to Section 2.1(d)(ii).

1.133 “Regeneron Transferred Technologies Inventions” shall mean the composition of or any method of using or making specific to the Regeneron Transferred Technologies (other than the Regeneron Mice Inventions), in each case that is discovered, invented, created or otherwise generated by or on behalf of one or both Parties, their Affiliates, employees, agents and consultants pursuant to this Agreement (including under the Research Program).

1.134 “Region” shall mean a group of countries as approved by the JSC.

1.135 “Registration Filing” shall mean the submission to the relevant Regulatory Authority of an appropriate application seeking Approval, and shall include, without limitation, any IND or Marketing Approval application.

1.136 “Regulatory Authority” shall mean any federal, national, multinational, state, provincial or local regulatory agency, department, bureau or other governmental entity anywhere in the world with authority over the activities conducted under this Agreement.

1.137 “Regulatory Filings” means regulatory applications, submissions, dossiers, notifications, registrations, Registration Filings, Approvals, and/or other filings made to or with, or other approvals granted by, a Regulatory Authority that are necessary or reasonably desirable in order to develop, manufacture or commercialize a Product in a particular country or regulatory jurisdiction.

1.138 “Research Program” shall mean the research and development activities to be performed under this Agreement and as set forth in a Research Plan, which shall include (a)(i) discovery research activities directed at Target identification, validation, and selection,

(ii) CTM (or other Targeting Moieties) discovery, characterization, and optimization, (iii) creation, characterization and optimization of chimeric antigen receptors or T-cell receptors that include CTMs (or other Targeting Moieties), (iv) creation, testing and optimization of Collaboration ICPs (including features that enhance safety or efficacy such as armored chimeric antigen receptors or inhibitory chimeric antigen receptors), (v) development of Manufacturing processes to Manufacture Collaboration ICPs for use in the Research Program and for use in clinical studies, and (vi) preclinical Development as set forth in the applicable Research Plan, or (b) technology development activities mutually agreed by the Parties and set forth in the applicable Technology Research Plan that are separate and distinct from activities to be performed under a Collaboration Research Plan.

1.139 "Royalty Product" shall mean an Adicet Royalty Product or a Regeneron Royalty Product.

1.140 "Royalty Term" shall mean:

(a) With respect to each Adicet Royalty Product in each country, the period commencing on the First Commercial Sale of such Adicet Royalty Product in such country and continuing until the later of (i) the expiration of the last Valid Claim Covering [***] such Adicet Royalty Product included in the Patent Rights comprising Adicet Product IP or the Patent Right licensed by Regeneron to Adicet in accordance with Section 5.1, or (ii) [***] years from the First Commercial Sale of such Adicet Royalty Product in such country;

(b) With respect to each Regeneron Royalty Product in each country, the period commencing on the First Commercial Sale of such Regeneron Royalty Product in such country and continuing until the later of (i) the expiration of the last Valid Claim Covering [***] such Regeneron Royalty Product included in the Patent Rights comprising Regeneron Product IP or the Patent Right licensed by Adicet to Regeneron in accordance with Section 5.1, or (ii) [***] years from the First Commercial Sale of such Regeneron Royalty Product in such country;

(c) With respect to each Regeneron Non-ICP Product in each country, the period commencing on the First Commercial Sale of such Regeneron Non-ICP Product in such country and continuing until [***] years from the First Commercial Sale of such Regeneron Non-ICP Product in such country; and

(d) With respect to each Mice Derived Adicet ICP Product (other than one generated or derived from any Licensed Mice set forth under the heading "Class 3 Licensed Mice" on Schedule 4, and such generation and derivation did not involve the use of any Class 1 Licensed Mice or Class 2 Licensed Mice) in each country, the period commencing on the First Commercial Sale of such Mice Derived Adicet ICP Product in such country and continuing until [***] years from the First Commercial Sale of such Mice Derived Adicet ICP Product in such country.

1.141 "Royalty Territory" shall mean, in the event that Adicet in its Co-Funding Notice delivered pursuant to Section 8.1, limits the Co-Funding Territory [***], all countries and territories of the Territory other the Co-Funding Territory. For clarity, in the event Adicet includes the entire Territory in its Co-Funding Notice there shall be no Royalty Territory.

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

1.143 "Shared Commercial Expenses" shall mean, for each Co-Funded Product, the costs incurred by Regeneron (or by Adicet pursuant to clause (c) below) directly for the Commercialization of such Co-Funded Product for the Co-Funding Territory, in each case in accordance with this Agreement including:

(a) [***] percent ([***]%) of Net Sales of such Co-Funded Product to cover the cost of distribution, freight, insurance and warehousing, for the sale of such Co-Funded Product in the Co-Funding Territory, less any amount deducted from Net Sales of such Co-Funded Product pursuant to clause (h) of the definition of Net Sales for such Co-Funded Product (and which for clarity shall be a proxy for costs actually incurred);

(b) bad debt attributable to such Product sold in the Co-Funding Territory;

(c) Field Force Costs, including Field Force Costs incurred by Adicet in its performance of its Co-Promotion activities as further set forth in the Co-Promotion Agreement;

(d) Out-of-Pocket Costs for (i) the marketing, advertising and/or promotion of Co-Funded Products in the Co-Funding Territory (including pricing activities, commercial pharmacovigilance, educational expenses, advocate development programs and symposia and promotional materials), (ii) market research for Co-Funded Products in the Co-Funding Territory or (iii) the preparation of training and communication materials for Co-Funded Products in the Co-Funding Territory;

(e) Out-of-Pocket Costs for surveys, registries and clinical trials not intended to gain additional labeled indications for such Co-Funded Product in the Co-Funding Territory, including the Out-of-Pocket Cost of clinical research organizations, investigator and expert fees, lab fees and scientific service fees, the Out-of-Pocket Cost of shipping clinical supplies to centers or disposal of clinical supplies, in each case, to the extent not already included in the Cost of Goods Sold for such Co-Funded Product;

(f) Out-of-Pocket Costs for Pricing Approvals and the maintenance of all Marketing Approvals directly related to the Commercialization of such Co-Funded Product in the Co-Funding Territory;

(g) Commercial Overhead Charge;

(h) Out-of-Pocket Costs for regulatory affairs activities, other than activities to secure Registration Filing of indications or line extension;

(i) Third Party License Payments under a Third Party License entered into in accordance with this Agreement for such Co-Funded Product pursuant to Section 16.7 to the extent attributable to the Commercialization for the Co-Funded Product; and

(j) any other internal costs or expenses or Out-of-Pocket Costs for the Commercialization of such Co-Funded Product and not included in clauses (a) through (i) above.

For clarity, Shared Commercial Expenses shall include Launch Preparation Expenses. In the event that any of the foregoing costs benefit both Co-Funded Product(s) and other products or

activities (for example, if a Third Party License is not exclusively of benefit to Co-Funded Products) or benefits both Co-Funded Product(s) in the Co-Funding Territory and Regeneron Royalty Products in the Royalty Territory, then Regeneron shall apportion such costs in a manner that fairly reflects the benefit to the Co-Funded Products and the other products or activities or the benefit to the Co-Funded Product(s) in the Co-Funding Territory and the Regeneron Royalty Products in the Royalty Territory. Regeneron shall disclose both the total costs incurred and the apportionment in the information reported under Section 10.3. At the request of Adicet, Regeneron shall provide additional reasonable supporting documentation and make its personnel reasonably available to answer questions. In the event of a dispute regarding an apportionment, the Parties shall resolve the dispute in accordance with Article 23. In no event shall the same costs be included more than once in Shared Commercial Expenses under this Agreement, even if such costs are of benefit to multiple Co-Funded Products.

1.144 "Side Letter Agreement" means that certain letter agreement dated as of the Effective Date, by and between Regeneron and Adicet.

1.145 "Target" shall mean (a) any specifically identifiable, separate and distinct molecule or molecular complex (and all isoforms thereof, and genetic and post-translational variants thereof (provided, however, that if the unique portion of such isoform or variant allows generation of a polypeptide that only binds to that unique portion of such isoform or variant, the JRC may choose to nominate such unique portion as a separate Target), in each case that (i) is capable of being bound by polypeptide that includes a complementarity determining region (CDR), and (ii) is reasonably considered in the scientific community (or otherwise by the Parties) to have therapeutic relevance in oncology, and (b) all epitopes within the applicable molecule or molecular complex.

1.146 "Target List" shall mean the list of Collaboration Targets selected by the Parties pursuant to Section 2.5. For clarity, the Target List shall not include the Non-Collaboration Targets.

1.147 "Target Selection Term" shall mean the period beginning on the Effective Date and ending on the five (5)-year anniversary thereof unless the Research Program is terminated in accordance with Section 2.2(b), 2.2(c), 2.2(c) or 22.10(a), or this Agreement is earlier terminated in accordance with Article 22, in which event the Target Selection Term shall end on the effective date of such termination.

1.148 "Targeting Moiety" shall mean (a) any polypeptide that includes a complementarity determining region (CDR), including a single-chain variable fragment (scFv), Antibody or T-cell receptor and was designed and selected to bind, and binds, a specific Target, and (b) any DNA or RNA sequence encoding a polypeptide described in (a). For clarity, a Targeting Moiety does not include spacer, costimulatory or other non-CDR elements contained in a chimeric antigen receptor or chimeric T-cell receptor.

1.149 "Technology Collaboration Invention" shall mean a Collaboration Invention described in clause (b) of Section 1.38.

1.150 "Technology Research Plan" shall mean a Research Plan described in clause (ii) of Section 2.3(a).

1.151 "Technology Research Program" shall mean a Research Program described in clause (b) of Section 1.138.

1.152 "Terminated ICPs" shall mean, collectively, Terminated Collaboration ICPs and Terminated Mice Derived Adicet ICPs.

1.153 "Terminated Products" shall mean, collectively, Terminated ICP Products, Terminated Mice Derived Adicet ICP Products and Terminated Regeneron Non-ICP Products.

1.154 "Territory" shall mean all the countries and territories of the world.

1.155 "Third Party" shall mean any Person other than Adicet or Regeneron or any Affiliate of either Party.

1.156 "Third Party License" shall mean any agreement between a Party and a Third Party pursuant to which such Third Party grants a license to such Party with respect to Intellectual Property Rights of such Third Party that pertain to a Collaboration ICP or Product.

1.157 "Third Party License Payment" shall mean any payment due to any Third Party under any Third Party License, including royalties, milestone payments and any other payments.

1.158 "Trademarks" shall mean all registered and unregistered trademarks (including all common law rights thereto), service marks, trade names, brand names, logos, taglines, slogans, certification marks, Internet domain names, trade dress, corporate names, business names and other indicia of origin, together with the goodwill associated with any of the foregoing and all applications, registrations, extensions and renewals thereof throughout the world, and all rights therein provided by international treaties and conventions.

1.159 "United States" or "U.S." means the United States of America and its territories and possessions.

1.160 "Updated Development Cost Forecast" means the non-binding forecast, which shall be updated annually in accordance with Section 9.2, for the total expected costs of (i) the Development for a Co-Funded Product in the Co-Funding Territory during the period that begins on the date of such annual update and ends upon the expected first Marketing Approval for such Co-Funded Product plus (ii) the actual Development Costs incurred by Regeneron in the Co-Funding Territory prior to the date of such annual update.

1.161 "U.S. Export Control Laws" shall mean all applicable U.S. laws and regulations relating to the export or re-export of commodities, technologies, or services, including the Export Administration Act of 1979, 24 U.S.C. §§ 2401-2420, the International Emergency Economic Powers Act, 50 U.S.C. §§ 1701-1706, the Trading with the Enemy Act, 50 U.S.C. §§ 1 et. seq., the Arms Export Control Act, 22 U.S.C. §§ 2778 and 2779, and the International Boycott Provisions of Section 999 of the U.S. Internal Revenue Code of 1986.

1.162 "Valid Claim" shall mean either (a) a claim of an issued and unexpired Patent (including the term of any patent term extension, supplemental protection certificate, renewal or other extension) that has not been held unpatentable, invalid or unenforceable in a final decision

of a court or other Governmental Authority of competent jurisdiction from which no appeal may be or has been taken, and that has not been admitted to be invalid or unenforceable through reissue, re-examination, disclaimer or otherwise, or (b) a pending claim of a Patent Application that was filed in good faith and has not been abandoned or finally disallowed without the possibility of appeal or refiling; provided however, that Valid Claim will exclude any such pending claim in any such Patent Application that has not been granted within [***] years after the filing date of any of (i) such Patent Application, (ii) a PCT application of which such Patent Application is the national or regional stage; or (iii) a PCT or regular national or regional patent application to which such Patent Application claims a prior filing date.

The remaining capitalized terms used in this Agreement shall have the meanings set forth in the following Sections of this Agreement:

Term	**Section Reference**
AAA	23.3
Acquired Party	4.3
Acquiring Party	4.3
Adicet Co-Funding Percentage	8.1
Adicet Funding Wind Down Period	22.7(d)
Acquisition Product	4.3
Adicet Commitment Level	11.2
Adicet Indemnitees	20.1(b)
Adicet Quarterly Expenses	Schedule 2
Agreement	introductory paragraph
Antibody Target	7.8(a)
Alliance Manager	3.2
Base Yearly New Collaboration Target Initiation Number	2.5(c)
CDA	19.1
Change of Control Notice	22.10
Co-Funding Option Deadline	8.1(a)
Collaboration Research Plans	2.3
Committees	9.1(a)
Competing Program	4.3
Confidential Information	19.1
CREATE Act	16.2(i)
Co-Administration Study Notice	7.8(a)
Co-Administration Target	7.8(a)
Co-Funding Materials	8.1
Co-Funding Option	8.1
Co-Funding Reduction Notice	8.1(c)
Co-Promotion Agreement	11.2(a)
Co-Funding Notice	8.1
CREATE Act	16.2(i)
Damages	20.1(a)
Default Interest Rate	14.9

Term	Section Reference
Direct Costs	Schedule 1
Disclosing Party	19.1
Effective Date	introductory paragraph
Evaluation Targets	2.5(d)
Exclusive Negotiation Period	6.3(d)
Expression of Interest	7.8(a)
Final Option Data Package	2.4(d)
First IND Candidate	6.1(a)
Force Majeure	Article 21
Existing Regeneron Target List	2.5(a)
Human Materials	2.4(g)
Indemnified Party	20.2(a)
Indemnifying Party	20.2(a)
Indirect Costs	Schedule 1
Infringement Claim	16.8(c)
Initial Collaboration Target List	2.5(a)
Initial Phase I Supply	13.2
JSC	9.1(a)
Key Adicet Personnel	2.2(d)
Lead Litigation Party	16.4(b)
Manufacturing Cost	Schedule 1
Maximum Adicet Effort	11.2
Modified Clause	24.8
Non-Acquiring Party	4.3
Non-Performing Party	2.4(h)
Option	6.2(a)
Option Cap	6.1(c)
Option Exercise Fee	6.2(b)
Option Exercise Notice	6.2(b)
Option-Ineligible ICP Agreement	6.3
Option Period	6.2(b)
Party or Parties	introductory paragraph
Performing Party	2.4(h)
Product Infringement	16.4(a)
Product Term	22.1
Profit Split	Schedule 2
Profits	Schedule 2
Providers	2.4(g)
Quarterly Development True-Up	Schedule 2
Quarterly Profit True-Up	Schedule 2
Receiving Party	19.1
Regeneron	introductory paragraph
Regeneron Antibody	7.8(b)
Regeneron Co-Funding Percentage	8.1

Term	Section Reference
Regeneron Funding Wind Down Period	22.8(c)
Regeneron Indemnitees	20.1(a)
Regeneron Quarterly Expenses	Schedule 2
Research Plans	2.3
Research Plan Activities	2.3(d)
Research Program Term	2.2(a)
Research Program Term Licenses	16.7(a)
ROFN	6.3
ROFN Exercise Notice	6.3(c)
ROFN Notice	6.3
Rules	23.3
Shared Facility	Schedule 1
Sole Inventions	16.1
Target Draft Meetings	2.5(c)
Term	22.1
Terminated Collaboration ICPs	22.2
Terminated Mice Derived Adicet ICP	22.2
Terminated Mice Derived Adicet ICP Products	22.2
Terminated ICP Products	22.2
Terminated Regeneron Non-ICP Products	22.2
Terminated Target	4.1(f)
Third Party Acquisition	4.3
Third Party Agreement	4.2(b)
Third Party Patent Licenses	14.3(b)
Total Development Costs	Schedule 2
Up-Front Payment	14.1
Working Group	9.1(a)

ARTICLE 2
RESEARCH PROGRAM

2.1 Research Program. The objective of the Parties under the Research Program is to collaborate to discover, research, and conduct preclinical development of Collaboration ICPs that are directed to Collaboration Targets selected by the Parties in accordance with Section 2.5. The Research Program shall be conducted in accordance with a Research Plan for each Collaboration Target as set forth in Section 2.3, and subject entirely thereto, the Parties generally anticipate they will conduct the following activities as part of the Research Program:

(a) The Parties will collaborate to identify and validate Targets that would be most suitable for designation as Collaboration Targets and designate Collaboration Targets as set forth in Section 2.5.

(b) The Parties will collaborate to research and develop new technologies and methods to generally improve the safety, efficacy, and production of ICPs.

(c) The Parties will collaborate to generate and evaluate Collaboration Targeting Moieties against each Collaboration Target, generate Collaboration ICPs for each Collaboration Targeting Moiety and conduct preclinical development of Collaboration ICPs, with each Party having primary responsibilities for the following:

(d) Regeneron will be primarily responsible for and will use Commercially Reasonable Efforts to:

(i) Subject to Section 2.5(b), Section 2.5(c) and Section 2.5(f), generate, validate and optimize and deliver Regeneron CTMs to Adicet for use in Collaboration ICPs under this Agreement and for no other purpose; and

(ii) provide Regeneron Transferred Technologies to Adicet, for Adicet to generate Regeneron CTMs for the creation of Collaboration ICPs and evaluate Regeneron CTMs, Adicet CTMs; and Collaboration ICPs under this Agreement in accordance with the Research Plan; provided that the quantities of any Regeneron Mice within the Regeneron Transferred Technologies and the timelines for providing any Regeneron Mice shall be subject to Regeneron's available capacity for generating and supplying such Regeneron Mice. Additionally, Regeneron shall provide to Adicet all instructions, protocols and other information to the extent reasonably necessary to use the Regeneron Transferred Technologies, and shall make its scientists reasonably available to answer questions regarding the use of the Regeneron Transferred Technologies. If for any reason whatsoever, Regeneron is unable to timely provide the quantities of Regeneron Mice within the timelines set forth in the applicable Research Plan, Regeneron shall give Adicet's requirements at least equal priority to those of Regeneron and it Affiliates' other most favored Third Party transferees and shall allocate its resources accordingly.

(e) Adicet will be primarily responsible for and will use Commercially Reasonable Efforts to:

(i) determine whether to designate Evaluation Targets as Collaboration Targets;

(ii) use CTMs to generate, validate and optimize Collaboration ICPs under this Agreement for the Parties to evaluate as potential candidates for preclinical development;

(iii) as determined by the JRC, use the Regeneron Transferred Technologies to generate and evaluate Regeneron CTMs for the creation of Collaboration ICPs under this Agreement;

(iv) in the event that (A) pursuant to Section 2.1(d)(i), Regeneron is unable to generate a Regeneron CTM against a particular Collaboration Target and pursuant to Section 2.1(e)(iii) to the extent applicable, Adicet is unable to generate a Regeneron CTM against a particular Collaboration Targets using the Regeneron Transferred Technology, in each case in accordance with the requirements set forth in the Research Plan, or (B) as otherwise determined by the JRC, then subject to Section 16.7(a), Adicet may use other Targeting Moiety discovery technologies available to Adicet to generate Adicet CTMs directed to such Collaboration Target for use in creating Collaboration ICPs under this Agreement;

(v) develop processes for the manufacture and the scale-up of production of Collaboration ICPs for preclinical and clinical studies;

(vi) conduct all preclinical studies to evaluate the safety, efficacy of Collaboration ICPs, and PK/PD of Collaboration ICPs that are reasonably necessary to support an IND submission as set forth in the applicable Research Plan; and

(vii) prepare draft INDs for Collaboration ICPs in close cooperation with Regeneron and considering any reasonable comments made by Regeneron.

(f) Subject to JRC oversight, unless the Parties otherwise expressly agree in writing, Adicet shall conduct all communications with the applicable Regulatory Authorities for Collaboration ICPs prior to IND submission and shall copy Regeneron on all such communications. As between the Parties, Regeneron shall have the sole right to submit the IND for all Optioned Collaboration ICPs and shall bear the filing costs associated therewith, and Adicet shall have the sole right to submit the IND for all Declined Collaboration ICPs and Option-Ineligible Collaboration ICPs and shall bear the filing costs associated therewith.

(g) The Parties shall discuss and, as reasonably determined by the JRC , and subject to the terms of Regeneron's agreements with Third Parties regarding an Antibody, evaluate in pre-clinical studies potential combinations of Collaboration ICPs with immuno-modulatory Antibodies Controlled by Regeneron, and provide mutually agreed reporting to the other Party of the data and other results from such studies.

(h) The Parties shall discuss and, as reasonably determined by the JRC, collaborate on research to advance the ICP technology platform, including [***].

2.2 Term of the Research Program.

(a) The Research Program shall commence as of the Effective Date and shall end, on a Collaboration Target-by-Collaboration Target basis, upon the earliest of the date of (i) Regeneron's delivery of the Option Exercise Notice within the time period set forth Section 6.2(b) or Regeneron's failure to deliver the Option Exercise Notice within the time period set forth in Section 6.2(b), in each case after receipt of the applicable Final Option Data Package pursuant to Section 2.4(d), (ii) the Parties' agreement in writing that they are terminating all work (including research and preclinical development) hereunder on all Collaboration ICPs that Bind to such Collaboration Target (or, if later, the effective date of such termination), (iii) earlier termination of this Agreement in accordance with Article 22, in which event the Research Program shall end on the effective date of such termination; (iv) Regeneron's termination of the Research Program pursuant to Sections 2.2(b), 2.2(c), 2.2(c), 2.5(g), 4.3(a)(i)(Z) or 22.10(a), (v) Adicet's termination of the Research Program pursuant to Section 4.3(a)(ii)(Z), or (vi) either Party's termination of the Research Program in accordance with Section 2.4(h) ("Research Program Term"). Each Technology Research Program shall commence as set forth in the applicable Technology Research Plan and (unless earlier terminated as set forth in this Agreement or such Technology Research Plan) shall terminate on the fifth (5th) anniversary of the Effective Date.

(b) Regeneron may, by written notice to Adicet given at any time after the [***] anniversary of the Effective Date, terminate the Research Program in its entirety and end all performance of the Research Plan Activities, in each case upon at least [***] advance written notice.

(c) Following a Change of Control of Adicet, Regeneron may, by written notice to Adicet, terminate the Research Program and end all performance of the Research Plan Activities, in each case as of the date or dates specified in such notice as set forth in Section 22.10(a).

(d) Regeneron considers the performance of the Adicet personnel set forth on Schedule 4 (the "Key Adicet Personnel") as critical for the success of the Research Program. In the event that any of the Key Adicet Key Personnel leave or are removed (or are otherwise unwilling or unavailable to direct or oversee the Research Program in accordance with this Agreement) at any time prior to the [***] anniversary of the Effective Date, then Adicet shall, as soon as practicable but in any event within [***] Business Days of such event, provide written notice of such event to Regeneron and Regeneron may terminate the Research Program in its entirety and end all performance of the Research Plan Activities, in each case upon at least [***] advance written notice.

2.3 Research Plans; Research Plan Activities.

(a) The Research Program will be conducted pursuant to written research plans that set forth (i) the overall strategy, plan, goals, and each Party's activities and responsibilities for each Collaboration Target reasonably necessary to support an IND submission to the FDA or such other jurisdiction as determined by the JRC (or in the case of an Option-Ineligible Collaboration ICP, as determined by Adicet) and shall set forth a timeline for each Party's material activities (the "Collaboration Research Plans"), or (ii) technology development activities that are separate and distinct from those conducted under a Collaboration Research Plan (the "Technology Research Plans" and together with the Collaboration Research Plans, the "Research Plans"). Notwithstanding anything to the contrary in this Agreement, each Technology Research Plan shall require the mutual written agreement of both Parties and shall be identified in writing as a "Technology Research Plan" at the time of such mutual written agreement, and either Party shall have the right to not agree to any proposed Technology Research Plan.

(b) The Parties will work together to create a Research Plan for each of the initial Collaboration Targets selected pursuant to Section 2.5(b) as soon as possible but in no event later than thirty (30) days after the initial Collaboration Targets are added to the Target List. The Parties shall use Commercially Reasonable Efforts to prepare, finalize and approve a Research Plan for each additional Collaboration Target within [***] after such Collaboration Target is added to the Target List. The Parties acknowledge and agree that the Parties may not agree to the Product Specifications for a Collaboration ICP at the time a Research Plan is initially agreed to in accordance with this clause (b) and the Parties shall subsequently amend the Research Plan for a Collaboration ICP to include the Product Specifications as such Product Specifications are agreed to by the Parties, including the Product Specifications for the Initial Phase I Supply for an Optioned Collaboration ICP to be Manufactured by Adicet pursuant to Section 13.2.

(c) In each Research Plan, the Parties shall specify the desired properties for CTMs and which Party(ies) shall be responsible for generating such CTMs. Each Party shall provide the Adicet Background Know-How or Regeneron Background Know-How, as applicable, that is reasonably necessary for the other Party to conduct its activities under the Research Program, for use in the Research Program.

(d) Each Research Plan will set forth in detail the material activities of each Party with respect to such Collaboration Target, together with any relevant timelines for such activities ("Research Plan Activities"). In allocating the activities of each Party under the Research Plan, the JRC will endeavor to focus on each Party's areas of competence in order to avoid duplication of effort and to efficiently and expeditiously achieve the objectives of the Research Plan.

2.4 Research Plan Performance.

(a) Each Party shall use Commercially Reasonable Efforts to perform its Research Plan Activities and to complete such Research Plan Activities within the timelines set forth in the Research Plan and to achieve the goals and deliverables set forth in the Research Plan.

(b) Subject to Section 14.2, each Party shall be responsible for any costs it incurs in the conduct of the Research Program.

(c) No more than [***] and no less than [***] months prior to the anticipated date of IND submission to the FDA, as such date is reasonably determined by Adicet in consultation with the JRC with respect to a Collaboration ICP that Binds such Collaboration Target, Adicet shall provide Regeneron with an Initial Option Data Package. Following the receipt of the Initial Option Data Package and continuing up to the point of Adicet's delivery of the Final Option Data Package to Regeneron in accordance with Section 2.4(d) the Parties will communicate regularly as necessary to (i) discuss the design, conduct and results of ongoing pre-clinical studies or planned pre-clinical studies designed to support an IND, (ii) discuss design, conduct, and results of production of GMP materials for clinical trials, (iii) discuss IND drafting and data compilation for the IND, (iv) discuss protocols and study design for the Phase I Trial and (v) discuss any reasonable questions Regeneron may have related to the content of the Initial Option Data Package. Within [***] following the receipt by Regeneron of the Initial Option Data Package for a Collaboration ICP that Binds a Collaboration Target, Regeneron shall provide a written non-binding notice thereof to Adicet in good faith as to whether Regeneron has a bona fide intention to obtain a license under Section 5.1(a)(iv) with respect to such Collaboration ICP that Binds such Collaboration Target. If Regeneron provides Adicet with timely written notice that it has a bona fide intention to obtain a license under Section 5.1(a)(iv) with respect to such Collaboration ICP that Binds such Collaboration Target, then Regeneron shall exercise the applicable Option in accordance with Section 6.2(b) unless data, information or circumstances not contained or explicitly accounted for within the Initial Option Data Package, has, or is reasonably expected to have, a material adverse effect on the development or commercialization of such Collaboration ICP, as determined in Regeneron's sole and reasonable discretion. If Regeneron fails to provide Adicet with timely written notice that it has a bona fide intention to obtain a license under Section 5.1(a)(iv) or notifies Adicet that it has no intention to obtain a license under Section 5.1(a)(iv) with respect to such Collaboration ICP that Binds such Collaboration Target, then such Collaboration ICP and all other Collaboration ICPs Binding to the same Collaboration Target shall become Declined Collaboration ICPs.

(d) No more than [***] and no less than [***] prior to the anticipated date of IND submission to the FDA as such date is reasonably determined by Adicet in consultation with the JRC, Adicet shall deliver to Regeneron a report of (a) all other data that it has generated with respect to a Collaboration ICP since Adicet's delivery of the Initial Option Data Package, (b) any updates to such disclosures to Regeneron counsel required by Section 16.6 with respect to such Collaboration ICP and (c) and any additional Collaboration ICP-related information as reasonably requested by Regeneron; provided, however, that the foregoing shall not require Adicet to prepare, obtain or otherwise provide any information, data or materials other than those that are then in Control of Adicet (the "Final Option Data Package"). In the event that Regeneron reasonably determines that the data included in the Final Option Data Package furnished by Adicet under this Section 2.4(d) is inaccurate or incomplete, Regeneron shall provide written notice thereof to Adicet, provided that such request is made within [***] after Adicet has delivered the Final Option Data Package, and Adicet shall use its Commercially Reasonable Efforts to furnish to Regeneron corrected and/or complete copies of such additional information requested by Regeneron (and the Option Period shall be tolled until such additional information is provided); provided, however, that the foregoing shall not require Adicet to prepare, obtain or otherwise provide any information, data or materials other than those that are then in Control of Adicet.

(e) Each Party shall prepare and maintain, or shall cause to be prepared and maintained, complete and accurate written records, accounts, notes, reports and data with respect to its activities conducted pursuant to the Research Plans in conformity with Applicable Law and standard pharmaceutical industry practices; provided that in no case shall written documentation be maintained for less than [***] years following the Contract Year to which such records pertain. Upon reasonable advance notice, each Party agrees to make the information referred to in the previous sentence available for inspection by the other Party during the Term and the period of [***] following the Term for purposes of ascertaining compliance with this Agreement. Upon reasonable advance notice, at the request of the JRC, each Party agrees to make its employees and consultants reasonably available at their respective places of employment to consult with the other Party on issues arising under the Research Plans. In accordance with the reporting format and schedule approved by the JRC, each Party shall promptly disclose to the other Party in writing all data, including preclinical data, formulation data and Manufacturing data, generated by or on behalf of such Party with respect to a Collaboration ICP. The Parties acknowledge the importance of ensuring that the Research Plans are undertaken in accordance with the following good data management practices: (i) data shall be generated using sound scientific techniques and processes; (ii) data shall be accurately and reasonably contemporaneously recorded in accordance with good scientific practices by Persons conducting research hereunder; (iii) data shall be analyzed appropriately without bias in accordance with good scientific practices; and (iv) all data and results shall be stored securely and shall be easily retrievable. The Parties agree that they shall carry out the Research Plans so as to collect and record any data generated therefrom in a manner consistent with the foregoing requirements.

(f) If animals are used in research hereunder, each Party will comply with the Animal Welfare Act and any other Applicable Laws relating to the care and use of laboratory animals. Regeneron encourages Adicet to use the highest standards, such as those set forth in the Guide for the Care and Use of Laboratory Animals (NRC, 1996), for the humane handling, care and treatment of such research animals. Any animals which are used in the course of the Research Plan, or products derived from such animals, such as eggs or milk, will not be used for food purposes, nor will such animals be used for commercial breeding purposes.

(g) If any human cell lines, tissue, human clinical isolates or similar human-derived materials ("Human Materials") have been or are to be collected and/or used in the Research Plan, each Party represents and warrants (i) that it has complied, or shall comply, with all Applicable Laws relating to the collection and/or use of the Human Materials and (ii) that it has obtained, or shall obtain, all necessary approvals and appropriate informed consents, in writing, for the collection and/or use of such Human Materials. Each Party further represents and warrants that such Human Materials may be used as contemplated in this Agreement without any obligations to the individuals or entities ("Providers") who contributed the Human Materials, including any obligations of compensation to such Providers or any other Third Party for the intellectual property associated with, or commercial use of, the Human Materials for any purpose.

(h) If a Party fails to use Commercially Reasonable Efforts to perform its Research Plan Activities (the "Non-Performing Party"), the other Party (the "Performing Party") may, at its election, issue a notice of a termination of the Research Program with respect to such Collaboration Target. Such notice of termination shall set forth in reasonable detail the facts underlying or constituting the alleged breach, and the termination which is the subject of such notice shall be effective [***] after the date such notice is given unless the breaching Party shall have cured such breach within such [***] period. If termination becomes effective, the Research Program shall terminate with respect to such Collaboration Target and solely with respect to the Performing Party, the Collaboration Target shall be removed from the Target List, and such Target shall by a Terminated Target solely with respect to the Performing Party.

2.5 Target List.

(a) Existing Regeneron Targets. A list of cancer cell Targets that Regeneron is currently researching as of the Effective Date is set forth on Schedule 5 (the "Existing Regeneron Target List").

(b) Initial Targets. The Parties shall meet within [***] of the Effective Date and the Parties shall discuss and agree to designate [***] Targets as the initial Collaboration Targets on the Target List, which may include Targets on the Existing Regeneron Target List. Notwithstanding the foregoing, if the Parties mutually desire additional time to designate [***] Targets as the initial Collaboration Targets or to designate a Target as an Evaluation Target, such meeting shall be postponed for such period and/or such meeting shall be held on more than one date, in each case as the Parties mutually agree in writing for purposes of designating [***] Targets as the initial Collaboration Targets or designating one or more Targets as Evaluation Targets. Additionally, if the Parties mutually desire to conduct validation work and evaluation of a nominated Target before determining whether to add such Target as a Collaboration Target or Evaluation Target at such initial meeting, the Parties shall mutually agree in writing on a plan therefor. In such a case, each Party shall conduct its obligations under such plan and share with the other Party the results thereof, and such meeting shall be postponed and/or such meeting shall be held on more than one date, in each case to allow the Parties to determine whether to add any such Target as one of the initial Collaboration Targets or as an Evaluation Target.

(c) Target Draft Meetings. The Parties shall meet in the [***] of such date, or more often if agreed between the Parties (together with the initial meeting described in Section 2.5(b), the "Target Draft Meetings"), and the Parties shall discuss additional Targets for inclusion in the Research Program. The Parties shall add [***] mutually agreed Targets per Contract Year ("Base Yearly New Collaboration Target Initiation Number"), subject to Section 2.5(f) (in which case the Parties will add [***] mutually agreed to Targets to the Target List in such Contract Year) and in each case, in accordance with the selection process set forth in Section 2.5(e) below.

(d) Evaluation Targets. In addition to the Base Yearly New Collaboration Target Initiation Number for each Contract Year during the Target Selection Term, at each Target Draft Meeting other than the Target Draft Meeting held [***] of the Target Selection Term, the Parties may discuss and mutually agree to include up to an [***] Targets for further evaluation as potential Collaboration Targets ("Evaluation Targets"); provided, however, that the maximum number of Evaluation Targets existing at any one time shall not exceed [***]. At each Target Draft Meeting, other than the first Target Draft Meeting, the Parties shall discuss whether to include any Evaluation Targets selected in the prior Target Draft Meeting as Collaboration Targets; provided, however, in the event of a dispute, Adicet shall have the right to determine whether an Evaluation Target becomes a Collaboration Target. The Parties shall have the right to replace any previously added Evaluation Target at any time by mutual written agreement of the Parties. Any Evaluation Target not selected as Collaboration Targets prior to or at the first Target Draft Meeting that is [***] after the Target Draft Meeting at which such Evaluation Target was first selected (or the end of the Target Selection Term, if earlier) shall cease to be an Evaluation Target. Evaluation Targets shall be considered Collaboration Targets for purposes of Section 4.1(b), Section 4.2 and Section 4.3(a).

(e) Target Selection Process.

(i) Mutual Agreement. Except as otherwise set forth in Section 2.5(d), all Collaboration Targets and Evaluation Targets shall be mutually agreed to by the Parties.

(ii) Rejected Targets. If a Party does not agree to include a Target nominated by the other Party as a Collaboration Target or Evaluation Target, then such rejected Target shall be subject to the exclusivity restrictions set forth in Section 4.1(d) or Section 4.1(e) (as applicable).

(f) Target Addition and Replacement. If both Parties wish to add a Collaboration Target(s) without a Target Draft Meeting, the Parties may add such Collaboration Target(s) by a writing signed by both Parties. Furthermore, if the Research Program Term is terminated for a Target pursuant to clause (ii) of Section 2.2(a), then (i) such Target shall be removed from the Target List and shall be a Terminated Target, and (ii) notwithstanding the [***] New Collaboration Target Initiation Number, the Parties shall mutually agree to add [***] additional Collaboration Target to the Target List, provided, however, that no new Collaboration Targets will be added after the end of the Target Selection Term and that the Parties shall only be obligated to initiate such activities for a maximum of [***] additional Collaboration Target in a given Contract Year.

(g) Target Removal. Collaboration Targets may be removed from the Target List or replaced by new Collaboration Targets (or previously Non-Collaboration Targets) at any time by the mutual written consent of the Parties, whether at a Target Draft Meeting or otherwise or as explicitly set forth in this Agreement. Additionally, if the Parties successfully generate a CTM in accordance with the Research Plan, and Adicet is using Commercially Reasonable Efforts to perform its Research Plan Activities for a period of least [***] after successful generation of a CTM, but Adicet nevertheless fails to meet the timelines set forth in the Research Plan, then such failure shall not be a considered a breach of this Agreement, but Regeneron may terminate the Research Program with respect to such Collaboration Target upon written notice to Adicet , and in such case (i) the restrictions in Section 4.1(b) shall not apply to either Party with respect to such Collaboration Target and (ii) all Collaboration ICPs that Bind to such Terminated Target shall be Declined Collaboration ICPs.

2.6 Exchange of Information and Materials.

(a) Research Program. Each Party will share information with the JRC in a timely manner concerning the progress of the Research Program. Without limiting the foregoing, at least [***] prior to each regular Quarterly meeting of the JRC, each Party will provide to the JRC a written report (in electronic form) summarizing the material activities undertaken by such Party under the Research Program and the results of such activities since such Party's most recent report. Additionally, in the event either Party generates a Regeneron CTM, the generating Party shall disclose to the other Party, to the extent not previously disclosed, the structure and sequence of such Regeneron CTM and any additional known material characteristics of such Regeneron CTM promptly after such information becomes available. The other Party shall have the right to reasonably request and to receive in a timely manner clarifications and answers to questions with respect to such reports and any other data and any other information it reasonably requests with respect to the conduct of the Research Program. Additionally, upon Regeneron's exercise of the Option for an Option-Eligible Collaboration ICP, to the extent not provided in the Initial Option Data Package or Final Option Data Package, Adicet shall disclose and provide to Regeneron (in writing and in an electronic format, or in other tangible form, as applicable), within [***] after such exercise, all Adicet Know-How (including any updates or additions thereto) and related materials for such Optioned Collaboration ICP.

(b) Use of Regeneron CTMs Outside of ICPs. During the Research Program Term with respect to a Collaboration Target, if Regeneron conducts any preclinical or clinical study with Regeneron CTMs as part of an Antibody for products other than ICPs, subject to the terms of Regeneron's agreements with Third Parties regarding an Antibody, Regeneron shall provide to Adicet summaries of all material results generated from such studies and shall make its scientists reasonable available to discuss results from such studies.

2.7 Restrictions on Use of Regeneron Mice. Notwithstanding anything in this Agreement to the contrary, Adicet agrees that it will (and will ensure that its Affiliates and subcontractors will, if permitted access to the Regeneron Mice under this Agreement): (a) use Regeneron Mice solely for purpose of performing those Adicet Research Plan Activities, and will do so only as expressly set forth in this Agreement and with respect to the Licensed Mice solely for Adicet's exercise of its rights under Section 5.1(d) and only as expressly set forth in this Agreement; (b) not use any Regeneron Mice for any research that is subject to consulting or

licensing obligations, options, or rights to or of a Third Party, without the prior written consent of Regeneron, which may be withheld in Regeneron's sole discretion; (c) ensure that all Regeneron Mice (and any materials obtainable from Regeneron Mice from which such Regeneron Mice can be reproduced) supplied to Adicet remain in Adicet's sole possession, and will not transfer to any Third Party any Regeneron Mice (and any materials obtainable from Regeneron Mice from which such Regeneron Mice can be reproduced), without the prior written consent of Regeneron, which may be withheld in Regeneron's sole discretion; (d) not breed the Regeneron Mice; (e) use diligent efforts to ensure that the Regeneron Mice do not come into contact with any mice other than Regeneron Mice; (f) not transfer nucleic acids (e.g., DNA, RNA) or cells or nuclei from Regeneron Mice to any other mice or into cells of any other mice other than for preclinical development (that does not include germline manipulation); (g) not make any heritable genetic modifications to the Regeneron Mice; (h) not derive embryonic cells, pluripotent cells, or other cells from Regeneron Mice that could be used to make Regeneron Mice or other mice; (i) not create Regeneron Mice, or use Regeneron Mice to create any mice, or any transgenic animals or create any transgenic cell lines, or maintain any cell lines derived from Regeneron Mice and (j) abide by all Applicable Laws for the use, handling and disposal of genetically modified animals, including the Regeneron Mice. For clarity, Adicet's license to the Regeneron Mice in Section 5.1(a)(i) and Adicet's license to the Licensed Mice in Section 5.1(d)(i) shall be subject to this Section 2.7.

ARTICLE 3
RESEARCH PROGRAM GOVERNANCE

3.1 The Joint Research Committee.

(a) Formation, Composition and Membership. Promptly after the Effective Date, the Parties will establish the JRC, which shall consist of at least three (3) senior representatives appointed by each of Regeneron and Adicet. Each Party may replace its JRC members upon written notice to the other Party (which may be via email); provided that such replacement is a senior representative of such Party, or is otherwise reasonably acceptable to the other Party. The JRC will have two (2) co-chairpersons, one designated by each of Regeneron and Adicet.

(b) Decision Making. The JRC shall operate by consensus. The representatives of each Party shall have collectively one (1) vote on behalf of such Party; provided that no such vote taken at a meeting shall be valid unless a representative of each Party is present and participating in the vote. Notwithstanding the foregoing, each Party, in its sole discretion, by written notice to the other Party (which may be via email), may choose not to have representatives on the JRC and leave decisions of the JRC to representatives of the other Party. Disputes at the JRC level shall be resolved in accordance with Article 23.

(c) Meetings of the JRC. The JRC shall meet at least once every Quarter through the duration of the Research Program Term, unless the JRC co-chairpersons otherwise agree. All JRC meetings may be conducted by telephone, video-conference or in person as determined by the JRC co-chairpersons; provided, however, that the JRC shall meet in person at least once each calendar year. Unless otherwise agreed by the Parties, all in-person meetings of the JRC shall be held on an alternating basis between Regeneron's facilities and Adicet's facilities. Further, each co-chairperson shall be entitled to call meetings in addition to the regularly scheduled

quarterly meetings. The co-chairpersons, with the assistance of the Alliance Managers, shall coordinate activities to prepare and circulate an agenda in advance of each meeting and prepare and issue draft minutes of each meeting within [***] thereafter and final minutes within [***] thereafter. With the consent of other Party (not to be unreasonably withheld or delayed), a reasonable number of other representatives of a Party may attend any JRC meeting as non-voting observers (provided that such additional representatives are under obligations of confidentiality and non-use applicable to the Confidential Information of the other Party that are at least as stringent as those set forth in Article 19 below). Each Party shall be responsible for all of its own personnel and travel costs and expenses relating to participation in JRC meetings.

(d) Duties. The JRC shall:

(i) maintain the lists of Collaboration Targets and Non-Collaboration Targets as provided in this Agreement and conduct the Target Draft Meetings;

(ii) discuss the prioritization of Collaboration Targets and Collaboration ICPs;

(iii) discuss the inclusion of Evaluation Targets as Collaboration Targets;

(iv) approve the Research Plan for each Collaboration Target including setting forth each Party's Research Plan Activities;

(v) exchange and review scientific information and data from activities being conducted under, and the then-current progress of, each Research Plan, and establish processes for the exchange of information relating to the progress of the activities under each Research Plan;

(vi) provide guidance and recommendations on the direction of each Research Plan;

(vii) consider and act upon such other matters as specified in this Agreement or as otherwise agreed to by the Parties;

(viii) make any such decisions as are expressly allocated to the JRC under this Agreement; and

(ix) at the request of either Party's representatives to the JRC, conduct ad hoc meetings in addition to the quarterly meetings of the JRC as reasonably necessary to coordinate and expedite all decisions made by the JRC.

3.2 Alliance Management. Upon initiation of the Research Program, each of Adicet and Regeneron shall appoint a senior representative who possesses a general understanding of research, clinical, regulatory, manufacturing and marketing issues to act as its alliance manager, and each Party may replace such person upon notice (which may be via email) to the other Party ("Alliance Manager" or "Alliance Managers"). Each Alliance Manager shall be charged with creating and maintaining a collaborative work environment between the Parties. Each Alliance

Manager will also be responsible for acting as a single-point of communication for seeking consensus both internally within the respective Party's organization and with the other Party's organization, including facilitating review of external corporate communications. The Alliance Managers shall continue to serve in their role until the Parties are no longer developing or commercializing any Collaboration ICP, Royalty Product or Co-Funded Product under this Agreement.

ARTICLE 4
EXCLUSIVITY

4.1 Exclusivity. The Parties agree to the following exclusivity provisions:

(a) Adicet Target Selection Term Exclusivity. Subject to Section 4.2 during the Target Selection Term, neither Adicet nor any of its Affiliates shall, either directly, or with or through any Third Party, research, develop, manufacture or commercialize any ICP or grant any license to any Know-How or Patent Rights for the purposes of researching, developing, manufacturing or commercializing any ICP, in each case other than Collaboration ICPs under and in compliance with Section 4.2 and other provisions within this Agreement.

(b) Mutual Research Program Exclusivity. Without limiting Adicet's obligations in Section 4.1(a) with respect to Adicet, for so long as the Parties or their Affiliates are researching or developing any Collaboration ICP that Binds a given Collaboration Target under the Research Program in accordance with this Agreement, neither Party nor any of their respective Affiliates shall, either directly, or with or through any Third Party, research, develop, manufacture or commercialize any Competing Product or grant any license to any Know-How or Patent Rights for the purposes of researching, developing, manufacturing or commercializing any Competing Product in each case that Binds such Collaboration Target.

(c) Royalty Products and Co-Funded Products. For so long as a Party or its Affiliates, licensees or sublicensees are researching, developing or commercializing any Royalty Product or Co-Funded Product that Binds a given Collaboration Target in accordance with this Agreement, neither Party nor any of its Affiliates shall, either directly, or with or through any Third Party, research, develop, manufacture or commercialize any Competing Product that Binds such Collaboration Target or grant any license to any Know-How or Patent Rights for the purposes of researching, developing, manufacturing or commercializing any such Competing Product.

(d) Restrictions on Regeneron with Respect to Rejected Nominated Targets.

(i) During the Target Selection Term, if (A) Regeneron does not agree to include any Target nominated by Adicet as a Collaboration Target or Evaluation Target and (B) Regeneron is not actively pursuing the research, development or commercialization either alone, or with or through (including by means of license) a Third Party, of a Targeting Moiety, or an ICP that contains a Targeting Moiety, that Binds to such Target at the time of Adicet's nomination of such Target, then (1) such rejected Target shall be a Non-Collaboration Target, and (2) for a period of [***] from the date of Regeneron's rejection of such Target, unless Regeneron subsequently nominates such Target during the Target Selection Term as a Collaboration Target and Adicet does not agree to include such Target as a Collaboration Target, neither Regeneron nor

any of its Affiliates shall, either directly, or with or through any Third Party, research, develop, manufacture or commercialize any ICP that contains a Targeting Moiety that Binds to such Non-Collaboration Target or grant any license to any Know-How or Patent Rights for the purposes of researching, developing, manufacturing or commercializing any ICP that contains a Targeting Moiety that Binds to a such Non-Collaboration Target.

(ii) During the Target Selection Term, if (A) Regeneron does not agree to include any Target nominated by Adicet as a Collaboration Target or Evaluation Target and (B) Regeneron is actively pursuing the research, development or commercialization either alone, or with or through (including by means of license) a Third Party, of a Targeting Moiety that Binds to such Target (but is not actively pursuing the research, development or commercialization either alone, or with or through (including by means of license) a Third Party, of an ICP that contains a Targeting Moiety that Binds to such Target) at the time of Adicet's nomination of such Target, then such rejected Target shall be a Non-Collaboration Target.

(e) Restrictions on Adicet with Respect to Rejected Nominated Targets. During the Target Selection Term, if Adicet does not agree to include any Target nominated by Regeneron as a Collaboration Target or Evaluation Target and (i) Adicet has not otherwise licensed Patent Rights or Know-How or agreed to license Patent Rights or Know-How in connection with a Third Party Agreement with respect to an ICP that contains a Targeting Moiety that Binds to such Target at the time of Regeneron's nomination of such Target, or (ii) except as otherwise set forth in the following sentence, then for a period of [***] from the date of Adicet's rejection of such Target, unless Adicet subsequently nominates such Target during the Target Selection Term as a Collaboration Target and Regeneron does not agree to include such Target as a Collaboration Target, neither Adicet nor any of its Affiliates shall enter into a Third Party Agreement with respect to such rejected nominated Target or perform the activities contemplated thereunder. Notwithstanding anything to the contrary in Article 4, prior to the [***] anniversary of the Effective Date, Adicet shall have the right not to agree to include up to [***] Targets for which Adicet or its Affiliate has active programs prior to the Effective Date, and to enter into a Third Party Agreement, and shall not be subject to the restriction set forth in the previous sentence, with respect thereto. As of the Effective Date, Adicet shall deposit with its outside counsel a list of up to [***] Targets for which Adicet or its Affiliate has active programs prior to the Effective Date which list shall be signed by an officer of Adicet and notarized. In the event Adicet does not agree to include any Target nominated by Regeneron as a Collaboration Target or Evaluation Target on account of one of these Targets being on the list set forth on the previous sentence, Regeneron shall have the right to appoint a neutral Third Party lawyer that is reasonably acceptable to Adicet to confirm that such Target is in fact on such list; provided that the neutral Third Party lawyer may only confirm or deny whether the Target in question is on the list.

(f) No Exclusivity with Respect to Terminated Targets. On a Collaboration Target-by-Collaboration Target basis, a Target shall no longer be a considered a Collaboration Target, and shall be a "Terminated Target", and neither Party nor its Affiliates shall have any further exclusivity obligations pursuant to Article 4 with respect to such Target if (i) the Research Program is terminated (other than pursuant to Section 2.4(h)) with respect to such Collaboration Target prior to Adicet's delivery of Option Data Package of a Collaboration ICP that Binds to such Collaboration Target; (ii) the Product Term has expired with respect to Royalty Products or Co-Funded Products that Bind to such Collaboration Target, (iii) this Agreement has been terminated in its entirety or with respect to Royalty Products or Co-Funded Products that Bind to such Collaboration Target, or (iv) the Research Program is terminated pursuant to Section 2.4(h), provided that in such case such Target shall be a Terminated Target solely with respect to the Performing Party.

4.2 Exceptions to Adicet's Exclusivity Obligations. Notwithstanding the foregoing:

(a) Exceptions for Non-Collaboration Targets and Declined Collaboration ICPs. At any time during the Target Selection Term, Adicet has the right to independently research, develop, manufacture and commercialize, or to grant licenses to any Know-How or Patent Rights for the purposes of researching, developing, manufacturing or commercializing, (a) ICPs that Bind up to [***] Non-Collaboration Targets (but which do not also Bind to any Target that is a Collaboration Target), and (b) Declined Collaboration ICPs and all other Collaboration ICPs Binding to the same Collaboration Target as a Declined Collaboration ICP.

(b) Exceptions with Respect to Adicet's use of Patent Rights and Know-How. At any time during the Term, Adicet reserves the right to license its or its Affiliates' Patent Rights and Know-How or provide services to Third Parties researching, developing, manufacturing or commercializing ICPs (other than ICPs that Bind to Collaboration Targets), where the engineered immune cell (other than the Targeting Moiety) was not and will not be generated, developed or otherwise manufactured using Intellectual Property Controlled by Adicet or its Affiliates and without the active participation by Adicet or its Affiliates in the development or commercialization of such ICPs, provided that such ICPs do not also Bind to any Target that is a Collaboration Target (a "Third Party Agreement").

4.3 Change of Control and Acquired Competing Programs and Products. If, during the Term, (i) there is a Change of Control of a Party (such Party, the "Acquired Party") and as of the effective date of such Change of Control, a Third Party described in the definition of "Change of Control" is engaged, directly or indirectly, in any activities that, if carried out by the Acquired Party, would be a breach of the exclusivity obligations set forth in Section 4.1(a) in the case of Adicet (solely with respect to a Change of Control during the Target Selection Term), Section 4.1(b) or Section 4.1(c) (such activities, a "Competing Program"), or (ii) as the result of an acquisition of a Third Party or the assets of a Third Party by a Party or one or more of its Affiliates (the "Acquiring Party"), the Acquiring Party directly or indirectly acquires rights during the Target Selection Term to an ICP in the case of Adicet, or during the Term to a Competing Product with respect to either Party (each such ICP or Competing Product, an "Acquisition Product" and each transaction described in subsection (i) or (ii), a "Third Party Acquisition"); then, the Acquired Party or Acquiring Party, as applicable, at its sole discretion, shall do one of the following:

(a) Research Program Term. If the Third Party Acquisition occurs during the Research Program Term and the Competing Program or the Acquisition Product contains a Targeting Moiety that Binds a Collaboration Target being researched or developed under the Research Program:

(i) If Adicet is the Acquired Party or Adicet is the Acquiring Party; Adicet shall give Regeneron express written notice thereof within [***] after the closing of such

Third Party Acquisition and furthermore Adicet shall in its sole discretion do one of the following within [***] after the closing of such Third Party Acquisition: (W) present a proposal to the JRC to include the Competing Program or Acquired Competing Product in the Research Program or other arrangement under this Agreement between the Parties in each case in accordance with Section 4.3(e), (X) as soon as reasonably practicable terminate all research, development, manufacture and commercialization with respect to such Competing Program or Acquisition Product and deliver to Regeneron a notice of such termination, which notice shall include a covenant that no further research, development, manufacture or commercialization shall be performed by any Person on such Competing Program or Acquisition Product; (Y) divest its rights in the Competing Program or Acquisition Product to a Third Party pursuant to Section 4.3(f); or (Z) solely if Adicet is the Acquired Party, retain its rights to continue the Competing Program as a separately segregated program and personnel working on the Competing Program shall not have access to any Confidential Information of the relevant Research Program and Adicet shall implement procedures to prevent the foregoing, which shall not constitute a breach of this Agreement; provided, however, solely in the case of this clause (Z), Regeneron shall have the right, by giving Adicet written notice within [***] after the receipt of such notice from Adicet, to terminate the Research Program with respect to the Collaboration Target that is the subject of such Competing Program in which case all Collaboration ICPs that Bind to such Collaboration Target shall be Declined Collaboration ICPs.

(ii) If Regeneron is the Acquired Party or the Acquiring Party; Regeneron shall give Adicet express written notice thereof within [***] after the closing of such Third Party Acquisition and furthermore Regeneron shall in its sole discretion do one of the following within [***] after the closing of such Third Party Acquisition: (W) present a proposal to the JRC to include the Competing Program or Acquisition Product in the Research Program or other arrangement under this Agreement between the Parties in each case in accordance with Section 4.3(e), (X) as soon as reasonably practicable terminate all research, development, manufacture and commercialization with respect to such Competing Program or Acquisition Product and deliver to Adicet a notice of such termination, which notice shall include a covenant that no further research, development, manufacture or commercialization shall be performed by any Person on such Competing Program or Acquisition Product; or (Y) divest its rights in the Competing Program or Acquisition Product to a Third Party pursuant to Section 4.3(f); or (Z) solely if Regeneron is the Acquired Party, retain its rights to continue the Competing Program as a separately segregated program and in each such case personnel working on the Competing Program shall not have access to any Confidential Information of the relevant Research Program and Regeneron shall implement procedures to prevent the foregoing, which shall not constitute a breach of this Agreement; provided, however, solely in the case of this clause (Z), Adicet shall have the right, by giving Regeneron written notice within [***] after the receipt of such notice from Regeneron, to terminate the Research Program with respect to the Collaboration Target that is the subject of such Competing Program in which case all Collaboration ICPs that Bind to such Collaboration Target shall be Declined Collaboration ICPs.

(b) Co-Funded Products. If either Party is the Acquired Party or the Acquiring Party of a Competing Program or Acquisition Product and there is a Targeting Moiety in such Competing Program or Acquisition Product that Binds the same Collaboration Target as a Collaboration Targeting Moiety in a Co-Funded Product, such Party shall give the other Party express written notice thereof within [***] after the closing of such Third Party Acquisition and

furthermore the Party that is a party to the Third Party Acquisition shall in its sole discretion do one of the following within [***] after the closing of such Third Party Acquisition: (W) present a proposal to the JSC to include the Competing Program or Acquisition Product in the Co-Funding Arrangement in accordance with Section 4.3(e); (X) as soon as reasonably practicable terminate all research, development, manufacture and commercialization with respect to such Competing Program or Acquisition Product and deliver to the other Party a notice of such termination, which notice shall include a covenant that no further research, development, manufacture or commercialization shall be performed by any Person on such Acquisition Product or (Y) divest its rights in the Competing Program or Acquisition Product to a Third Party pursuant to Section 4.3(f); or (Z) solely if Adicet is the Acquired Party, retain its rights to continue the Competing Program as a separately segregated program and in such case personnel working on the Competing Program shall not have access to any Confidential Information of the relevant Co-Funded Product and Adicet shall implement procedures to prevent the foregoing, which shall not constitute a breach of this Agreement; provided, however, solely in the case of this clause (Z), Regeneron shall have the right, by giving Adicet written notice within [***] after the receipt of such notice from Adicet, to terminate the Co-Funding Term for the applicable Co-Funded Product with the same effect as if such Co-Funding Term were terminated by Adicet pursuant to Section 22.4.

(c) Regeneron Royalty Products. If Regeneron is the Acquired Party or the Acquiring Party of a Competing Program or Acquisition Product and there is a Targeting Moiety in such Competing Program or Acquisition Product that Binds the same Collaboration Target as a Collaboration Targeting Moiety in a Regeneron Royalty Product, Regeneron shall at its sole discretion, do one of the following: (X) present a proposal to Adicet to include the Competing Program or Acquisition Product as a Regeneron Royalty Product in accordance with Section 4.3(e); (Y) terminate all research, development, manufacture and commercialization with respect to such Competing Program or Acquisition Product and deliver to Adicet a notice of such termination, which notice shall include a covenant that no further research, development, manufacture or commercialization shall be performed by any Person on such Acquisition Product or (Z) divest its rights in the Competing Program or Acquisition Product to a Third Party pursuant to Section 4.3(f). If Adicet is the Acquired Party, Adicet and its Affiliates shall have the right to retain its rights to continue the Competing Program, which shall not constitute a breach of this Agreement; provided, that within [***] after the closing of such Third Party Acquisition, Adicet gives Regeneron express written notice thereof.

(d) Adicet Royalty Products. If Adicet is the Acquired Party or the Acquiring Party of a Competing Program or Acquisition Product and there is a Targeting Moiety in such Competing Program or Acquisition Product that Binds the same Collaboration Target as a Collaboration Targeting Moiety in an Adicet Royalty Product, Adicet shall at its sole discretion do one of the following: (X) present a proposal to Regeneron to include the Competing Program or Acquisition Product as an Adicet Royalty Produce in accordance with Section 4.3(e); (Y) terminate all research, development, manufacture and commercialization with respect to such Competing Program or Acquisition Product and deliver to Adicet a notice of such termination, which notice shall include a covenant that no further research, development, manufacture or commercialization shall be performed by any Person on such Acquisition Product or (Z) divest its rights in the Competing Program or Acquisition Product to a Third Party pursuant to Section 4.3(f). If Regeneron is the Acquired Party, Regeneron and its Affiliates shall have the right to retain its rights to continue the Competing Program, which shall not constitute a breach of this Agreement; provided that within [***] after the closing of such Third Party Acquisition, Regeneron gives Adicet express written notice thereof.

(e) Proposal for Inclusion. If the Acquired Party or Acquiring Party, as applicable, chooses this alternative, within [***] after the closing of such Third Party Acquisition, the Acquired Party or Acquiring Party, as applicable, shall present a proposal to the other Party (the "Non-Acquiring Party") to include the Competing Program or Acquisition Product in the Research Program based on the terms of this Agreement, a Co-Funding Arrangement based on the terms of this Agreement or an alternative arrangement, each as contemplated in Section 4.3(a)-(d). As part of such presentation, the Acquired Party or Acquiring Party, as applicable, shall provide the Non-Acquiring Party with all information with respect to such Competing Program or Acquisition Product reasonably available to the Acquired Party or Acquiring Party, as applicable, and material to a decision by the Non-Acquiring Party's representatives on the JSC as to whether to approve the inclusion of the Competing Program or Acquisition Product in the Research Program, Co-Funding Arrangement or other alternative arrangement as applicable. The Non-Acquiring Party shall, on or before the date which is [***] after the closing of such Third Party Acquisition, decide whether to approve the inclusion of the Competing Program or Acquisition Product in the Research Program or Co-Funding Arrangement, under the terms of this Agreement or other alternative arrangement as applicable. If the Non-Acquiring Party timely approves the inclusion of the Competing Program or Acquisition Product in the Research Program or Co-Funding Arrangement, upon the closing of such Third Party Acquisition the Competing Program or the Acquisition Product shall automatically be included in the Research Program or the relevant Co-Funding Arrangement as a Co-Funded Product. If the Non-Acquiring Party does not approve the inclusion of the Competing Program or Acquisition Product in the Research Program or Co-Funding Arrangement under the terms of this Agreement or other alternative arrangement as applicable, the Acquired Party or Acquiring Party, as applicable, shall pursue one of the other options available to it pursuant to Section 4.3(a)-(d), including a divestiture pursuant to Section 4.3(f).

(f) Transfer of Rights. If the Acquired Party or Acquiring Party, as applicable, chooses this alternative, the Acquired Party or Acquiring Party, as applicable, shall commit in writing to the Non-Acquiring Party, within [***] after the closing of such Third Party Acquisition, to divest such Competing Program or Acquisition Product, as applicable, to a Third Party (without any consideration or payment to the Non-Acquiring Party) within six (6) months after the closing of the Third Party Acquisition, and shall do so within such six (6) month period. Any divestiture of rights under this Section 4.3(f) shall not permit the Acquired Party or Acquiring Party, as applicable, or its Affiliates to retain any rights in (other than the right to receive payments) or involvement with the Competing Program or Acquisition Product, including without limitation rights to direct or influence the course of research, development or commercialization thereof, or to contribute or receive nonpublic know-how or information of any sort with respect thereto (other than reports showing the basis for calculating payments made to the Acquired Party or Acquiring Party and the right to audit the accuracy of such reports).

ARTICLE 5
LICENSES

5.1 License Grants.

(a) Designated Activities Licenses and Royalty Products Licenses.

(i) Regeneron shall grant and hereby grants to Adicet a non-exclusive, non-transferable (except as permitted by Section 24.9), non-sublicensable (except as permitted under Section 5.5(d)), worldwide license under the Regeneron IP solely to perform the applicable Adicet Designated Activities during the Research Program Term.

(ii) Regeneron shall grant and hereby grants to Adicet (a) an exclusive (even as to Regeneron and its Affiliates), non-transferable (except as permitted by Section 24.9), sublicensable in multiple tiers (in accordance with Section 5.5), worldwide license under the Regeneron Product IP (other than the Regeneron Mice IP) (A) to develop, make, have made, use and import Adicet Royalty Products, (B) to offer for sale and sell Adicet Royalty Products in Finished Product Form, and (C) to sell or transfer Adicet Royalty Products (other than in Finished Product Form) solely to its Affiliates or sublicensees for such Affiliates' or sublicensees' developing, making, having made, using and importing Adicet Royalty Products, and offering for sale or selling Adicet Royalty Products in Finished Product Form, in each case during the Term in accordance with the terms of this Agreement and (b) a non-exclusive non-transferable (except as permitted by Section 24.9), sublicensable in multiple tiers (in accordance with Section 5.5), worldwide license under the Regeneron Mice IP (X) to develop, make, have made, use and import Adicet Royalty Products, (Y) to offer for sale and sell Adicet Royalty Products in Finished Product Form, and (Z) to sell or transfer Adicet Royalty Products (other than in Finished Product Form) solely to its Affiliates or sublicensees for such Affiliates' or sublicensees' developing, making, having made, using and importing Adicet Royalty Products, and offering for sale or selling Adicet Royalty Products in Finished Product Form, in each case during the Term in accordance with the terms of this Agreement. In the event Adicet exercises its Co-Promotion option in accordance with Section 11.3(a) with respect to a Co-Funded Product in the United States, then Regeneron shall grant to Adicet the licenses to be set forth in the in Co-Promotion Agreement to enable Adicet to perform Co-Promotion of such Co-Funded Product under the Co-Promotion Agreement.

(iii) Adicet shall grant and hereby grants to Regeneron a non-exclusive, non-transferable (except as permitted by Section 24.9), non-sublicensable (except as permitted under Section 5.5(d)), worldwide license under the Adicet IP solely to perform the Regeneron Designated Activities during the applicable Research Program Term.

(iv) Adicet shall grant and hereby grants to Regeneron an exclusive (even as to Adicet and its Affiliates but subject to Adicet's Co-Promotion option in Section 11.3(a)), non-transferable (except as permitted by Section 24.9), sublicensable in multiple tiers (in accordance with Section 5.5), license under the Adicet Product IP (A) to develop, make, have made, use and import Regeneron Royalty Products and Co-Funded Products, (B) to offer for sale and sell Regeneron Royalty Products and Co-Funded Products, in each case in Finished Product Form, and (C) to sell or transfer Regeneron Royalty Products and Co-Funded Products (in each case other than in Finished Product Form) solely to its Affiliates or sublicensees for such

Affiliates' or sublicensees' developing, making, having made, using and importing Regeneron Royalty Products and Co-Funded Products, and offering for sale or selling Regeneron Royalty Products and Co-Funded Products in each case in Finished Product Form, in each case during the Term in the Territory (with respect to Regeneron Royalty Products), or in the Co-Funding Territory (with respect to Co-Funded Products), during the Term in accordance with the terms of this Agreement. For clarity, the exclusivity of the license in this Section 5.1(a)(iv) shall be subject to Adicet's right to Co-Promote a Co-Funded Product in the United States pursuant to Section 11.3.

(v) Notwithstanding anything to the contrary in this Agreement, except as otherwise expressly mutually agreed by the Parties pursuant to Section 10.4 or as otherwise set forth in Sections 6.4 and 13.4, (A) Adicet shall have no obligation, directly or indirectly, to transfer to Regeneron any Adicet Background IP (other than to the extent constituting Adicet Product IP), and (B) the license grants by Adicet to Regeneron under this Agreement shall exclude any license under Adicet Background IP to generate, derive, modify or otherwise develop (1) an ICP to a Collaboration Target of a different cell type than the Research Program ICP to such Collaboration Target, or (2) an ICP other than an ICP that is an improvement, modification or derivative of a Research Program ICP.

(vi) Notwithstanding anything to the contrary in this Agreement, except for Regeneron Transferred Technologies provided by Regeneron pursuant to Section 2.1, (A) Regeneron shall have no obligation, directly or indirectly, to transfer to Adicet any Regeneron Background IP (other than to the extent constituting Regeneron Product IP), and (B) the license grants by Regeneron to Adicet under this Agreement shall exclude any license under Regeneron Background IP to generate, derive, modify or otherwise develop (1) an ICP to a Collaboration Target of a different cell type than the Research Program ICP to such Collaboration Target, or (2) an ICP other than an ICP that is an improvement, modification or derivative of a Research Program ICP.

(b) Collaboration Inventions License.

(i) Adicet shall grant and hereby grants to Regeneron and its Affiliates a non-exclusive, non-transferable (except as permitted by Section 24.9), sublicensable in multiple tiers (in accordance with Section 5.5), perpetual, worldwide, irrevocable, fully paid-up royalty-free license under any Patent claiming Collaboration Inventions other than Technology Collaboration Inventions with respect to which a Regeneron employee is (or in the case of a foreign Patent properly would be) a named inventor (either solely or jointly with an Adicet employee) under United States patent law (other than Patents solely claiming Collaboration Inventions that recite the composition, generation, selection, optimization, formulation, development, isolation, activation, expansion, making or using of allogeneic immune cells, and other than Technology Collaboration Inventions), in each case to research, develop, make, have made, use offer for sale, sell and import products, other than (i) products using or comprising allogeneic immune cells that are not Products and/or (ii) Competing Products.

(ii) Adicet shall grant and hereby grants to Regeneron and its Affiliates a non-exclusive, non-transferable (except as permitted by Section 24.9), sublicensable in multiple tiers (in accordance with Section 5.5), perpetual, worldwide, irrevocable, fully paid-up royalty-free license under any Patent claiming a Technology Collaboration Invention with respect to which a Regeneron employee is (or in the case of a foreign Patent properly would be) a named inventor (either solely or jointly with an Adicet employee) under United States patent law, in each case to research, develop, make, have made, use offer for sale, sell and import products other than Competing Products.

(c) Trademark Licenses.

(i) To the extent applicable, Regeneron shall grant and hereby grants to Adicet a non-exclusive license (A) to use the Regeneron Trademarks in connection with the performance of the Adicet Designated Activities during the Term, and Adicet's Co-Promotion of a Co-Funded Product in accordance with the Co-Promotion Agreement, and (B) to use the Product Trademarks in connection with Adicet's Co-Promotion of a Co-Funded Product in accordance with the Co-Promotion Agreement. Any and all goodwill derived from the use of the Regeneron Trademarks or the Product Trademarks shall inure solely to the benefit of Regeneron.

(ii) To the extent applicable, Adicet shall grant and hereby grants to Regeneron a non-exclusive license to use the Adicet Trademarks in connection with the Regeneron Designated Activities during the Research Program Term and Regeneron's Co-Promotion of the Co-Funded Product in accordance with the Co-Promotion Agreement. Any and all goodwill derived from the use of the Adicet Trademarks shall inure solely to the benefit of Adicet.

(iii) Each Party agrees that the use of the other Party's Trademarks shall be subject to the approval of by the other Party and shall comply with all Applicable Law and such other Party's Trademark policies. Each party will refrain from any use of the other's Trademarks in a manner that threatens to damage the goodwill associated with the respective Trademarks or which threatens to tarnish the reputation or otherwise reflect unfavorably upon the owner of the Trademarks. Neither Party shall, during the Term, anywhere in the world, take any action that in the other Party's sole and absolute discretion impairs or contests or is likely to impair or contest the validity of the other Party's right, title and interest in and to its Trademarks, including, using, or filing an application to register, any word, mark, symbol or device, or any combination thereof, that is confusingly similar to or dilutes the distinctiveness of any of the other Party's Trademarks.

(d) Mice Derived Adicet ICPs.

(i) Adicet License to Licensed Mice to Generate Mice Derived Adicet Targeting Moieties. During the Target Selection Term and thereafter until the [***] anniversary of the Effective Date, Regeneron hereby grants to Adicet: (A) a worldwide non-exclusive license, without the right sub-license, to use the Class 1 Licensed Mice or Class 2 Licensed Mice set forth on Schedule 3 to generate and the Class 3 Licensed Mice to test (but not generate) (i) during the Target Selection Term, Mice Derived Adicet Targeting Moieties against up to [***] Non-Collaboration Targets, except that without limiting Adicet's exclusivity obligations in Article 4, the foregoing limitation shall not apply to Class 3 Licensed Mice and (ii) thereafter until the [***] anniversary of the Effective Date, Mice Derived Adicet Targeting Moieties against Non-Collaboration Targets; and (B) a worldwide non-exclusive license with the right to sublicense to make, use and import the Mice Derived Adicet Targeting Moieties generated or tested pursuant to clause (i) of this Section 5.1(d)(i)(A) (i) to develop, make, have made, use and import Mice Derived Adicet ICP Products, (ii) to offer for sale and sell Mice Derived Adicet ICP Products in

Finished Product Form, and (iii) to sell or transfer Mice Derived Adicet ICP Products (other than in Finished Product Form) solely to its Affiliates or sublicensees for such Affiliates' or sublicensees' developing, making, having made, using and importing Mice Derived Adicet ICP Products, and offering for sale or selling Mice Derived Adicet ICP Products in Finished Product Form, in each case during the Term, in accordance with the terms of this Agreement, anywhere in the world and for no other purpose. Following a Change of Control of Adicet, Regeneron may, by written notice to Adicet, terminate the license granted pursuant to Section 5.1(d)(i)(A) for programs that were not initiated prior to the date Adicet receives such notice. For clarity, Adicet or its sublicensees shall not use or incorporate the Mice Derived Adicet Targeting Moieties in any products other than ICPs. To the extent not previously provided, Regeneron shall use Commercially Reasonable Efforts to provide Adicet with Licensed Mice in the quantities and on the timelines reasonably requested by Adicet and subject to Regeneron's available capacity to supply such Licensed Mice to exercise such license rights under Section 5.1(d)(i)(A); provided that Adicet shall only use such Licensed Mice for the purpose set forth in Section 5.1(d)(i)(A) and no other purpose. If for any reason whatsoever, Regeneron is unable to timely provide the quantities of Licensed Mice within the timelines reasonably requested by Adicet hereunder, Regeneron shall give Adicet's requirements at least equal priority to those of Regeneron and its Affiliates other most favored Third Party transferees and shall allocate its resources accordingly.

(ii) Adicet Notice of Mice Derived Adicet Targeting Moieties.

A. On a Non-Collaboration Target-by-Non-Collaboration Target basis, in the event Adicet initiates immunization activities to generate a Mice Derived Adicet Targeting Moiety against a Non-Collaboration Target that was previously nominated as a Collaboration Target by Regeneron but Adicet did not agree include such Target as a Collaboration Target (and for clarity, therefore Adicet is only permitted to initiate such activities after final expiration or termination of the Target Selection Term), Adicet shall provide written notice to Regeneron identifying such Non-Collaboration Target within [***] after initiating such immunization activities.

B. In addition to Adicet's obligations set forth in clause A immediately above, on a Non-Collaboration Target-by-Non-Collaboration Target basis, within [***] after Adicet identifies and designates a specific Mice Derived Adicet ICP Product containing a Mice Derived Adicet Targeting Moiety for a given Non-Collaboration Target as a lead pre-clinical product candidate (i.e. completion of non-GLP in-vivo preclinical efficacy and toxicity studies) under the license granted pursuant to Section 5.1(d)(i)(B), Adicet shall provide written notice to Regeneron identifying such Non-Collaboration Target, and (without the obligation to conduct any additional work at such time) any then-known properties, structures and sequences of such Mice Derived Adicet Targeting Moiety that Bind such Non-Collaboration Target.

C. In addition, if Adicet initiates immunization activities to generate a Mice Derived Adicet Targeting Moiety against a Non-Collaboration Target but does not designate any such Mice Derived Adicet Targeting Moiety as a pre-clinical lead product candidate, then Adicet shall so inform Regeneron in writing (without any obligation to disclose the target therefor or any confidential information), together with such other information regarding such decision as Adicet determines in its sole discretion.

(iii) Regeneron License to Mice Derived Adicet Targeting Moieties. Adicet hereby grants to Regeneron a worldwide, exclusive (even as to Adicet and its Affiliates), non-transferable (except as permitted by Section 24.9), sublicensable in multiple tiers (in accordance with Section 5.5), license under the Adicet Mice Derived Adicet Targeting Moiety IP solely to develop, make, have made, use, sell, have sold, and import Regeneron Non-ICP Products in accordance with the terms of this Agreement.

5.2 Freedom to Operate.

(a) In the event and to the extent that the making, having made, use, offer for sale, sale, import and/or other exploitation by Regeneron or its Affiliates or sublicensees of a Regeneron Royalty Product or Co-Funded Product in each case containing an ICP generated during the Research Program Term as such ICP exists at the end of the Research Program Term ("Research Program ICP"), or any biomarker or assay to be used in connection with such Regeneron Royalty Product or Co-Funded Product (including in connection with any diagnostics for an indication for which such Regeneron Royalty Product or Co-Funded Product may be used), would infringe a claim of a Patent Right which Adicet (or any of its Affiliates) Controls (other than Patent Rights licensed from Third Parties which require payment to such Third Parties for the use of such license) and which are not covered by the grant in Section 5.1(a)(iv) or Section 5.1(b), Adicet (and its Affiliates) hereby grants to Regeneron, a non-exclusive, sublicensable, royalty-free license in the Territory under such Patent Right for Regeneron, its Affiliates and sublicensees to develop, make, have made, use and import, and to offer for sale and sell, Regeneron Royalty Products containing such Research Program ICP (or any improvements, modifications or derivatives to or of such Research Program ICP) in the Territory and Co-Funded Products containing such Research Program ICP (or any improvements, modifications or derivatives to or of such Research Program ICP) in the Co-Funding Territory, or biomarker(s) or assay(s) to be used in connection with such Regeneron Royalty Products in the Territory or Co-Funded Products in the Co-Funding Territory, in each case in accordance with the terms of this Agreement. In addition to, and without limiting the foregoing, in the case of Patent Rights in-licensed by Adicet or its Affiliates, but not Controlled by Adicet or its Affiliates, then to the extent Adicet or its Affiliate has the right to enforce such in-licensed Patent Right, then Adicet and its Affiliates shall not enforce, either directly or through an agent, such Patent Rights against Regeneron or its Affiliates or sublicensees for the licensed activities set forth in this Section 5.2(a). Notwithstanding anything to the contrary herein, the foregoing license and covenant shall exclude any Patent Right to the extent it would not be infringed by the making, having made, use, offer for sale, sale, import and/or other exploitation by Regeneron or its Affiliates or sublicensees of such Research Program ICP, biomarker or assay.

(b) In the event and to the extent that the making, having made, use, offer for sale, sale, import and/or other exploitation by Adicet or its Affiliates or sublicensees of an Adicet Royalty Product containing a Research Program ICP, or any biomarker or assay to be used in connection with such Adicet Royalty Product (including in connection with any diagnostics for an indication for which an Adicet Royalty Product may be used), would infringe a claim of a Patent Right which Regeneron (or any of its Affiliates) Controls (other than Patent Rights licensed from Third Parties which require payment to such Third Parties for the use of such license) and which are not covered by the grant in Section 5.1(a)(ii), Regeneron (and its Affiliates) hereby grants to Adicet a non-exclusive, sublicensable, royalty-free license in the Territory under such Patent Right

for Adicet, its Affiliates and sublicensees to develop, make, have made, use and import, and to offer for sale and sell, Adicet Royalty Products containing such Research Program ICP (or any improvements, modifications or derivatives to or of such Research Program ICP) in the Territory, or biomarker(s) or assay(s) to be used in connection with such Adicet Royalty Products in the Territory, in each case in accordance with the terms of this Agreement. In addition to, and without limiting the foregoing, in the case of Patent Rights in-licensed by Regeneron or its Affiliates, but not Controlled by Regeneron or its Affiliates, then to the extent Regeneron or its Affiliate has the right to enforce such in-licensed Patent Right, then Regeneron and its Affiliates shall not enforce, either directly or through an agent, such Patent Rights against Adicet or its Affiliates or sublicensees for the licensed activities set forth in this Section 5.2(b). Notwithstanding anything to the contrary herein, the foregoing license and covenant shall exclude any Patent Right to the extent it would not be infringed by the making, having made, use, offer for sale, sale, import and/or other exploitation by Adicet or its Affiliates or sublicensees of such Research Program ICP, biomarker or assay.

(c) Notwithstanding the foregoing, the rights granted by this Section 5.2 specifically exclude any licenses related to Targeting Moieties other than CTMs.

5.3 Licenses Generally; No Implied License. Except as expressly provided for herein, nothing in this Agreement grants either Party any right, title or interest in and to the intellectual property rights, materials or Confidential Information of the other Party (either expressly or by implication or estoppel). Except as expressly provided for in this Article 5 or elsewhere in this Agreement, neither Party will be deemed by this Agreement to have been granted any license or other rights to the other Party's Patent Rights or Know-How, either expressly or by implication, estoppel or otherwise. Subject to Section 5.1(d)(i), no license or right granted in Section 5.1 or elsewhere in this Agreement includes any right for Adicet to use any Regeneron Mice for the research, development, manufacture or commercialization of any ICP that is not a Collaboration ICP. No license or right granted in Section 5.1 or elsewhere in this Agreement includes any right for Regeneron to use any Mice Derived Adicet Targeting Moiety Inventions for the research, development, manufacture or commercialization of any ICP. No license or right granted in Section 5.1 or elsewhere in this Agreement includes any right for either Party to use, and neither Party shall use or grant any Third Party the right to use, any CTM for the research, development, manufacture or commercialization of any ICP, other than a Collaboration ICP in accordance with this Agreement.

5.4 Retained Rights. Notwithstanding anything to the contrary in Article 4 or Article 5, and for the avoidance of doubt, each Party expressly reserves for itself and its Affiliates and Third Party licensees under the Regeneron IP and Adicet IP, as applicable, (i) the right to research, develop and commercialize Targeting Moieties outside the Research Program, (a) with respect to Adicet not for use in ICPs during the Target Selection Term (except as expressly permitted pursuant to Section 4.2) and (b) with respect to either Party, not for use in ICPs that bind to Collaboration Targets during the Term, except in accordance with this Agreement, or (ii) otherwise undertake activities in compliance with, or not prohibited by, Article 4. Additionally, with respect to the licenses granted under this Article 5, and for the avoidance of doubt, Adicet expressly reserves for itself and its Affiliates and Third Party licensees under the Mice Derived Adicet Targeting Moiety Inventions, the right to research, develop and commercialize any ICP containing a Mice Derived Adicet Targeting Moiety; provided that such ICP doesn't contain any CTM

contained in a Regeneron Royalty Product or Co-Funded Product. Without limiting the exclusivity restrictions set forth in Section 4.1, each Party reserves the right to grant licenses to Third Parties to use Intellectual Property Controlled by it or its Affiliates (other than with respect to Intellectual Property Controlled by a Party as a licensee of the other Party pursuant to this Agreement) for general antibody discovery purposes (i.e., that is not specific to any particular Collaboration Target for use in ICPs), which may involve the research and testing of Targeting Moieties, and such grant and any associated disclosure or provision of such Intellectual Property in connection therewith shall not constitute a breach of this Agreement (including Section 4.1), provided that, such Party and its Affiliates will not otherwise actively assist any such Third Party in generating, validating, researching or developing any Targeting Moiety if doing so would not comply with Section 4.1. Notwithstanding anything to the contrary in Article 4 or Article 5, and for the avoidance of doubt, each Party further reserves the right to grant licenses to academic Third Parties to use the Intellectual Property Controlled by such Party or its Affiliates (other than with respect to Intellectual Property Controlled by a Party as a licensee of the other Party pursuant to this Agreement) for academic research purposes, which may involve the research and testing of Targeting Moieties or the research (in each case, but not human clinical testing) of ICPs, with respect to Adicet that is not specific to any particular ICPs that Bind the same Collaboration Target as a Co-Funded Product or a Regeneron Royalty Product, and with respect to Regeneron that is not specific to any particular ICPs that Bind the same Collaboration Target as an Adicet Royalty Product, and such grant and any associated disclosure or provision of Intellectual Property in connection therewith shall not constitute a breach of this Agreement (including Section 4.1), provided that, such Party and its Affiliates will not otherwise actively assist any such Third Party in such research and testing if such active assistance would not comply with Section 4.1.

5.5 Sublicensing.

(a) Regeneron has the right to sublicense any of its rights under the license granted in Sections 5.1(a)(iv) and the rights granted in Section 5.2 (subject to Adicet's Co-Funding Option and Co-Promotion option herein) to any licensee of the Co-Funded Products or the Regeneron Royalty Products without the prior written consent of Adicet. Regeneron has the right to sublicense any of its rights under the license granted in Section 5.1(d)(iii) to any licensee of the Regeneron Non-ICP Products without the prior written consent of Adicet. Additionally, Regeneron has the right to sublicense any of its rights under the license granted in Section 5.1(b) without the prior written consent of Adicet.

(b) Adicet has the right to sublicense any of its rights under the exclusive license granted in Section 5.1(a)(ii)and the rights granted in Section 5.2 to any licensee of any Adicet Royalty Products without prior written consent of Regeneron, but only in the event that Adicet has fully satisfied all of its obligations pursuant to Sections 6.1, 6.2 and 6.3 with respect to the applicable Adicet Royalty Product. Adicet has the right to sublicense any of its rights under the non-exclusive license granted in Section 5.1(d)(i)(B) to any licensee of any Mice Derived Adicet ICP Products without the prior written consent of Regeneron.

(c) A Party has the right to sublicense any of its other rights under the licenses granted in Section 5.1 or the rights granted in Section 5.2, except for those license rights described in Section 5.5(a) and 5.5(b), only with the prior written consent of the other Party.

(d) Notwithstanding the foregoing provisions of this Section 5.5, either Party may sublicense any of its rights hereunder without such other Party's consent, (i) to an Affiliate or (ii) to any permitted subcontractor performing Regeneron Designated Activities or Adicet Designated Activities, as applicable, provided in the case of clause (ii) that the subcontracting Party granting such sublicense has fully satisfied all of its obligations pursuant to Sections 5.6 and 24.11, including any applicable subcontract consent requirements.

5.6 Invention Assignment. All of the employees, officers and consultants of each Party that are engaged in the performance of its obligations or exercise of its rights under this Agreement shall have executed agreements assigning to such Party of all inventions and intellectual property made during the course of and as the result of their association with such Party, obligating the individual upon request to sign any documents to confirm or perfect such assignment and to cooperate in the preparation and prosecution of any Patent Applications disclosing or claiming such inventions and obligating the individual to obligations of confidentiality and non-use regarding Confidential Information, that are at least as stringent as those undertaken by the Parties pursuant to Article 19 hereof.

ARTICLE 6
REGENERON COMMERCIAL LICENSE OPTIONS; AND REGENERON RIGHT OF FIRST NEGOTIATION

6.1 Option-Eligible Collaboration-ICPs and Option-Ineligible Collaboration ICPs. Regeneron has the right to exercise its Option with respect to Option-Eligible Collaboration ICPs pursuant to Section 6.2. Whether a Collaboration ICP is an Option-Eligible Collaboration ICP or an Option-Ineligible Collaboration ICP shall be determined in accordance with this Section 6.1.

(a) Adicet shall have the right to develop and commercialize the first Collaboration ICP (and all other Collaboration ICPs that Bind the same Collaboration Target) for which Adicet delivers a Final Option Data Package ("First IND Candidate"), and such First IND Candidate (and all other Collaboration ICPs that Bind the same Collaboration Target) shall be an Option-Ineligible Collaboration ICP.

(b) Subject to Section 6.1(a) with respect to the First IND Candidate and the Option Cap in Section 6.1(c), a Collaboration ICP for which Adicet delivers a Final Option Data Package (and all other Collaboration ICPs that Bind the same Collaboration Target) shall be an Option-Eligible Collaboration ICP unless Regeneron exercised its Option with respect to the preceding Collaboration ICP (that binds a different Collaboration Target) for which Adicet delivered a Final Option Data Package. For clarity, in the event Regeneron did exercise its Option for the preceding Collaboration ICP, then the Collaboration ICP (that binds a different Collaboration Target) for which Adicet delivers the next Final Option Data Package (and all other Collaboration ICPs that Bind the same Collaboration Target) shall become an Option-Ineligible Collaboration ICP at the time of such Final Option Data Package delivery. For further clarity, after a particular Collaboration ICP (and all other Collaboration ICPs that Bind the same Collaboration Target) becomes an Option-Ineligible Collaboration ICP, each future Collaboration ICP that Binds a different Collaboration Target shall be considered an Option-Eligible Collaboration ICP when Adicet delivers to Regeneron a Final Option Data Package for such Collaboration ICP until such time as Regeneron exercises its Option for an Option-Eligible

Collaboration ICP, in which case the next Collaboration ICP for which Regeneron delivers a Final Option Data Package (and all other Collaboration ICPs that Bind the same Collaboration Target) shall be an Option-Ineligible ICP.

(c) The maximum number times that Regeneron may exercise its Option for Option-Eligible Collaboration ICPs is [***] (the "Option Cap"); provided, however, that if Regeneron does not exercise its Option for [***] consecutive Option-Eligible Collaboration ICPs for which it receives the Final Option Data Package, then the Option Cap shall be reduced by [***]. Once the Option Cap has been reached, all Collaboration ICPs shall be Option-Ineligible ICPs.

6.2 Option.

(a) Option Grant. Adicet hereby grants to Regeneron an exclusive option, on each Option-Eligible Collaboration ICP (and all other Collaboration ICPs containing a Collaboration Targeting Moiety that Binds the same Collaboration Target) on an Option-Eligible Collaboration ICP by Option-Eligible Collaboration ICP basis, to obtain an exclusive license under Section 5.1(a)(iv) (each such option, an "Option").

(b) Option Exercise. If Regeneron wishes to exercise the Option for a particular Option-Eligible Collaboration ICP, then within thirty (30) days following the receipt by Regeneron of the Final Option Data Package for such Option-Eligible Collaboration ICP (the "Option Period"), it shall provide written notice thereof (the "Option Exercise Notice") to Adicet and shall pay [***] to Adicet ("Option Exercise Fee") on an Optioned Collaboration ICP-by-Optioned Collaboration ICP basis. Upon Regeneron's timely exercise of its Option and payment of the Option Exercise Fee with respect to a particular Collaboration ICP, such Option-Eligible Collaboration ICP and all other Collaboration ICPs Binding to the same Collaboration Target shall become Optioned Collaboration ICPs. If Regeneron fails to timely exercise the Option with respect to a particular Option-Eligible Collaboration ICP, such Collaboration ICP and all other Collaboration ICPs Binding to the same Collaboration Target shall become Declined Collaboration ICPs.

(c) Overlapping Option Periods. In the event that the Option Period has not expired with respect to an Option-Eligible Collaboration ICP and Adicet delivers to Regeneron a Final Option Data Package for a Collaboration ICP that Binds a Collaboration Target distinct from the Option-Eligible Collaboration ICP, then both Collaboration ICPs shall be deemed to be Option-Eligible Collaboration ICPs, but Regeneron shall only have the right to exercise its Option with respect one Collaboration ICP, and upon such Option exercise, the other Collaboration ICP shall be deemed to be an Option-Ineligible Collaboration ICP.

(d) Exclusivity for Collaboration ICPs. Prior to Adicet's delivery of a Final Option Data Package with respect to Option-Ineligible Collaboration ICPs and prior to the expiration of the Option Period with respect to Option Eligible Collaboration ICPs, Adicet shall not enter into any license, sale or other similar agreement with a Third Party in which such Third Party would receive any rights, or an option to obtain any rights, to develop or commercialize such Collaboration ICP, except in connection with a subcontract as permitted pursuant to Section 24.11(b), provided, however, that (x) any sale of capital stock in Adicet (whether a

controlling interest or otherwise) or (y) any merger, consolidation or other business combination transaction involving Adicet shall not be restricted by this Section 6.2(d).

6.3 Regeneron Right of First Negotiation for Rights to Option-Ineligible Collaboration ICPs.

(a) Except in compliance with this Section 6.3, Adicet shall not enter into any Option-Ineligible ICP Negotiations or execute an Option-Ineligible ICP Agreement other than in connection with a subcontract as permitted pursuant to Section 24.11(b).

(b) Adicet hereby grants to Regeneron a right of first negotiation (each, a "ROFN") on an Option-Ineligible Collaboration ICP-by-Option-Ineligible Collaboration ICP basis, as set forth in this Section 6.3. In the event Adicet wishes to enter an agreement to license, sell or option to any Third Party rights to further develop and/or commercialize any Option-Ineligible Collaboration ICP ("Option-Ineligible ICP Agreement"), then Adicet must deliver a notice to Regeneron thereof (the "ROFN Notice") prior to Adicet engaging in any negotiations with, accepting any offer from, or entering into any agreement, with any Third Party to license, sell or option rights to further develop and/or commercialize such Option-Ineligible ICP (collectively, "Option-Ineligible ICP Negotiations").

(c) If the event Regeneron wishes to enter into exclusive negotiations with Adicet to obtain the rights that Adicet wishes to grant with respect to such Option-Ineligible Collaboration ICP, Regeneron shall provide Adicet with notice thereof ("ROFN Exercise Notice") within [***] after receipt of the ROFN Notice. If Regeneron fails to deliver the ROFN Exercise Notice within such [***] period, Adicet shall thereafter be free to engage in Option-Ineligible ICP Negotiations with Third Parties for, and enter into Option-Ineligible ICP Agreements with Third Parties with respect to, such Option-Ineligible ICP without further obligations under this Section 6.3.

(d) In the event Regeneron timely delivers the ROFN Exercise Notice, the Parties will engage in good faith negotiations, and Adicet will permit Regeneron to conduct, and will permit Regeneron's conduct of, technical and legal due diligence, for a period of [***] after delivery of the ROFN Notice ("Exclusive Negotiation Period") in an attempt to agree upon the terms and conditions pursuant to which Regeneron would receive a license or other rights to further develop and/or commercialize such Option-Ineligible ICP. If the parties are able to reach mutual agreement on such terms and conditions during the Exclusive Negotiation Period, the Parties shall promptly thereafter enter into a definitive agreement reflecting such terms. If the Parties fail to reach mutual agreement during the Exclusive Negotiation Period on terms and conditions of a license or other rights to further develop and/or commercialize such Option-Ineligible ICP, Adicet shall thereafter be free to engage in Option-Ineligible ICP Negotiations with Third Parties for, and enter into Option-Ineligible ICP Agreements with Third Parties with respect to, such Option-Ineligible ICP without further obligations under this Section 6.3.

(e) Regeneron's ROFN shall expire in the event that (i) Regeneron terminates the Research Program pursuant to Section 2.2(b) or in accordance with Section 2.2(c), 2.2(c) or 22.10(a), or (ii) if Regeneron exercises its ROFN pursuant to this Section 6.3 and obtains licenses or other rights to Option-Ineligible ICPs that Bind to two (2) Collaboration Targets.

(f) To the extent that Regeneron exercises its ROFN pursuant to this Section 6.3 and obtains a license or other right under a given Collaboration ICP, such ICP shall no longer be considered a Collaboration ICP or an Option-Ineligible Collaboration ICP to such extent only, and the rights and obligations of the Parties with respect to such ICP shall instead be as set forth in the definitive agreement pursuant to which Regeneron gained a license or other right. For clarity, if Regeneron obtains less than a complete assignment or exclusive license under an Option-Ineligible Collaboration ICP pursuant to its ROFN (for example, Regeneron obtains assignment of U.S.-only rights or a field-limited license under an Option-Ineligible Collaboration ICP) then such Option-Ineligible Collaboration ICP shall remain an Option-Ineligible Collaboration ICP under this Agreement solely to the extent of the rights and licenses that are not transferred or licensed to Regeneron pursuant to the ROFN.

6.4 Transfer of Responsibilities with Respect to Optioned Collaboration ICPs after Regeneron's Exercise of the Option. In the event of the timely exercise of its Option and payment of the Option Exercise Fee with respect to an Optioned Collaboration ICP, on an Optioned Collaboration ICP-by-Optioned Collaboration ICP basis:

(a) Subject to and except as otherwise set forth in Section 13.4 regarding Manufacturing process technology transfer, promptly (but in any event within [***] after Regeneron's exercise of an Option, on an Optioned Collaboration ICP-by-Optioned Collaboration ICP basis, Adicet shall transfer all tangible embodiments of the Optioned Collaboration ICP, included related documentation and materials to Regeneron.

(b) After timely exercise of its Option and payment of the Option Exercise Fee with respect to an Optioned Collaboration ICP, until the later of [***] after timely exercise of its Option and payment of the Option Exercise Fee, [***] after the first response from the applicable Regulatory Authority following IND submission (or such longer period of time as mutually agreed by the Parties, not to be unreasonably withheld or delayed), for such Optioned Collaboration ICP, Adicet will, at the request of Regeneron, make suitably experienced and qualified members of its staff available to Regeneron by telephone or in person (provided that Regeneron personnel travel to Adicet) to reasonably explain such documentation and materials, not to exceed [***] in the aggregate (or such longer period of time as mutually agreed by the Parties, not to be unreasonably withheld or delayed) for any one Collaboration Target. To the extent such request results in more than) [***] of time in the aggregate for any one Collaboration Target, Adicet shall have the right to invoice Regeneron for the fully-burdened cost therefor, and Regeneron shall pay such invoiced amounts within [***] after the date of such invoice.

(c) On an Optioned Collaboration ICP-by-Optioned Collaboration ICP basis, Adicet shall promptly, and shall use Commercially Reasonable Efforts to do so within [***] after Regeneron's exercise of the applicable Option, (i) deliver to Regeneron electronic copies (unless otherwise required by Applicable Law) of all Regulatory Filings Controlled by Adicet relating to the Optioned Collaboration ICPs, and (ii) to the extent permitted by Applicable Law, take all steps reasonably necessary to assign all Regulatory Filings to Regeneron, including submitting to any applicable Regulatory Authority a letter or other necessary documentation (with copy to Regeneron) notifying the Regulatory Authority of such assignment.

(d) For a period of [***] after timely exercise of its Option and payment of the Option Exercise Fee with respect to an Optioned Collaboration ICP, Adicet will, at the request of Regeneron, conduct continuations or extensions of the preclinical studies set forth in the applicable Research Plan as are reasonably necessary to support an IND Acceptance in the United States, and provide Regeneron the data resulting therefrom. Adicet shall have the right to invoice Regeneron for the fully-burdened cost therefor, and Regeneron shall pay such invoiced amounts within [***] after the date of such invoice.

ARTICLE 7
ROYALTY PRODUCTS, MICE DERIVED ADICET ICP PRODUCTS AND REGENERON NON-ICP PRODUCTS

7.1 Overview. Adicet shall be solely responsible, at its sole cost, for all development, manufacturing and commercialization of Adicet Royalty Products and Mice Derived Adicet ICP Products. Regeneron shall be solely responsible, at its sole cost, for all development, manufacturing and commercialization of Regeneron Royalty Products and Regeneron Non-ICP Products.

7.2 Diligence Obligations. Adicet shall use Commercially Reasonable Efforts to develop and commercialize **[***]** Adicet Royalty Product for each Collaboration Target. Regeneron shall use Commercially Reasonable Efforts to develop and commercialize **[***]** Regeneron Royalty Product for each Collaboration Target.

7.3 Development of Royalty Products.

(a) Adicet shall conduct all development and commercialization activities with respect to Adicet Royalty Products and Mice Derived Adicet ICP Products in compliance with Applicable Laws, including Good Practices.

(b) Regeneron shall conduct all development and commercialization activities with respect to Regeneron Royalty Products and Regeneron Non-ICP Products in compliance with Applicable Laws, including Good Practices.

7.4 Development Records.

(a) Adicet shall maintain complete, current and accurate records of all development activities conducted by or on its behalf with respect to Adicet Royalty Products and Mice Derived Adicet ICP Products, and all data and other information resulting from such activities. Such records shall fully and properly reflect all work done and results achieved in the performance of the development activities in good scientific manner appropriate for regulatory and patent purposes. Adicet shall document all non-clinical studies and clinical trials in formal written study reports according to Applicable Laws and national and international guidelines (e.g., ICH, GCP, GLP, and GMP).

(b) Regeneron shall maintain complete, current and accurate records of all development activities conducted by or on its behalf with respect to Regeneron Royalty Products and Regeneron Non-ICP Products, and all data and other information resulting from such activities. Such records shall fully and properly reflect all work done and results achieved in the performance of the development activities in good scientific manner appropriate for regulatory and patent purposes. Regeneron shall document all non-clinical studies and clinical trials in formal written study reports according to Applicable Laws and national and international guidelines (e.g., ICH, GCP, GLP, and GMP).

7.5 Development Reports.

(a) Adicet shall provide Regeneron with bi-annual written reports detailing the status of all development, regulatory and material manufacturing activities for Adicet Royalty Products and Mice Derived Adicet ICP Products.

(b) Regeneron shall provide Adicet with bi-annual written reports detailing the status of all development, regulatory and material manufacturing activities for Regeneron Royalty Products and Regeneron Non-ICP Products.

7.6 Regulatory.

(a) Adicet shall be responsible, at its expense, for all regulatory activities necessary to obtain and maintain marketing approval of the Adicet Royalty Products and Mice Derived Adicet ICP Products, including the preparation and submission of any and all regulatory materials for Adicet Royalty Products and Mice Derived Adicet ICP Products throughout the world. Adicet shall own all such regulatory materials, including all INDs and Approvals with respect to Adicet Royalty Products and Mice Derived Adicet ICP Products. Decisions with respect to any recall, market withdrawal or other corrective action related to any Adicet Royalty Product and Mice Derived Adicet ICP Product in the Territory shall be made by Adicet, and expenses associated with such recalls will be borne by Adicet.

(b) Regeneron shall be responsible, at its expense, for all regulatory activities necessary to obtain and maintain marketing approval of the Regeneron Royalty Products and Regeneron Non-ICP Products, including the preparation and submission of any and all regulatory materials for Regeneron Royalty Products throughout the world or the Royalty Territory as applicable and for Regeneron Non-ICP Products throughout the world; provided, however, (i) Regeneron shall consult with Adicet regarding the regulatory strategy and approach for Regeneron Royalty Products and shall consider in good faith reasonable comments of Adicet to the extent relating to consistency in strategy and approach as compared to the regulatory strategy and approach for Adicet Royalty Products, provided, however, that Regeneron shall have final discretion with respect thereto, and (ii) Regeneron shall permit a representative of Adicet to attend as an observer in all material meetings and other communications with the applicable Regulatory Authorities regarding Regeneron Royalty Products. Regeneron shall own all such regulatory materials, including all INDs and Approvals with respect to Regeneron Royalty Products and Regeneron Non-ICP Products. Decisions with respect to any recall, market withdrawal or other corrective action related to any Regeneron Royalty Product in the Territory or the Royalty Territory as applicable and for Regeneron Non-ICP Products throughout the world shall be made by Regeneron, and expenses associated with such recalls will be borne by Regeneron.

7.7 Licensing.

(a) Adicet may grant, to one or more Third Parties, a license to develop, manufacture or sell Adicet Royalty Products or Mice Derived Adicet ICP Products; provided, that (i) Adicet has fully complied with Section 6.3 with respect to Adicet Royalty Products, and (ii) Adicet pays royalties to Regeneron in accordance with Section 14.3 on the sales of Adicet Royalty Products and in accordance with Section 14.6 on the sales of Mice Derived Adicet ICP Products by or on behalf of such licensees or their further sublicensees as if such sales had been made by or on behalf of Adicet.

(b) Regeneron may grant, to one or more Third Parties, a license to develop, manufacture or sell Regeneron Royalty Products and Regeneron Non-ICP Products; provided, that Regeneron pays royalties to Adicet in accordance with Section 14.4 on the sales of Regeneron Royalty Products and in accordance with Section 14.5 on the sales on Regeneron Non-ICP Products by or on behalf of such licensees or their further sublicensees as if such sales had been made by or on behalf of Adicet.

7.8 Regeneron Right of First Negotiation for Adicet to use Regeneron Antibodies in Co-Administration Studies with Adicet Royalty-Bearing Collaboration ICPs.

(a) In the event that Adicet or any of its Affiliates wishes to, either directly, or with or through any Third Party, to conduct one or more Co-Administration Studies, Adicet shall inform Regeneron in writing of such proposed Co-Administration Study(ies), which notice shall include the Target that the product in clause (ii) of the definition of Co-Administration Study is directed toward (the "Co-Administration Target") and a summary of the study plan for such proposed Co-Administration Stud(ies) (the "Co-Administration Study Notice").

(b) If Regeneron wishes to enter into negotiations with Adicet for the Co-Administration Study for Adicet to use an Antibody Controlled by Regeneron that is either in clinical development or commercially available that is directed towards the Co-Administration Target ("Regeneron Antibody") in lieu of the product in clause (ii) of Section 1.28, Regeneron shall provide Adicet with notice thereof, and such notice shall also include the identity of the Regeneron Antibody ("Expression of Interest") within [***] after receipt of the Co-Administration Study Notice. If Regeneron does not deliver the Expression of Interest within such [***] period, Adicet shall thereafter be free to use in the Co-Administration Study, Antibodies Controlled by Third Parties that are directed against the Co-Administration Target without further obligations under this Section 7.8.

(c) In the event Regeneron timely delivers the Expression of Interest, the Parties will engage in good faith negotiations for a for a period of [***] after receipt of the Co-Administration Study Notice, in an attempt to agree upon the terms and conditions pursuant to which a Co-Administration Study involving an Adicet Royalty-Bearing Collaboration ICP and a Regeneron Antibody would be conducted. If the Parties are unable to reach agreement during such [***] period on such terms and conditions for such Co-Administration Study, Adicet shall thereafter be free to use in the Co-Administration Study, products controlled by Third Parties without further obligations under this Section 7.8.

ARTICLE 8
ADICET CO-FUNDING OPTION AND CO-FUNDED PRODUCTS (GENERALLY)

8.1 Co-Funding Option.

(a) Adicet shall have the exclusive option, at its discretion, on or prior to the Co-Funding Option Deadline, to elect to co-fund an Optioned Collaboration ICP at the Adicet Co-Funding Percentage in the Co-Funding Territory (the "Co-Funding Option"). The Adicet Co-Funding Percentage and the Co-Funding Territory shall be specified in the Co-Funding Notice delivered by Adicet as described in this Section 8.1. Upon Adicet's written request delivered not later than [***] after Regeneron's exercise of the Option for an Optioned Collaboration ICP (but no earlier than the date of Regeneron's exercise of the Option for such Optioned Collaboration ICP), Regeneron shall share with Adicet, Regeneron's plan for the material activities, clinical Development timelines, the Initial Development Cost Forecast, and Manufacture and Commercialization in more general terms, of the Optioned Collaboration ICP (the "Co-Funding Materials"), provided, however, that the foregoing shall not require Regeneron to prepare, obtain or otherwise provide any Co-Funding Materials other than those that have been prepared by Regeneron for its internal purposes. Regeneron shall deliver the Co-Funding Materials to Adicet within [***] days of Adicet's written request. After delivery of the Co-Funding Materials, but prior to the Co-Funding Option Deadline, upon Adicet's request, Regeneron shall make itself reasonably available to Adicet to discuss the Co-Funding Materials. Adicet may exercise such Co-Funding Option for the Adicet Co-Funding Percentage as specified by Adicet in the Co-Funding Territory as specified by Adicet by delivering written notice thereof to Regeneron (the "Co-Funding Notice") no later than [***] days after receipt of the Co-Funding Materials from Regeneron (the "Co-Funding Option Deadline"), with such exercise being deemed effective upon Regeneron's receipt of such Co-Funding Notice. In no event shall the Co-Funding Percentage borne by Adicet (the "Adicet Co-Funding Percentage") be less than [***] or more than [***] of the total financial investment, profit and loss related to the Co-Funded Product in the Co-Funding Territory. The Co-Funding Percentage borne by Regeneron for the Co-Funded Product in the Co-Funding Territory shall be [***] of the financial investment, profit and loss minus the Co-Funding Percentage borne by Adicet (the "Regeneron Co-Funding Percentage"). Upon Adicet's exercise of the Co-Funding Option, such Optioned Collaboration ICP shall be considered a Co-Funded Product in the Co-Funding Territory.

(b) If Adicet fails to request the Co-Funding Materials in accordance with the time period set forth in this Section 8.1 or Adicet fails to deliver a Co-Funding Notice after receiving the Co-Funding Materials by the Co-Funding Option Deadline, Adicet's Co-Funding Option with respect to such Optioned Collaboration ICP shall immediately and permanently expire.

(c) If, after Adicet exercises its Co-Funding Option in accordance with Section 8.1(a), the JSC approves an Updated Development Cost Forecast that is [***], Adicet shall have the right to exercise by delivering written notice to Regeneron to reduce the Adicet Co-Funding Percentage to [***] (the "Co-Funding Reduction Notice"), provided that Adicet may not deliver a Co-Funding Reduction Notice more than once for a given Co-Funded Product. If Adicet delivers a Co-Funding Reduction Notice pursuant to this Section 8.1(c), the Adicet Co-Funding Percentage shall be reduced by [***] and the Regeneron Co-Funding Percentage shall be adjusted

accordingly for such Co-Funded Product as of [***] of Adicet's delivery of the Co-Funding Reduction Notice; provided, however, that Regeneron shall pay to Adicet an additional royalty equal to [***] of Net Sales of such Co-Funded Product (on the same terms and conditions as if it were a Regeneron Royalty Bearing Product hereunder, but without offsets or deductions) until [***]. If Adicet fails to deliver a Co-Funding Reduction Notice pursuant to this Section 8.1(c) with respect to a Co-Funded Product, Adicet's rights to reduce it Co-Funding Percentage pursuant to this Section 8.1(c) shall permanently expire with respect to such Co-Funded Product.

8.2 Development and Commercialization of Co-Funded Products. Upon and subject to the terms and conditions of this Agreement, including Adicet's option to Co-Promote a Co-Funded Product pursuant to Section 11.2, Regeneron shall be solely responsible for and will use Commercially Reasonable Efforts to Develop and Commercialize Co-Funded Products in the Co-Funding Territory and not to materially exceed the Initial Development Cost Forecast (or the most recent Updated Development Cost Forecast) therefor. Notwithstanding anything to the contrary in this Agreement, the Development or Commercialization of a Co-Funded Product in the Co-Funding Territory shall not materially deviate from the applicable Co-Funding Materials without Regeneron first discussing such material deviation at the JSC, but the Parties acknowledge and agree that Regeneron shall be solely responsible and shall have final discretion and decision making authority over the Development and Commercialization of Co-Funded Products. The Parties shall establish the JSC to oversee and/or coordinate the Development, Manufacture and Commercialization of Co-Funded Products in the Co-Funding Territory as set forth in Article 9. Each Party shall, subject to the terms and conditions set forth in Article 19, provide (or cause its Affiliates to provide) to any relevant Committee any necessary Confidential Information and such other information and materials as may be reasonably required for the Parties to operate effectively and efficiently with respect to Co-Funded Products under and in accordance with the terms and conditions of this Agreement, in each case to the extent Controlled by such Party.

ARTICLE 9
GOVERNANCE OF CO-FUNDED PRODUCTS

9.1 Committees/Management.

(a) Committees. In addition to the JRC, in the event Regeneron exercises an Option and Adicet exercises a Co-Funding Option for a Co-Funded Product, the Parties agree to establish, for the purposes specified herein, a Joint Steering Committee (the "JSC"). It is understood that the Parties may wish to establish multiple Committees reporting to the JSC with responsibility for different functions or different Co-Funded Products. The JSC shall be established within [***] after Adicet first exercises a Co-Funding Option. The roles and responsibilities of the JSC are set forth in this Agreement. The JSC, and any other committees the JSC establishes pursuant to this Article 9, are the "Committees." From time to time, each Committee may establish working groups (each, a "Working Group") to oversee particular projects or activities, and each such Working Group shall be constituted and shall operate as the Committee which establishes the Working Group determines.

(b) Decision-making. The Committees shall operate by consensus. The representatives of each Party shall have collectively one (1) vote on behalf of such Party; provided that no such vote taken at a meeting shall be valid unless a representative of each Party is present and participating in the vote. Notwithstanding the foregoing, each Party, in its sole discretion, by written notice to the other Party, may choose not to have representatives on a Committee and leave decisions of such Committee(s) to representatives of the other Party.

(c) Membership. Each of the Committees shall be composed of an equal number of representatives appointed by each of Regeneron and Adicet. Each Party may replace its Committee members upon written notice (which may be via email) to the other Party. Each Committee will have two (2) co-chairpersons, one designated by each of Regeneron and Adicet. Each co-chairperson shall be entitled to call meetings. The co-chairpersons shall coordinate activities to prepare and circulate an agenda in advance of the meeting and prepare and issue final minutes within [***] thereafter.

(d) Meetings. Each Committee shall hold meetings at such times as the Parties shall determine, but in no event less frequently than once every Quarter during the Term as long as there is at least one Co-Funding Term then in effect, commencing from and after the time such Committee is established as provided herein. If possible, the meetings shall be held in person (to the extent practicable, alternating the site for such meetings between the Parties or their Affiliates) or when agreed by the Parties, by video or telephone conference. Other representatives of each Party or of Third Parties involved in the Development, Manufacture or Commercialization of any Co-Funded Product (under obligations of confidentiality) may be invited by the Committee co-chairs to attend meetings of the Committees as nonvoting participants. Each Party shall be responsible for all of its own expenses of participating in the Committees. Either Party's representatives on a Committee may call a special meeting of the applicable Committee upon at [***] Business Days' prior written notice (which may be via email), except that emergency meetings may be called with at [***] Business Days' prior written notice (which may be via email).

(e) Limited Powers. None of the Committees or the Executive Officers shall have the power to amend any of the terms or conditions of this Agreement or to waive compliance with this Agreement, other than by mutual agreement of the Parties as set forth in Section 24.5.

9.2 Joint Steering Committee.

(a) Composition and Purpose. The JSC shall have overall responsibility for the oversight of the Development and Commercialization of Co-Funded Products. The JSC shall be composed of at least three (3) senior management employees of each Party; provided that the total number of representatives may be changed upon mutual agreement of the Parties (so long as each Party has an equal number of representatives). In addition to its overall responsibility for overseeing the Development and Commercialization of Co-Funded Products, the JSC shall in particular:

(i) review the overall Development strategy and Commercialization strategy in the Co-Funding Territory for each Co-Funded Product as formulated by Regeneron;

(ii) annually review and approve an Updated Development Cost Forecast;

(iii) annually review, discuss and approve the Development Plan(s) and Commercial Plan(s), including overseeing compliance with the Development Plan and Commercial Plan, which plans shall be initially prepared by Regeneron and presented to the JSC;

(iv) coordinate the promotional efforts of the Parties for each Co-Funded Product that is subject to a Co-Promotion Agreement pursuant to such Co-Promotion Agreement;

(v) discuss the regulatory strategy for the Co-Funded Products;

(vi) oversee Manufacturing activities for Co-Funded Products, including process and technology selection and process improvements;

(vii) review any proposal to license Development, Commercialization or Manufacturing rights for any Co-Funded Product to any Third Party;

(viii) facilitate an exchange between the Parties of data, information, material and results relating to the Development and Commercialization of Co-Funded Products;

(ix) provide a single-point of communication and attempt in good faith to resolve any disputes referred to it by any of the other Committees;

(x) be responsible for accounting, financial and funds flow matters related to the Collaboration Arrangement, including such specific responsibilities set forth in Sections 10.3, 14.7, and 14.11;

(xi) establish sub-committees of the JSC, as the JSC deems appropriate; and

(xii) oversee the other Committees and resolve matters referred by the other Committees to the JSC for decision-making and approval as set forth in this Agreement or otherwise, and to resolve matters on which such Committees are unable to reach consensus pursuant to the provisions of Section 9.3 and Article 23 below, as applicable; and

(xiii) consider and act upon such other matters as are specifically assigned to the JSC under this Agreement or otherwise agreed by the Parties.

9.3 Resolution of Committee Disputes. In the event there is a dispute at the level of a Committee other than the JSC which the relevant Committee has decision making authority over, the Parties, through such Committee, will seek to resolve the dispute as promptly as possible, but no later than **[***]** after a Party has delivered to the other Party a written request to resolve the matter, and in the event that no resolution is reached by such Committee, such matter shall be promptly referred to the JSC. In the event there is a dispute at the JSC (including in cases where such dispute is referred to the JSC pursuant to this Section 9.3), the Parties, through the JSC, will seek to resolve the dispute as promptly as possible, but no later than **[***]** after a Party has delivered to the other Party a written request to resolve the matter (or in cases where such dispute is referred to the JSC pursuant to this Section 9.3, within **[***]** after such dispute is referred to the JSC), and in the event that no resolution is reached at the JSC, such matter and resolved in accordance with Article 23.

ARTICLE 10
DEVELOPMENT OF CO-FUNDED PRODUCTS

10.1 Development of Co-Funded Products. Subject to the terms of this Agreement, Regeneron shall undertake Development activities with respect to Co-Funded Products pursuant to the Development Plans under the oversight of the JSC. Regeneron shall use Commercially Reasonable Efforts to Develop Co-Funded Products and carry out the Development activities set forth in the Development Plans in a timely manner, and shall conduct all such activities in compliance with Applicable Laws, including Good Practices. To the extent Adicet or its Affiliates performs any Development activities with respect to Co-Funded Products at the request of Regeneron, Section 10.3(a) shall apply, except that all references to Adicet shall be deemed to refer to Regeneron and all references to Regeneron shall be deemed to refer to Adicet. Adicet's activities (if any) regarding process development for the Manufacture of a Co-Funded Product after the Research Program Term shall be set forth in and governed by a development services addendum or agreement entered into in connection with the applicable Supply Agreement. Regeneron (and the extent applicable, Adicet) shall maintain complete, current and accurate records of all development activities conducted by or on its behalf with respect to Co-Funded Products, and all data and other information resulting from such activities. Such records shall fully and properly reflect all work done and results achieved in the performance of the development activities in good scientific manner appropriate for regulatory and patent purposes. Regeneron (and to the extent applicable, Adicet) shall document all non-clinical studies and clinical trials in formal written study reports according to Applicable Laws and national and international guidelines (e.g., ICH, GCP, GLP, and GMP).

10.2 Preparation, Updates and Approval of Development Plans. With respect to each Co-Funded Product, Regeneron shall prepare and present a Development Plan for review by the JSC within **[***]** after exercise by Adicet of its Co-Funding Option, and the JSC shall review and approve an initial Development Plan (which shall be consistent in all material respects with the applicable Co-Funding Materials) for such Co-Funded Product within **[***]** after Regeneron presents such Development Plan to the JSC. Regeneron shall consider in good faith comments by Adicet regarding the Development Plan for each Co-Funded Product, specifically regarding clinical Development, process development for Manufacturing, and regulatory activities, provided that Regeneron shall have final discretion and decision making authority over the Development Plan. An updated Development Plan for such Co-Funded Product will be presented by Regeneron for review to the JSC and approved by the JSC, **[***]** prior to the end of each calendar year.

10.3 Development Cost and Payment Reports.

(a) Within [***] after the end of each Quarter, commencing with the Quarter in which the Co-Funding Notice for the first Co-Funded Product is received by Regeneron, Regeneron shall provide to Adicet a written report (in electronic form) summarizing the material activities undertaken by Regeneron during such Quarter in connection with each Development Plan (or, if the Development Plan is not yet in effect, pursuant to Regeneron's development activities it conducts subsequent to Adicet's exercise of its Co-Funding Option), together with a statement of Development Costs incurred by Regeneron during such Quarter, which statement shall detail those amounts to be included in the Development Payment Report for such Quarter and shall be in such form, format and of such level of detail as approved by the JSC.

(b) Within [***] after the end of each Quarter, Regeneron shall deliver electronically to Adicet a Development Payment Report in respect of such Quarter, combining the information reported by Regeneron pursuant to this Section 10.3 (and to the extent applicable pursuant to Section 10.1, Adicet) and showing its calculations in accordance with Schedule 2 of the amount of any payments to be made by the Parties hereunder for such Quarter as contemplated by this Section 10.3 (including, as applicable, showing the sharing of Development Costs) and, if applicable, providing for the netting of such payments. All reports referred to in this Section 10.3 shall be in such form, format and level of detail approved by the JSC. Unless otherwise agreed by the JSC, the financial data in the reports will include calculations in local currency and United States Dollars.

10.4 Development Utilizing Adicet Background Technology. If the Parties mutually agree in writing to utilize any Adicet Background IP in the Development of a Co-Funded Product (other than to the extent constituting applicable Adicet Product IP), then Adicet either (A) shall perform such specific Development activities utilizing such Adicet Background IP for such Co-Funded Product, or (B) shall grant to Regeneron a limited license under (and transfer to Regeneron) such Adicet Background IP solely to perform such specific Development activities utilizing such Adicet Background IP for such Co-Funded Product and for no other purpose.

ARTICLE 11
COMMERCIALIZATION OF CO-FUNDED PRODUCTS

11.1 Commercialization of Co-Funded Products. Subject to the terms of this Agreement and Adicet's rights to Co-Promote a Co-Funded Product in the United States after Adicet's exercise of its option under Section 11.2(a), Regeneron will perform all Commercialization activities for Co-Funded Products under the oversight of the JSC. Regeneron shall use Commercially Reasonable Efforts to Commercialize Co-Funded Products, and shall conduct all such activities in compliance with Applicable Laws. Regeneron shall be responsible for handling collection and receivables and recording and booking sales in each country in the Co-Funding Territory. If Adicet exercises its rights to Co-Promote a Co-Funded Product in the United States pursuant to Section 11.3(a), Adicet shall use Commercially Reasonable Efforts to Co-Promote the relevant Co-Funded Product and carry out the Co-Promotion activities set forth in the Co-Promotion Agreement in a timely manner, and shall conduct all such activities in compliance with Applicable Laws.

11.2 Preparation, Updates and Approval of Commercial Plans. With respect to each Co-Funded Product, Regeneron shall prepare and present a Commercial Plan for review by the JSC within **[***]** after exercise by Adicet of its Co-Funding Option, and the JSC shall review and approve a Commercial Plan for such Co-Funded Product within **[***]** after Regeneron presents such Commercial Plan to the JSC. Regeneron and the JSC shall consider in good faith comments by Adicet regarding the Commercial Plan for each Co-Funded Product, provided that Regeneron shall have final discretion and decision making authority over the approval of the Commercial Plan (and provided that nothing herein shall prevent Regeneron from operating under the Co-Funding Materials prior to JSC approval of the Commercial Plans). An updated Commercial Plan for such Co-Funded Product will be presented by Regeneron for review to the JSC and approved by the JSC, **[***]** prior to the end of each calendar year. The Parties acknowledge and agree that the initial Commercial Plans may contain less detail than the Commercial Plans that are prepared as the Co-Funded Product advances towards Marketing Approval or Commercial Plans prepared after Marketing Approval, provided, however, that the foregoing shall not require Regeneron to prepare, obtain or otherwise provide detail in a Commercialization Plan other than those that have been prepared by Regeneron for its internal purposes.

11.3 Adicet Co-Promotion Option in the United States.

(a) Exercise of Co-Promote Option. In the event that Adicet desires to Co-Promote a Co-Funded Product in the United States, it shall notify Regeneron of its decision regarding whether to Co-Promote such Co-Funded Product in the United States [***] after the Anticipated First Commercial Sale of such Co-Funded Product in the United States is determined by the JSC. If Adicet does not timely notify Regeneron by the deadline set forth above, as applicable, Adicet's right to Co-Promote such Co-Funded Product in the United States shall immediately and permanently expire.

(b) Co-Promotion FTE Efforts. Simultaneously with Adicet's exercise of its option pursuant to Section 11.2(a) to Co-Promote a Co-Funded Product in the United States, Adicet will provide to Regeneron a binding notice of the FTE effort which shall be a percentage of the anticipated total FTE effort that Adicet will commit to Co-Promote such Co-Funded Product in the United States for each Contract Year (the "Adicet Commitment Level"). In no event shall the Adicet Commitment Level in Co-Promoting such Co-Funded Product in the United States exceed [***] of the anticipated total FTE effort by both Parties in Co-Promoting such Co-Funded Product in the United States or such other maximum percentage agreed by the Parties (the "Maximum Adicet Effort"). If Adicet elects to Co-Promote a Co-Funded Product in the United States, the Adicet Commitment Level shall be the same as Adicet's Co-Funding Percentage for such Co-Funded Product, unless otherwise expressly agreed in writing by the Parties. Such FTE effort shall be based upon the forecasted number and position of Details required to meet the market and sales forecasts in the United States, and their conversion (with such conversion approved by the JSC) into the equivalent number of Detailing FTEs in the United States. Adicet shall use Commercially Reasonable Efforts to perform the anticipated total FTE effort above for the Adicet Commitment Level, and Regeneron shall use Commercially Reasonable Efforts to perform the anticipated total FTE effort above the Adicet Commitment Level.

(c) Co-Promotion Agreement. Promptly, and in no event later than [***] days following Adicet's exercise of any option under Section 11.2(a), the Parties shall negotiate in good faith the terms of and enter into a co-promotion agreement ("Co-Promotion Agreement"), or amendment of any co-promotion agreement previously entered into pursuant to this Section 11.3(c), consistent with this Article 11 and containing other commercially reasonable terms as the Parties may agree; provided that, in the case of any conflict between any such Co-Promotion Agreement and this Agreement, this Agreement shall control.

11.4 Other Responsibilities. Regeneron shall, and with respect to the United States, in the event the Parties are Co-Promoting the Co-Funded Product, each Party shall, maintain records relating to its sales force, account management, medical science liaison and medical affairs functions FTEs for the Co-Funded Products in each country in a manner sufficient to permit the determination of Field Force Cost.

ARTICLE 12
CLINICAL AND REGULATORY AFFAIRS FOR CO-FUNDED PRODUCTS

12.1 Regulatory Responsibilities.

(a) Subject to the terms of this Agreement, Regeneron shall determine and execute the appropriate regulatory strategy with respect to Co-Funded Products under the oversight of the JSC. The regulatory strategy shall be consistent with the overall objective of facilitating Marketing Approval in the Co-Funding Territory in connection with the Development Plan.

(b) Regeneron shall prepare all Regulatory Filings for Co-Funded Products. Regeneron shall be responsible for submitting and maintaining all such Regulatory Filings and shall act as the primary point of contact for regulatory communications with each applicable Regulatory Authority with respect to each Co-Funded Product. Without limiting the foregoing, Regeneron will be responsible for, and will use Commercially Reasonable Efforts in applying for, obtaining and maintaining the applicable Approval or other Registration Filing for each Co-Funded Product.

(c) Unless otherwise agreed to by the Parties, Regeneron shall own (i) all Approvals with respect to each Co-Funded Product and (ii) all Regulatory Filings for Co-Funded Products.

(d) To the extent Adicet is performing Manufacturing for the Co-Funded Product as set forth in Article 13, Adicet shall provide any assistance requested by Regeneron for Regeneron to prepare any CMC (or equivalent) Section of any Regulatory Filings related to the Manufacture of the Co-Funded Product.

(e) To the extent Adicet is Co-Promoting the Co-Funded Product in the United States, the Parties shall establish procedures, through the JSC, to ensure that the Parties exchange on a timely basis all necessary information to enable each Party and its licensees, as applicable, to comply with its regulatory obligations in connection with the Commercialization of Co-Funded Products, including filing updates or supplements with Regulatory Authorities or pharmacovigilance filings, and to comply with Applicable Laws in the Territory.

(f) Notwithstanding anything to the contrary in this Agreement, (i) Regeneron shall consult with Adicet regarding the regulatory strategy and approach for Co-Funded Products and shall consider in good faith reasonable comments of Adicet to the extent relating to consistency in strategy and approach as compared to the regulatory strategy and approach for Adicet Royalty Products, provided, however, that Regeneron shall have final discretion with respect thereto, and (ii) Regeneron shall permit a representative of Adicet to attend as an observer (and participate as reasonably necessary) in all material meetings and other communications with the applicable Regulatory Authorities regarding Co-Funded Products.

12.2 Regulatory Events. Each Party shall keep the other Party informed, as soon as possible but no later than **[***]** after notification (or other time period specified below), of any action by, or notification or other information which it receives (directly or indirectly) from, any Regulatory Authority, Third Party or other Governmental Authority, which:

(a) raises any material concerns regarding the safety or efficacy of any Co-Funded Product;

(b) indicates or suggests a potential investigation or formal inquiry by any Regulatory Authority in connection with the Development, Manufacture or Commercialization of a Co-Funded Product; provided, however, that each Party shall inform the other Party of the foregoing as soon as possible but in no event later than [***] after receipt of a notification referred to in this clause (b); or

(c) is reasonably likely to lead to a recall or market withdrawal of any Co-Funded Product anywhere in the Territory.

12.3 Recalls and Other Corrective Actions. Decisions with respect to any recall, market withdrawal or other corrective action related to any Co-Funded Product in the Co-Funding Territory shall be made by Regeneron, provided that to the extent practicable, Regeneron shall discuss such decision with Adicet in advance. Regeneron shall, as soon as reasonably possible, but in no event later than twenty-four (24) hours of such final determination, notify Adicet. The Parties shall cooperate with respect to any actions taken or public statements made in connection with any such recall or market withdrawal; provided that Regeneron shall have final decision making with respect thereto. Expenses associated with such recalls will be treated as Other Shared Expenses.

ARTICLE 13
MANUFACTURING AND SUPPLY

13.1 Supply for Research Program. Adicet shall use Commercially Reasonable Efforts to Manufacture (or have Manufactured) required quantities of Collaboration ICPs to perform the activities under the Research Program (including any required quantities of GLP-compliant Collaboration ICP) in accordance with Applicable Laws and the Product Specifications. All Manufacturing (included process development) related costs and expenses incurred by Adicet in connection with the Manufacture of Product for use under the Research Plan shall be borne by Adicet. The Parties acknowledge that Adicet may use a Third Party contract manufacturer to Manufacture Collaboration ICPs pursuant to this Section 13.1, and that the selection of such Third Party contract manufacturer shall be subject to Regeneron's prior written consent, which shall not be unreasonably withheld or delayed. Regeneron shall have the right to review and comment on the draft agreement with each such Third Party contract manufacturer, and Adicet shall consider in good faith the reasonable comments of Regeneron thereon.

13.2 Supply for Initial Phase I Trial for Optioned Collaboration ICPs.

(a) For each Optioned Collaboration ICP, Adicet shall use Commercially Reasonable Efforts (i) to scale up the Manufacturing process developed pursuant to Section 13.1 to a level sufficient to Manufacture, such quantities as set forth in the applicable Research Plan of such Optioned Collaboration ICP in accordance with Applicable Laws (and GMP), the applicable Product Specifications and the applicable Research Plan for the conduct by Regeneron of an initial Phase I Trial for such Optioned Collaboration ICP (collectively, the "Initial Phase I Supply"), and (ii) to Manufacture (or have Manufactured) such Initial Phase I Supply of such Optioned

Collaboration ICP. The Parties acknowledge that Adicet may use a Third Party contract manufacturer to scale up such process and Manufacture the Initial Phase I Supply, and that the selection of such Third Party contract manufacturer shall be subject to Regeneron's prior written consent, which shall not be unreasonably withheld or delayed. Regeneron shall have the right to review and comment on the draft agreement with each such Third Party contract manufacturer, and Adicet shall consider in good faith the reasonable comments of Regeneron thereon.

(b) Within [***] after Regeneron's timely exercise of its Option and payment of the Option Exercise Fee with respect to an Optioned Collaboration ICP, Adicet shall sell and supply to Regeneron the Initial Phase I Supply of such Optioned Collaboration ICP, and Regeneron shall pay Adicet a price equal to [***] of Adicet's Manufacturing Cost for such Optioned Collaboration ICP that is a Regeneron Royalty Product within [***] after receipt of such Initial Phase I Supply and the applicable invoice therefor, or for a Co-Funded Product, [***] of Adicet's Manufacturing Cost for such Co-Funded Product multiplied by the Regeneron Co-Funding Percentage and reimbursed in accordance with Section 14.7. If such Initial Phase I Supply of such Optioned Collaboration ICP is manufactured by a Third Party contract manufacturer, Adicet shall pass through to Regeneron such representations and warranties as Adicet receives from such Third Party contract manufacturer with respect thereto. Adicet shall use good faith efforts to include in the agreement with the Third Party manufacturer a provision that Regeneron is a third party beneficiary of Adicet's rights under such agreement with such Third Party manufacturer. If such Initial Phase I Supply of such Optioned Collaboration ICP is manufactured by Adicet or its Affiliate, Adicet shall represent and warrant to Regeneron and hereby represents and warrants to Regeneron that such Initial Phase I Supply shall be manufactured in accordance with Applicable Laws (and GMP), shall meet the applicable Product Specifications, (and GMP), shall be free from contaminants, shall not be adulterated or misbranded, and shall be supplied free and clear of Third Party liens and encumbrances.

13.3 Subsequent Supply of Co-Funded Products and Regeneron Royalty Products.

(a) Within [***] after Regeneron's timely exercise of its Option, payment of the Option Exercise Fee and delivery of its good faith forecasted requirements for Phase II clinical trial materials with respect to an Optioned Collaboration ICP, Adicet may give written notice to Regeneron if Adicet desires to Manufacture (or have Manufactured) and supply subsequent quantities of such Optioned Collaboration ICP and Regeneron Royalty Products or Co-Funded Products (as applicable) that incorporate, include or consist of such Optioned Collaboration ICP. [***] after Regeneron's timely exercise of its Option, payment of the Option Exercise Fee and delivery of its good faith forecasted requirements for Phase II clinical trial materials with respect to an Optioned Collaboration ICP, Regeneron may give written notice to Adicet if Regeneron desires Adicet to Manufacture (or have Manufactured) and supply subsequent quantities of such Optioned Collaboration ICP and Regeneron Royalty Products or Co-Funded Products (as applicable) that incorporate, include or consist of such Optioned Collaboration ICP.

(b) If either Party gives the other Party timely written notice with respect to an Optioned Collaboration ICP pursuant to Section 13.3(a) and the Party receiving such notice does not object, the Parties promptly shall meet, negotiate in good faith and attempt to reach mutual written agreement on commercially reasonable and customary terms and conditions of a supply agreement and quality agreement for such Manufacture by or on behalf of Adicet and supply of such Optioned Collaboration ICP and Regeneron Royalty Products or Co-Funded Products (as applicable) that incorporate, include or consist of such Optioned Collaboration ICP. Any such supply agreement shall include commercially reasonable and customary provisions for a second source of supply by a Third Party.

(c) If the Parties reach mutual written agreement on commercially reasonable and customary terms and conditions of a supply agreement and a quality agreement for the Manufacture and supply by or on behalf of Adicet of such Optioned Collaboration ICP, Regeneron Royalty Products or Co-Funded Products (as applicable), then Adicet shall Manufacture (or have Manufactured) and supply subsequent quantities of such Optioned Collaboration ICP and Regeneron Royalty Products or Co-Funded Products (as applicable) that incorporate, include or consist of such Optioned Collaboration ICP solely on the terms and conditions of such supply agreement and quality agreement.

(d) If either Party fails to timely give the other Party such written notice pursuant to Section 13.2(a), the Party receiving such notice reasonably objects, or the Parties fail to reach mutual written agreement on commercially reasonable and customary terms and conditions of a supply agreement and quality agreement for such Manufacture by or on behalf of Adicet and supply of such Optioned Collaboration ICP and Regeneron Royalty Products or Co-Funded Products (as applicable) that incorporate, include or consist of such Optioned Collaboration ICP within ninety (90) days after notice was delivered pursuant to Section 13.2(a), then Regeneron shall be solely responsible for the subsequent Manufacture thereof.

13.4 Manufacturing Process Technology Transfer. Following Regeneron's timely exercise of its Option and payment of the Option Exercise Fee with respect to an Optioned Collaboration ICP, upon written request by Regeneron:

(a) Adicet (i) shall transfer to Regeneron (or its single designee, which may be increased to two (2) designees in the event a second designee is necessary to continue supply of such Optioned Collaboration ICP due to a failure to supply by the first designee for reasons outside the reasonable control of Regeneron) a copy of such Adicet Know-How regarding the Manufacturing process developed by or on behalf of Adicet therefor as of such date that is reasonably necessary for the Manufacture of such Optioned Collaboration ICP, Regeneron Royalty Products or Co-Funded Products (as applicable), (ii) shall provide reasonable technical assistance (including answering reasonable questions) regarding the transferred Manufacturing process, and (iii) shall allow a mutually agreed number of representatives of Regeneron to observe manufacturing processes in otherwise scheduled manufacturing runs (but without any obligation to conduct a manufacturing run for purposes of such observation, and subject to customary restrictions and obligations applicable to visitors), all in accordance with a mutually agreed and commercially reasonable technology transfer plan and schedule.

(b) Adicet shall use Commercially Reasonable Efforts to facilitate the transfer from Adicet's Third Party contract manufacturer (if applicable) to Regeneron (or its single designee, which may be increased to two (2) designees in the event a second designee is necessary to continue supply of such Optioned Collaboration ICP due to a failure to supply by the first designee for reasons outside the reasonable control of Regeneron) a copy of such Know-How regarding the Manufacturing process developed by or on behalf of Adicet therefor as of such date

that is Controlled by such Third Party that Adicet is entitled to receive and is reasonably necessary for the Manufacture of such Optioned Collaboration ICP, Regeneron Royalty Products or Co-Funded Products (as applicable). Additionally, Adicet shall pass through to Regeneron any of Adicet's rights to receive Manufacturing transfer assistance (including, to the extent contemplated, pursuant to a technology transfer plan and schedule) from Adicet's Third Party contract manufacturer to the extent provided under (and in accordance with) Adicet's agreement with its Third Party manufacturer.

(c) Upon Regeneron's written request, Adicet shall use Commercially Reasonable Efforts to facilitate an introduction to Adicet's Third Party contract manufacturer (if applicable) regarding supply of such Optioned Collaboration ICP from such Third Party contract manufacturer.

(d) Regeneron shall reimburse Adicet within [***] after receipt of the applicable invoice, for the fully-burdened cost to Adicet for such Manufacturing process technology transfer incurred pursuant this Section 13.4 for a Regeneron Royalty Product. For a Co-Funded Product, the fully-burdened cost of both Parties for such Manufacturing process technology transfer incurred pursuant this Section 13.4 shall be calculated and reimbursed in accordance with Section 14.7.

ARTICLE 14
PAYMENTS

14.1 Upfront Payment. Within **[***]** after the Effective Date, Regeneron shall pay Adicet a non-refundable, non-creditable amount of Twenty Five Million Dollars (US$25,000,000) (the "Up-Front Payment"). Adicet shall use the Up-Front Payment to fund activities related to the Research Program.

14.2 Research Program Funding. Unless the Research Program is terminated pursuant to Section 2.2, (i) Regeneron shall pay Adicet an annual research funding fee of five million Dollars ($5,000,000) on each of the first and second anniversaries of the Effective Date and (ii) Regeneron shall pay Adicet an annual research funding fee of **[***]** on each of the **[***]**. Adicet shall submit to Regeneron an invoice for each payment and Regeneron shall remit payment by the later of the date specified in the preceding sentence or **[***]** after receipt of such invoice. Adicet shall use the research funding fees it receives from Regeneron pursuant to this Section 14.2 to fund activities related to the Research Program.

14.3 Royalty Payments for Adicet Royalty Products.

(a) For each Quarter during the applicable Royalty Term, Adicet shall pay non-refundable, non-creditable royalties to Regeneron on Net Sales of Adicet Royalty Products during such Quarter, on a Collaboration Target-by-Collaboration Target basis, equal to the following percentage of Net Sales:

Aggregate Worldwide Annual Net Sales of all Adicet Royalty Products Directed to a Given Collaboration Target in the Territory in a Calendar Year	Royalty Rate on all Net Sales in such Calendar Year
If Net Sales of all Adicet Royalty Products directed to a given Collaboration Target are up to, but are not in excess of, [***] in a calendar year	[***]
If Net Sales of all Adicet Royalty Products directed to a given Collaboration Target are in excess of [***] and up to, but not in excess of, [***] in a calendar year	[***]
If Net Sales of all Adicet Royalty Products directed to a given Collaboration Target are in excess of [***] and up to, but not in excess of, [***] in a calendar year	[***]
If Net Sales of all Adicet Royalty Products directed to a given Collaboration Target are in excess of [***] in a calendar year	[***]

For clarity, in the event worldwide Net Sales of all Adicet Royalty Products directed to a given Collaboration Target in the second, third or fourth Quarter in a given calendar year achieves a higher royalty rate than the royalty rate payable in the previous Quarter(s) of such calendar year, the higher royalty rate shall apply to all Net Sales of Adicet Royalty Products in the previous Quarter(s) in such calendar year and Adicet shall make any true-up payments to Regeneron for previous Quarters together with royalty payment due for the Quarter in which the higher royalty rate was achieved.

(b) Royalty Stacking. On an Adicet Royalty Product-by-Adicet Royalty Product basis:

(i) in accordance with Section 16.7(a), in the event (and to the extent) that a Research Program Term License is required to make, use, offer for sale, sell or import in a specific country, a specific Adicet Royalty Product as a result of an allegation or potential allegation of infringement of such Third Parties' patents as a result thereof;

(ii) in accordance with Section 16.7(a), the entry into a potential Research Program Term License was mutually agreed to but such Research Program Term License was not finalized prior to the expiration of the Research Program Term and in the event (and to the extent) that such Research Program Term License is required to make, use, offer for sale, sell or import in a specific country, a specific Adicet Royalty Product as a result of an allegation or potential allegation of infringement of such Third Parties' patents as a result thereof;

(iii) in accordance with Section 16.7(a), the entry into potential Research Program Term License regarding Intellectual Property rights of any Third Party was discussed by the Parties and was not consented to by Regeneron, and subsequently, after the Research Program Term, both Parties independently or both Parties jointly enter into a Third Party License regarding such Intellectual Property rights of such Third Party(s), and in the event (and to the extent) that such Third Party License is required to make, use, offer for sale, sell or import in a specific country, a specific Adicet Royalty Product as a result of an allegation or potential allegation of infringement of such Third Parties' patents as a result thereof; or

(iv) in the event (and to the extent) that Adicet obtains a license after the end of the Research Program Term from one or more Third Parties where such license is required to make, use, offer for sale, sell or import in a specific country, a specific Adicet Royalty Product as a result of an allegation or potential allegation of infringement of such Third Parties' patents (1) where such infringement is a result of Adicet's practice of any Regeneron CTM or any Regeneron Product IP in compliance with the terms of this Agreement or (2) where such Third Party's Patents were filed prior to November 29, 2000 and were first published after the end of the Research Program Term and in the event (and to the extent) that a license is required to make, use, offer for sale, sell or import in a specific country, a specific Adicet Royalty Product as a result of an allegation or potential allegation of infringement of such Third Parties' patents as a result thereof (clauses (i), (ii), (iii) and (iv), collectively, hereinafter "Third Party Patent Licenses"),

then in each such case, Adicet shall have the right to credit [***] of the royalties and milestones actually paid by Adicet or its Affiliates under such Third Party Patent Licenses, in each case with respect to sales of such Adicet Royalty Product in such country during a particular Quarter against the royalty payments due to Regeneron with respect to the sale of such Adicet Royalty Product in such country during such Quarter; provided, however, that in no event shall the royalties paid by Adicet to Regeneron with respect to the sale of such Adicet Royalty Product in such country during such Quarter be reduced to less than [***] of the amounts that would be owed pursuant to Section 14.3(a) in the absence of such credit. In addition to the provisions of Section 14.3(b)(iv), if the Patent Rights covering the subject intellectual property in the Third Party License were filed with the relevant authority prior to the expiration of the Research Program Term but were published after the expiration of the Research Program Term, to the extent the Parties mutually agree to enter into such Third Party License, Section 14.3(b)(i) shall apply, and to the extent the Parties do not mutually agree to enter into such Third Party License, Section 14.3(b)(iii) shall apply.

(c) Notwithstanding Section 14.3(a), in the event that the Royalty Term continues solely due to clause (a)(ii) in the definition of Royalty Term (i.e. in a specific country the Product is not Covered by a Valid Claim of a Patent Right Controlled by Adicet or a Patent Right licensed by Regeneron to Adicet in accordance with Section 5.1), then the royalty rates in such country for such Product for such Quarter will be reduced to [***] of the applicable rate in Section 14.3(a), provided, however, in no event shall the aggregate deductions under this Section 14.3(c) combined with deductions taken under Section 14.3(b) reduce any royalty payment made by Adicet in respect of Net Sales of such Licensed Product pursuant to Section 14.3(a) by more than [***]; provided, further, that Adicet may credit unused royalty reductions in excess of such cap in future Quarters.

(d) The royalties payable under this Section 14.3 shall each be paid during the applicable Royalty Term, as determined on an Adicet Royalty Product-by-Adicet Royalty Product and country-by-country basis

(e) During the applicable Royalty Term, within [***] after the end of each Quarter, Adicet shall deliver to Regeneron a report detailing in reasonable detail the information necessary to calculate the royalty payments due under this Agreement for such Quarter, including the following information, specified on a Adicet Royalty Product-by-Adicet Royalty Product and country-by-country basis: (i) total gross invoiced amount from sales of each Adicet Royalty Product; (ii) all relevant deductions from gross invoiced amounts to calculate Net Sales of each Adicet Royalty Product; (iii) Net Sales of each Adicet Royalty Product in local currency and in United States Dollars; (iv) calculation of all reductions pursuant to Section 14.3(b) or 14.3(c), and (v) royalties payable. Adicet shall pay to Regeneron the royalty amount due for Net Sales during a given Quarter [***] after the end of such Quarter.

14.4 Royalty Payments for Regeneron Royalty Products. For each Quarter during the applicable Royalty Term, Regeneron shall pay non-refundable, non-creditable royalties to Adicet equal **[***]** of Net Sales of Regeneron Royalty Products during such Quarter. Sections 14.3(b), 14.3(c), 14.3(d) and 14.3(e) shall apply to Regeneron with respect to Net Sales of Regeneron Royalty Products *mutatis mutandis*, and all references to Adicet shall be deemed to refer to Regeneron and all references to Regeneron shall be deemed to refer to Adicet.

14.5 Royalty Payments for Regeneron Non-ICP Products. For each Quarter during the applicable Royalty Term, Regeneron shall pay non-refundable, non-creditable royalties to Adicet equal to **[***]** of Net Sales of Regeneron Non-ICP Products during such Quarter. Sections 14.3(d) and 14.3(e) shall apply to Regeneron with respect to Net Sales of Regeneron Non-ICP Products *mutatis mutandis*, and all references to Adicet shall be deemed to refer to Regeneron and all references to Regeneron shall be deemed to refer to Adicet. Sections 14.3(b) and 14.3(c) shall not apply with respect to Net Sales of Regeneron Non-ICP.

14.6 Royalty Payments for Mice Derived Adicet ICP Products. With respect to each Mice Derived Adicet ICP Product incorporating a Mice Derived Adicet Targeting Moiety (**[***]**), for each Quarter during the applicable Royalty Term, Adicet shall pay non-refundable, non-creditable royalties to Regeneron on Net Sales of Mice Derived Adicet ICP Products during such Quarter equal to the following percentage of Net Sales of such Mice Derived Adicet ICP Product:

Product	Royalty Rate
If the Mice Derived Adicet Targeting Moiety incorporated into such Mice Derived Adicet ICP Product was generated using the Licensed Mice set forth under the heading [***]and not [***]	[***]
If the Mice Derived Adicet Targeting Moiety incorporated into such Mice Derived Adicet ICP Product was generated using the Licensed Mice set forth under the heading [***]	[***]

Sections 14.3(d) and 14.3(e) shall apply to Adicet with respect to Net Sales of Mice Derived Adicet ICP Products mutatis mutandis, and all references to Adicet Royalty Products shall be deemed to refer to Mice Derived Adicet ICP Products. Sections 14.3(b) and 14.3(c) shall not apply with respect to Net Sales of Mice Derived Adicet ICP Products. Adicet shall have a fully paid up and royalty-free license to use the Licensed Mice set forth under the heading "Class 3 Licensed Mice" on Schedule 3 for testing purposes in accordance with Section 5.1(d)(i).

14.7 Sharing of Profits and Development Costs from Co-Funded Products.

(a) Sharing. In the event Adicet exercises it Co-Funding Option and delivers a Co-Funding Notice pursuant to Section 8.1, commencing on the date Regeneron exercises its Option and continuing during the Product Term for such Co-Funded Product, the Parties shall share Profits and Development Costs and other costs in accordance with their Co-Funding Percentages as described in Schedule 2.

(b) Periodic Reports. Adicet and Regeneron shall each prepare and deliver to the other Party the periodic reports specified below:

(i) Regeneron shall deliver electronically the Development Cost and Payment reports required to be delivered by it pursuant to Section 10.3;

(ii) Within [***] following the end of each month, Regeneron shall deliver electronically to Adicet a monthly detailed Regeneron Collaboration Net Sales report, in each case with monthly and year-to-date sales in local currency and in United States Dollars of each Co-Funded Product in each country in the Co-Funding Territory in which such Co-Funded Product is sold, such reporting obligation to commence with the month in which the First Commercial Sale of any Co-Funded Product occurs in any country;

(iii) Within [***] following the end of each Quarter, commencing with the Quarter in which the First Commercial Sale of any Co-Funded Product occurs in any country in the Co-Funding Territory, Regeneron shall deliver electronically to Adicet a written report setting forth, on a country-by-country basis for such Quarter, for each country in the Co-Funding Territory, (A) the Regeneron Collaboration Net Sales of each Co-Funded Product in local currency and in United States Dollars, (B) Co-Funded Product quantities sold and (C) gross Co-Funded Product sales and an accounting of the deductions from gross sales permitted by the definition of Regeneron Collaboration Net Sales.

(iv) Within [***] following the end of each Quarter, each Party that has incurred any Other Shared Expenses, Shared Commercial Expenses or Cost of Goods Sold in that Quarter shall deliver electronically to the other Party a written report setting forth in reasonable detail the Other Shared Expenses, Shared Commercial Expenses and/or Cost of Goods Sold incurred by such Party in such Quarter on a Major Market Country-by-Major Market Country basis in the Co-Funding Territory and to the extent Regeneron's internal systems are segregating such information on a country-by-country basis, for each such country in the Co-Funding Territory, and on a Co-Funded Product-by-Co-Funded Product basis, in local currency and in United States Dollars, including whether any such expenses are also included in the reports delivered pursuant to clause (v) below;

(v) Within [***] following the end of each Quarter, Regeneron shall deliver electronically to Adicet a Profit Payment Report in respect of such Quarter, combining the information reported by each Party pursuant to this Section 14.7(b)(i)-(iv) and showing its calculations in accordance with Schedule 2 of the amount of any payments to be made by the Parties hereunder for such Quarter as contemplated by this Section 14.7(b) (including, as applicable, showing the calculation of the Profit Split or sharing of costs) and, if applicable, providing for the netting of such payments.

All reports referred to in this Section 14.7(b) shall be in such form, format and level of detail approved by the JSC. Unless otherwise agreed by the JSC, the financial data in the reports will include calculations in local currency and United States Dollars.

(c) Adjustments to FTE Rates. Notwithstanding anything herein to the contrary, upon the request of either Party, the Parties shall meet to review the accuracy of an applicable FTE rate in any country (e.g., Field Force FTE Rate, Development FTE Rate, etc.). The Parties agree to share reasonable supporting documents and materials in connection with an assessment of the applicable FTE rate and to determine in good faith whether to adjust the rate(s) in any country.

(d) Funds Flow. The Parties shall make Quarterly Development True-Up and Quarterly Profit True-Up payments as set forth in Schedule 2. If Regeneron is the Party owing Quarterly Development True-Up or Quarterly Profit True-Up payment(s) based on the calculations in the applicable Development Payment Report or Profit Payment Report, it shall, subject to Section 14.11, make such payment to Adicet [***] after its delivery to Adicet of such Development Payment Report or Profit Payment Report, as applicable. If Adicet is the Party owing the Quarterly Development True-Up or Quarterly Profit True-Up payment(s) based on the calculations in the applicable Development Payment Report or Profit Payment Report, it shall, subject to Section 14.11, make such payment to Regeneron within [***] after its receipt of such Development Payment Report or Profit Payment Report, as applicable, from Regeneron. If agreed between the Parties, the Parties may also net the collective payment(s) due under the Development Payment Report and Profit Payment Report. In the event that the Third Party Licenses entered in compliance with this Agreement reasonably require the payment of royalties or other amounts payable thereunder (to the extent attributable to the Manufacture, Development and/or

Commercialization of Co-Funded Products for the Territory) on a Schedule other than the Schedule set forth in this Agreement for Quarterly Development True-Up or Quarterly Profit True-Up payment(s), the Parties shall discuss in good faith an appropriate Schedule upon which the Party that is not party to such Third Party License shall make such payment to the other Party or its designee, and the Parties shall adjust the amounts payable for the next Quarterly Development True-Up or Quarterly Profit True-Up payment(s) accordingly to credit such paying Party for its pre-payment of any amounts under the Third Party Licenses.

(e) Invoices and Documentation. The JSC shall approve the form of any necessary documentation relating to any Development Cost or Profit Split payments hereunder so as to afford the Parties appropriate accounting treatment in relation to any of the transactions or payments contemplated hereunder.

14.8 Payment Method and Currency. All payments under this Agreement shall be made by bank wire transfer in immediately available funds to an account designated by the Party to which such payments are due. All sums due under this Agreement shall be payable in United States Dollars. In those cases where the amount due in United States Dollars is calculated based upon one or more currencies other than United States Dollars, such amounts shall be converted to United States Dollars at the average rate of exchange for the Quarter to which such payment relates using the arithmetic mean of the daily rate of exchange ("Mid Price Close"), as reported in *Thomson Reuters Eikon* or any other source as agreed to by the Parties.

14.9 Late Payments. All late payments made under this Agreement (including payments made pursuant to Section 14.3, Section 14.4, Section 14.5, Section 14.6 and Section 14.7 above), shall earn interest, to the extent permitted by Applicable Law, from the date due until paid at a rate equal to the one month London Inter-Bank Offering Rate (LIBOR) U.S. Dollars, as quoted on *Thomson Reuters Eikon* (or any other source agreed to by the Parties) effective for the date on which the payment was due, plus **[***]** (such sum being referred to as the "Default Interest Rate") unless such payments are disputed in good faith pursuant to Section 14.11.

14.10 Taxes. Any withholding or other taxes that a Party is required by Applicable Law to withhold or pay on behalf of the other Party, with respect to any payments to such other Party hereunder, shall be deducted from such payments and paid to the appropriate tax authority contemporaneously with the remittance to such other Party; provided, however, that the remitting Party shall furnish the other Party with proper evidence, including any self-reporting documentation, of the taxes so paid. Each Party shall cooperate with the other to minimize the effect of any such withholding taxes, and shall furnish the other Party with appropriate documents to secure application of the most favorable rate of withholding tax under Applicable Law (or exemption from such withholding tax payments, as applicable).

14.11 Resolution of Payment Disputes. In the event there is a dispute relating to any of the Profit Split payment obligations or reports under this Article 14, the Party with the dispute shall have its representative on the JSC provide the other Party's representative on the JSC with written notice setting forth in reasonable detail the nature and factual basis for such good faith dispute and the Parties, through the JSC, will seek to resolve the dispute as promptly as possible, but no later than **[***]** after such written notice is received. In the event that no resolution is reached by the JSC, and resolved in accordance with Article 23. The Parties agree that if there is a dispute regarding any payment amount, only the disputed amount shall be withheld from the payment; the undisputed amount shall be paid within the timeframes set forth in this Article 14.

ARTICLE 15
RIGHTS IN FUTURE EQUITY FINANCINGS

15.1 Side Letter Agreement. As a condition precedent to the effectiveness of this Agreement, the Parties concurrently shall duly authorize, execute and deliver the Side Letter Agreement and perform their respective obligations that are required to be performed on or before the Effective Date.

ARTICLE 16
INTELLECTUAL PROPERTY

16.1 Ownership of Newly Created Intellectual Property.

(a) Regeneron shall solely own all Regeneron CTM Inventions, Regeneron Mice Inventions and Regeneron Transferred Technologies Inventions together with all Intellectual Property thereto.

(b) Adicet shall solely own all Adicet CTM Inventions, Collaboration Inventions and Mice Derived Adicet Targeting Moiety Inventions, together with all Intellectual Property thereto.

(c) Except as otherwise set forth in this Section 16.1, any invention, discovery or other result generated solely by employees, agents, or independent contractors of a Party or its Affiliates in the course of performing activities under this Agreement, together with all Intellectual Property therein ("Sole Inventions"), shall be owned by such Party. Except as otherwise set forth in this Section 16.1, any invention, discovery or other result generated jointly by at least one (1) employee, agent or contractor of each Party or such Party's Affiliate, together with all Intellectual Property therein, shall be owned jointly by the Parties. Subject to the provisions of this Agreement, each Party shall have the right to freely sell, assign, license, encumber and otherwise exploit its rights in jointly-owned inventions, discoveries and other results, together with all Intellectual Property therein.

(d) To the extent that any right, title or interest in or to any Intellectual Property discovered, invented, created or otherwise generated under this Agreement vests in a Party or its Affiliate, by operation of law or otherwise, in a manner contrary to the agreed upon ownership as set forth in this Agreement, such Party (or its Affiliate) shall, and hereby does, irrevocably assign to the other Party any and all such right, title and interest in and to such intellectual property to the other Party without the need for any further action by any Party.

(e) The Parties agree that nothing in this Agreement, and no use by a Party of the other Party's Intellectual Property pursuant to this Agreement, shall vest in a Party any right, title or interest in or to the other Party's Intellectual Property, other than the license rights expressly granted hereunder and the assignments expressly made hereunder.

(f) Each Party shall promptly disclose to the other Party all Intellectual Property that (i) is discovered, invented, created or otherwise generated by such Party, its employees, agents and consultants pursuant to this Agreement (including under the Research Program) and (ii) that is (1) a Collaboration Invention, (2) a Regeneron CTM Invention, (3) an Adicet CTM Invention, (4) a Regeneron Mice Invention or (5) a Regeneron Transferred Technologies Invention discovered or made on the part of Adicet.

16.2 Prosecution and Maintenance of Patent Rights.

(a) Subject to Section 16.2(b), Regeneron shall use Commercially Reasonable Efforts to prepare, file, prosecute and maintain Patents and Patent Applications claiming the Regeneron CTM Inventions in at least the countries mutually agreed upon by the Parties. Regeneron shall confer with and keep Adicet reasonably informed regarding the status of such activities with respect to all Regeneron CTM Inventions. Regeneron shall have the following obligations with respect to the filing, prosecution and maintenance thereof: (i) Regeneron shall provide to Adicet for review and comment a copy of a substantially completed draft of any priority Patent Application in the Territory [***] days prior to the filing of any such priority Patent Application by Regeneron, and Regeneron shall reasonably consider any comments from Adicet; (ii) Regeneron shall provide Adicet promptly with copies of all material communications received from or filed in patent offices with respect to such filings; (iii) Regeneron shall consult with Adicet promptly following the filing of the priority Patent Applications in the Territory to mutually determine in which countries in the Territory it shall file convention Patent Applications and (iv) Regeneron shall consult with Adicet a reasonable time prior to taking or failing to take any substantive action with respect to such Patent Applications or Patents, including any action that would materially affect the scope or validity of rights under any Patent Applications or Patents (such as substantially narrowing or canceling any claim or allowing claims to issue in a patent without reserving the right to file a continuing or divisional Patent Application, abandoning any Patent or not filing or perfecting the filing of any Patent Application in any country) and Regeneron shall reasonably consider all comments thereto from Adicet, including not taking or not failing to take such action, except as permitted by Section 16.2(b).

(b) In the event that Regeneron desires not to file or to abandon any Patent or Patent Application included in the Regeneron Product IP in the Territory, wherein such decision not to file or abandonment results in substantive loss of Patent Rights, Regeneron shall provide reasonable prior written notice to Adicet of such intention to abandon (which notice shall, in any event, be given [***] prior to the next deadline for any action that may be taken with respect to a Patent or Patent Application within such Regeneron Product IP with the applicable patent office) and Adicet shall have the right, but not the obligation, to assume responsibility for the prosecution and maintenance thereof, in Regeneron's name, unless, with respect to any such Patent Applications included in the Regeneron Product IP that are unpublished, Regeneron notifies Adicet that Regeneron would prefer to maintain the subject matter of such Patent Application as a trade secret.

(c) Subject to Section 16.2(e), Adicet shall use Commercially Reasonable Efforts to prepare, file, prosecute and maintain Patents and Patent Applications claiming the Mice Derived Adicet Targeting Moiety Inventions.

(d) Subject to Section 16.2(e), Adicet, by counsel it selects to whom Regeneron has no reasonable objection, shall use Commercially Reasonable Efforts to prepare, file, prosecute and maintain Patents and Patent Applications claiming the Adicet CTM Inventions and Collaboration Inventions in the countries mutually agreed upon by the Parties. Adicet shall confer with and keep Regeneron reasonably informed regarding the status of such activities with respect to all Adicet CTM Inventions and Collaboration Inventions. Adicet shall have the following obligations with respect to the filing, prosecution and maintenance thereof: (i) Adicet shall provide to Regeneron for review and comment a copy of a substantially completed draft of any priority Patent Application in the Territory at [***] prior to the filing of any such priority Patent Application by Adicet, and Adicet shall reasonably consider any comments from Regeneron; (ii) Adicet shall provide Regeneron promptly with copies of all material communications received from or filed in patent offices with respect to such filings; (iii) Adicet shall consult with Regeneron promptly following the filing of the priority Patent Applications in the Territory to mutually determine in which countries in the Territory it shall file convention Patent Applications; and (iv) Adicet shall consult with Regeneron a reasonable time prior to taking or failing to take any substantive action with respect to such Patent Applications or Patents, including any action that would materially affect the scope or validity of rights under any Patent Applications or Patents (such as substantially narrowing or canceling any claim or allowing claims to issue in a patent without reserving the right to file a continuing or divisional Patent Application, abandoning any Patent or not filing or perfecting the filing of any Patent Application in any country) and Adicet shall reasonably consider all comments thereto from Regeneron, including not taking or not failing to take such action, except as permitted by Section 16.2(e).

(e) In the event that Adicet desires not to file or to abandon any Patent or Patent Application included in the Adicet Product IP or any Patent or Patent Application claiming Collaboration Inventions, in each case in any country in the Territory wherein such decision not to file or abandonment results in substantive loss of Patent Rights, Adicet shall provide reasonable prior written notice to Regeneron of such intention to not to file or to abandon (which notice shall, in any event, be given no later [***] prior to the next deadline for any action that may be taken with respect to such Patent or Patent Application with the applicable patent office) and Regeneron shall have the right, but not the obligation, to assume responsibility for the filing, prosecution and maintenance thereof in Adicet's name, unless, with respect to any such Patent Applications that are unpublished, Adicet notifies Regeneron that Adicet would prefer to maintain the subject matter of such Patent Application as a trade secret.

(f) If either Party desires to file either (i) a Patent Application that discloses (but does not claim) the sequence of a Targeting Moiety that was first Generated by or on behalf of the other Party and used in the performance of this Agreement or (ii) a Patent Application that discloses a derivative, modification, fragment or improvement of such Targeting Moiety, then such Party shall provide such other Party, at least [***] prior to the anticipated filing date, a copy of such Patent Application and, upon the request of the other Party, shall provide sufficient time to file a Patent Application Covering such Targeting Moiety, if such a Patent Application has not yet been filed.

(g) Each Party agrees to cooperate with the other with respect to the preparation, filing, prosecution and maintenance of Patents and Patent Applications pursuant to this Section 16.2, including the execution of all such documents and instruments and the

performance of such acts (and causing its relevant employees and consultants to execute such documents and instruments and to perform such acts) as may be reasonably necessary for any such preparation, filing, prosecution or maintenance; provided, however, that where a Party has the right as set forth in this Agreement to take an action or make a determination without agreement from the other Party, the foregoing clause shall not limit such right. With respect to any Co-Funded Product, Regeneron, with the review by the JSC will determine, and with respect to a Regeneron Royalty Product, Regeneron will determine, which of the Patents or Patent Applications within the Adicet Product IP and Regeneron Product IP for which to seek an extension of term and the applicable Party will file for said patent term extension.

(h) Costs. All Out-of-Pocket Costs incurred in the filing, prosecution and maintenance of any Patents and Patent Applications pursuant to this Section 16.2 shall be borne [***].

(i) Neither Party shall have the right, without the prior written consent of the other Party, to invoke the Cooperative Research and Technology Enhancement Act of 2004, 35 U.S.C. 103(c)(2)-(c)(3) (the "CREATE Act") with respect to any invention that is developed pursuant to this Agreement.

16.3 Administrative Patent Proceedings.

(a) Each Party will notify the other within [***] of receipt by such Party of information concerning the request for, or filing or declaration of, any reissue, post-grant review, inter partes review, derivation proceeding, supplemental examination, interference, opposition, reexamination or other administrative proceeding relating to Patents or Patent Applications within the Regeneron Product IP or Adicet Product IP or any other Patent or Patent Application claiming Collaboration Inventions in the Territory. The Parties will thereafter consult and reasonably cooperate to determine a course of action with respect to any such proceeding and will reasonably consult with one another in an effort to agree with respect to decisions on whether to initiate or how to respond to such a proceeding, as applicable, and the course of action in such proceeding, including settlement negotiations and terms; provided, however, that, except as otherwise agreed by the Parties and except as set forth below in Section 16.3(b), (i) Regeneron shall control and have final decision making authority with respect to any such proceeding relating to the Patents or Patent Applications within the Regeneron Product IP and (ii) Adicet shall control and have final decision making authority with respect to any such proceeding relating to the Patents or Patent Applications within the Adicet Product IP or other Collaboration Inventions.

(b) If any proceeding under Section 16.3(a) involves Patents involved in a Product Infringement under Section 16.4, any decisions on whether to initiate or how to respond to such a proceeding, as applicable, and the course of action in such proceeding shall be made by the Party controlling such third party infringement action in consultation with the other Party.

(c) All Out-of-Pocket Costs incurred in connection with any proceeding under Section 16.3(a) relating to the Patents and Patent Applications within the Regeneron Product IP, Adicet Product IP or Patent Rights claiming Collaboration Inventions shall be borne [***].

16.4 Third Party Infringement Suits.

(a) In the event that either Party or any of its Affiliates becomes aware of an actual or suspected infringement of [***] , "Product Infringement"), the Party that became aware of the Product Infringement shall promptly notify the other Party in writing of this actual or suspected infringement and shall provide such other Party with all available evidence supporting such actual or suspected infringement.

(b) The Parties will consult and reasonably cooperate in an effort to determine a mutually agreeable course of action, provided that, (i) if the Product Infringement relates to an ICP directed to a Collaboration Target to which a Regeneron Royalty Product or Co-Funded Product is directed, then [***] shall be the Party that controls and has final decision making authority regarding the course of action, including any potential litigation, other proceeding or settlement, to abate such Product Infringement (the "Lead Litigation Party"), (ii) if the Product Infringement relates to an ICP directed to a Collaboration Target to which an Adicet Royalty Product or Mice Derived Adicet Targeting Moiety is directed, then [***] shall be the Lead Litigation Party, (iii) if the Product Infringement relates to an ICP product directed to a Non- Collaboration Target to which a Mice Derived Adicet Targeting Moiety is directed, then [***] shall be the Lead Litigation Party, (iv) if the Product Infringement relates to a non-ICP product directed to a Non-Collaboration Target to which a Mice Derived Adicet Targeting Moiety is directed (and such Product Infringement doesn't also relate to an ICP Product directed to a Non-Collaboration Target being developed or commercialized by or behalf of Adicet, in which case clause (iii) shall apply), then [***] shall be the Lead Litigation Party and (v) in all other cases, the Party that Controls the infringed Patent Rights shall be the Lead Litigation Party. The Lead Litigation Party cannot require the non-Lead Litigation Party to join in the suit, provided, however that, [***].

(c) Except as set forth in the last sentence of Section 16.4(b), (i) all Out-of-Pocket Costs incurred in the connection with the enforcement of a Product Infringement in connection with a Co-Funded Product shall be [***].

(d) The amount of any recovery from any such Product Infringement suit shall first be used to pay reasonable costs, including attorneys' fees, relating to such legal proceedings and then [***].

(e) In the event either Party initiates a proceeding pursuant to this Section 16.4(b), without prejudice to the terms of Section 16.4(b), the other Party shall provide such assistance as reasonably requested by the Lead Litigation Party, [***].

(f) The Parties agree not to grant any licenses, covenants not to sue or otherwise transfer any rights, title or interest in any Patents or Patent Applications to any Third Parties against which any enforcement actions with respect to Product Infringement have been initiated pursuant to this Section 16.4(b) (except for those Product Infringements described in Section 16.4(h)), nor make any admission concerning claim invalidity or enforceability concerning such Patents or Patent Applications, without the prior written consent of the other Party, such consent not to be unreasonably withheld or delayed, until such action is finally resolved, terminated or settled.

(g) Subject to Section 16.4(h), if either Party declines to initiate or fails to initiate litigation with respect to a particular Product Infringement within [***] following written notice of the Product Infringement from the other Party, then the other Party may thereafter commence an infringement action and be the Lead Litigation Party with respect to such Product Infringement after delivering written notice to the non-initiating Party.

(h) In the event there is a Product Infringement where (i) at the time of notice of such Product Infringement, a Party or its Affiliate or licensee is developing or selling a product that is not a Product and which is covered by one or more of the potentially infringed Patents involved in the Product Infringement, and (ii) such Party reasonably believes the pursuit of such litigation with respect to such Product Infringement is reasonably likely to have a material adverse effect on such other product, then (A) such Party, upon notice to the other Party, shall have the right not to pursue litigation with respect to such Product Infringement, and (B) the other Party shall not have any rights to assume the Lead Litigation Party status with respect to such Product Infringement or to otherwise pursue such Product Infringement, and thereafter the potentially infringed Patents involved in the Product Infringement shall no longer be considered for purposes of calculating the Royalty Term for any Product.

16.5 Patent Marking. Each Party shall comply with the patent marking statutes in each country in which a Product is made, offered for sale, sold or imported by such Party, its Affiliates and/or licensees or sublicensees.

16.6 Third Party Claims. **[***]**. If either Party or its Affiliates shall learn of a Third Party claim, assertion or certification that the activities under the Research Program infringe or otherwise violate the intellectual property rights of any Third Party in the Territory, then such Party shall promptly notify the other Party in writing of this claim, assertion or certification. As soon as reasonably practical after the receipt of such notice, the Parties shall **[***]**.

16.7 Third Party Vigilance. During the Term, if either Party wishes to enter into any Third Party License in connection with the research, development, manufacture or commercialization of Collaboration ICPs (or that otherwise could result in any financial burden with respect to the research, development, manufacture or commercialization of any Collaboration ICPs or any Product), the following provisions shall apply:

(a) Research Program Term Licenses. In the case of any Third Party License for [***] ("Research Program Term Licenses"), neither Party shall have the right to enter into a such Research Program Term Licenses without the prior consent of the other Party which shall not be unreasonably withheld or delayed. In the event that the Parties do agree to enter into any such Research Program Term Licenses, the Parties will discuss and agree on which Party will take the lead on entering into such Research Program Term License, ensuring that the lead Party obtains the right to sublicense to the other Party the necessary rights to develop and commercialize such Collaboration ICPs.

(i) In the event Third Party License Payments are payable as a result of a Research Program Term License entered into by Regeneron and such payments are due [***].

(ii) In the event Third Party License Payments are payable as a result of a Research Program Term License entered into by Adicet and such payments are due [***].

(iii) In the event Third Party License Payments are payable as a result of a Research Program Term License entered into by either Party in accordance with Section 16.7(a) and such payments are due [***].

(b) Product Licenses.

(i) In the case of any Third Party License for any Co-Funded Product, [***].

(ii) In the case of Adicet Royalty-Bearing Collaboration ICPs, [***].

(iii) In the case of Regeneron Royalty-Bearing Collaboration ICPs, [***].

16.8 Infringement of Third Party Patent Rights in the Territory.

(a) Notice. If any Product used or sold by either Party, its Affiliates, or sublicensees becomes the subject of a Third Party's claim or assertion of infringement of a Patent granted by a jurisdiction within the Territory, the Party first having notice of the claim or assertion shall promptly notify the other Party.

(b) Regeneron Royalty Products, Adicet Royalty Products, Mice Derived Adicet Products or Regeneron Non-ICP Products. Regeneron shall have the sole right, but not the obligation, to defend any such Third Party claim or assertion of infringement of a Regeneron Royalty Product or Regeneron Non-ICP Product. Regeneron shall bear its own costs in connection with a defense against a Third Party claim or assertion pursuant to this Section 16.8(b) with respect to a Regeneron Royalty Product or Regeneron Non-ICP Product. Adicet shall have the sole right, but not the obligation, to defend any such Third Party claim or assertion of infringement of an Adicet Royalty Product or a Mice Derived Adicet Product. Adicet shall bear its own costs in connection with a defense against a Third Party claim or assertion pursuant to this Section 16.8(b) with respect to an Adicet Royalty Product or Mice Derived Adicet Product. In exercising their rights under Section 16.8(b) neither Party shall enter into any settlement of any claim described in this Section 16.8(b) that materially affects the rights or interests of the other Party without the other Party's written consent, such consent not to be unreasonably withheld or delayed.

(c) Co-Funded Products.

(i) Infringement Claims. If any Co-Funded Product is the subject of a Third Party's claim or assertion of infringement of a Patent granted by a jurisdiction within the Co-Funding Territory then defense of such claim (an "Infringement Claim") shall be managed in accordance with Section 16.8(c)(ii), with coordination and cooperation between the defending Party and the other Party. In the event that the defending Party determines that it is reasonably advisable to obtain a license to such Third Party's Patents, the decision to obtain such a license shall be subject to Section 16.7(b).

(ii) Defense. Unless the Parties otherwise agree by mutual written consent, [***]shall have the first right, but not the obligation, to control such defense with respect to the Co-Funded Product or related activity accused of infringement, [***]. If [***] chooses not to control the litigation, [***] shall have the right, but not the obligation, to defend against such claim. The Party that does not control defense of a claim hereunder shall have the right to be represented by counsel of its own choice at its sole expense, which expense shall not be included in Other Shared Expenses. Without limiting the foregoing, the defending Party shall keep the non-defending Party advised of all material communications, actual and prospective filings or submissions regarding such action, and shall provide the non-defending Party copies of and an opportunity to review and comment on any such communications, filings and submissions. Subject to the strategy agreed above and continuing consultation with the non-defending Party, the defending Party shall control the defense and settlement of Infringement Claims or opposition proceedings, with the costs thereof (including the non-defending Party's reasonable outside counsel attorneys' fees and expenses and the out-of-pocket costs of cooperating with the defending Party as provided above, but excluding the costs and expenses of any separate outside counsel chosen by the non-defending Party to represent it in the applicable action) being included in Other Shared Expenses. The defending Party shall not settle such Infringement Claims, including any counterclaims, without the prior written consent of the non-defending Party, such consent not to be unreasonably withheld or delayed.

(iii) Costs. Except as set forth in Section 16.8(c)(ii) and without limiting Section 20.1(c), all Out-of-Pocket Costs incurred in the connection with the defense of an Infringement Claim (including any nullification, declaratory judgment, revocation, or opposition proceeding against any such Patents or other rights in response to prospective or actual Infringement Claim) shall be [***].

16.9 Product Trademarks. Regeneron shall exclusively own and be responsible for, filing, prosecuting, protecting and maintaining the Product Trademarks, including all enforcement and defense thereof. Without limiting Section 20.1(c), all Out-of-Pocket Costs incurred in the filing, prosecution and maintenance, enforcement and defense of Product Trademarks pursuant to this Section 16.9 shall be **[***]**. Adicet shall provide all assistance reasonably requested by the Regeneron in connection with the maintenance, enforcement and defense of the Product Trademarks.

16.10 Compliance with Third Party Licenses. Each Party agrees to comply with the obligations set forth in (i) any Third Party Licenses to which it is a party and to notify the other Party of any terms or conditions in any such Third Party License with which such other Party is required to comply as a licensee, co-licensee or sublicensee, as the case may be, and (ii) any other material agreement, including any sublicense under a Third Party License referenced in subsection (i) above, to which it is a party and that is related to the Collaboration Arrangement, including any obligations to pay royalties, fees or other amounts due thereunder. Neither Party may terminate or amend any Third Party License or any other material agreement entered into pursuant to a JSC approval without the prior written consent of the other Party, such consent not to be unreasonably withheld or delayed, if the amendment or termination imposes any material liability or restriction on either Party with respect to the Development, Manufacture or Commercialization of Co-Funded Products in the Territory.

16.11 Background Patent Rights. Notwithstanding anything to the contrary in this Agreement:

(a) Adicet shall have the sole right (and Regeneron shall have no right) to control the preparation, prosecution, maintenance, enforcement or defense of the Adicet Background Patent Rights; [***].

(b) Regeneron shall have the sole right (and Adicet shall have no right) to control the preparation, prosecution, maintenance, enforcement or defense of the Regeneron Background Patent Rights; [***].

ARTICLE 17
BOOKS, RECORDS AND INSPECTIONS; AUDITS AND ADJUSTMENTS

17.1 Books and Records. Each Party shall keep proper books of record and account in which full, true and correct entries (in conformity with GAAP) shall be made for the purpose of determining the amounts payable or owed pursuant to this Agreement. Each Party shall, and shall cause each of its respective Affiliates to, permit auditors to visit, inspect and examine, during regular business hours and under the guidance of officers of the Party being inspected, the books of record and account of such Party or such Affiliate as provided in Section 17.2.

17.2 Audits and Adjustments.

(a) Each Party shall have the right, upon no less than [***] advance written notice and at such reasonable times and intervals and to such reasonable extent as the Party shall request, not more than once during any Contract Year, to have the books and records of the other Party to the extent relating to this Agreement for the preceding [***] years audited by an independent "Big Four" (or equivalent) accounting firm of its choosing under reasonable, appropriate confidentiality provisions, for the sole purpose of verifying the accuracy of all financial, accounting and numerical information and calculations provided, and payments made, under this Agreement; provided, that no period may be subjected to audit more than one (1) time unless a material discrepancy is found in any such audit of such period, in which case additional audits of such period may be conducted until no material discrepancies are found.

(b) Such accountants shall disclose to each Party only whether the financial, accounting and numerical information and calculations are accurate, and the amount of any discrepancies. The results of any such audit shall be delivered in writing to each Party and shall be final and binding upon the Parties, unless disputed by a Party within [***] of delivery. If a Party over billed or underpaid an amount due under this Agreement resulting in a cumulative discrepancy during any year of more than [***], it shall also reimburse the other Party for the reasonable out-of-pocket costs of such audit (with the cost of the audit to be paid by the Party initiating the audit in all other cases). Such accountants shall not reveal to the Party requesting the audit the details of its review, except for the findings of such review and such information as is required to be disclosed under this Agreement, and shall be subject to the confidentiality provisions contained in Article 19.

(c) If any examination or audit of the records described above discloses an over billing or underpayment of amounts due hereunder, then unless the result of the audit is contested

pursuant to Section 17.2(b) above, the Party that overbilled or underpaid shall pay the same (plus interest thereon at the Default Interest Rate from the date of such overbilling or underpayment through the date of payment of the amount required to be paid pursuant to this Section 17.2(c)) to the Party entitled thereto within [***] after receipt of the written results of such audit pursuant to this Section 17.2.

(d) Disputes. Any disputes with respect to the results of any audit conducted under Section 17.2 above shall be elevated to the JSC and resolved in accordance with Article 23.

17.3 GAAP. Except as otherwise provided herein, all costs and expenses and other financial determinations with respect to this Agreement shall be determined in accordance with GAAP, as generally and consistently applied.

ARTICLE 18
REPRESENTATIONS, WARRANTIES AND COVENANTS

18.1 Joint Representations and Warranties. Each Party hereto represents and warrants to the other Party, as of the Effective Date, as follows: (a) it is duly organized and validly existing under the laws of its jurisdiction of incorporation; (b) it has full corporate power and authority and has taken all corporate action necessary to enter into and perform this Agreement; (c) the execution and performance by it of its obligations hereunder will not constitute a breach of, or conflict with, its organizational documents nor any other material agreement or arrangement, whether written or oral, by which it is bound or requirement of Applicable Laws; (d) this Agreement is its legal, valid and binding obligation, enforceable in accordance with the terms and conditions hereof (subject to Applicable Laws of bankruptcy and moratorium); (e) such Party is not prohibited by the terms of any agreement to which it is a party from performing the Research Program or granting the rights and/or licenses hereunder; and (f) no broker, finder or investment banker is entitled to any brokerage, finder's or other fee in connection with this Agreement or the transactions contemplated hereby based on arrangements made by it or on its behalf.

18.2 Knowledge of Pending or Threatened Litigation. Each Party represents and warrants to the other Party that, as of the Effective Date, there is no announced investigation, suit, action or proceeding pending or, to such Party's knowledge, threatened, against such Party before or by any court, arbitrator, or Governmental Authority that, individually or in the aggregate, is reasonably expected to (a) materially impair the ability of such Party to perform its obligations under this Agreement or (b) prevent or materially delay or alter the consummation of any or all of the transactions contemplated hereby. During the Term each Party shall promptly notify the other Party in writing upon learning of any of the foregoing.

18.3 Additional Regeneron Representations, Warranties and Covenants of Regeneron.

(a) Regeneron additionally represents and warrants to Adicet that, as of the Effective Date:

(i) to Regeneron's knowledge after due inquiry, Regeneron owns or has a valid license to with a right to sublicense all Regeneron Background Patent Rights;

(ii) Regeneron has the right and authority to grant the rights granted pursuant to the terms and conditions of this Agreement and Regeneron has not granted any rights that would be inconsistent with or in conflict with or in derogation of the rights granted herein;

(iii) except as set forth on Schedule 18.3(a), there is no pending litigation of which Regeneron has received notice, or to Regeneron's knowledge after due inquiry is otherwise aware, in each case that alleges that any of Regeneron's activities relating to the (i) Regeneron Background Patent Rights or (ii) the Know-How of Regeneron that Regeneron knows as of the Effective Date is necessary to perform under this Agreement, in each case, have violated, or would violate, the intellectual property rights of any Third Party; and

(iv) all current and former officers, employees, agents, advisors, consultants, contractors or other representatives of Regeneron or any of its Affiliates who are inventors of or have otherwise contributed in a material manner to the creation or development of any Regeneron Background IP have executed and delivered to Regeneron or any such Affiliate an assignment or other agreement regarding the protection of proprietary Information and the assignment to Regeneron or any such Affiliate of any Regeneron Background IP. To Regeneron's knowledge after due inquiry, no current officer, employee, agent, advisor, consultant, contractor or other representative of Regeneron or any of its Affiliates is in violation of any term of any assignment or other agreement regarding the protection of Regeneron Patent Rights or other Regeneron IP or of any employment contract or any other contractual obligation relating to the relationship of any such Person with Regeneron or any such Affiliate.

(b) Regeneron additionally covenants to Adicet that, during the Term, neither Regeneron nor any of its Affiliates shall transfer ownership, assign ownership, grant a security interest in or otherwise encumber any of its rights in, to or under any Regeneron IP in a way that will impair Adicet's rights or Regeneron ability to perform its obligations under this Agreement.

18.4 Additional Adicet Representations, Warranties and Covenants of Adicet.

(a) Adicet additionally represents and warrants to Regeneron that, as of the Effective Date:

(i) to Adicet's knowledge after due inquiry, Adicet owns or has a valid license to with a right to sublicense all Adicet Background Patent Rights;

(ii) Adicet has the right and authority to grant the rights granted pursuant to the terms and conditions of this Agreement and Adicet has not granted any rights that would be inconsistent with or in conflict with or in derogation of the rights granted herein;

(iii) there is no pending litigation of which Adicet has received notice, or to Adicet's knowledge after due inquiry is otherwise aware, in each case that alleges that any of Adicet's activities relating to the (i) Adicet Background Patent Rights or (ii) the Know-How of Adicet that Adicet knows as of the Effective Date is necessary to perform under this Agreement, in each case, have violated, or would violate, the intellectual property rights of any Third Party; and

(iv) all current and former officers, employees, agents, advisors, consultants, contractors or other representatives of Adicet or any of its Affiliates who are inventors of or have otherwise contributed in a material manner to the creation or development of any Adicet Background IP have executed and delivered to Adicet or any such Affiliate an assignment or other agreement regarding the protection of proprietary Information and the assignment to Adicet or any such Affiliate of any Adicet Background IP. To Adicet's knowledge after due inquiry, no current officer, employee, agent, advisor, consultant, contractor or other representative of Adicet or any of its Affiliates is in violation of any term of any assignment or other agreement regarding the protection of Adicet Patent Rights or other Adicet IP or of any employment contract or any other contractual obligation relating to the relationship of any such Person with Adicet or any such Affiliate.

(v) Adicet does not believe it is or will be necessary to utilize any inventions of any of its employees made prior to the Effective Date and prior to or outside the scope of their employment by Adicet that have not otherwise been assigned to Adicet. To Adicet's knowledge, no officer, director, employee, or consultant of Adicet is obligated under or bound by any agreement or instrument, or any judgment, decree, or order of any court or administrative agency, that conflicts or may conflict with his or her agreements and obligations to promote the interests of Adicet.

(vi) Adicet is not aware that any of its officers or employees is obligated under any contract (including licenses, covenants or commitments of any nature) or other agreement, or subject to any judgment, decree or order of any court or administrative agency, that would interfere with the use of his, her or its best efforts to promote the interests of Adicet or that would conflict with Adicet's business as proposed to be conducted. Neither the execution nor delivery of this Agreement, nor the carrying on of Adicet's business by the employees of Adicet, will, to Adicet's knowledge, conflict with or result in a breach of the terms, conditions or provisions of, or constitute a default under, any contract, covenant or instrument under which any of such employees is now obligated.

(b) Adicet additionally covenants to Regeneron that, during the Term, neither Adicet nor any of its Affiliates shall transfer ownership, assign ownership, grant a security interest in or otherwise encumber any of its rights in, to or under any Adicet IP in a way that will impair Regeneron's rights, or Adicet's ability to perform its obligations, under this Agreement.

18.5 Mutual Covenants. Each Party hereby covenants to the other Party as follows: (a) it will not during the Term grant any right or license to any Third Party which would be inconsistent with or in conflict with or in derogation of the rights granted to the other Party under this Agreement, and will not take any action that would materially conflict with its obligations to the other Party under this Agreement; (b) neither Party will use the Patent Rights, Know-How, materials, or Confidential Information of the other Party outside the scope of the licenses and rights granted to it under this Agreement; (c) in the course of the Development or Commercialization of a Product under this Agreement, it will not use an employee or consultant who is or has been debarred by a Regulatory Authority or, to such Party's knowledge, is or has been the subject of debarment proceedings by a Regulatory Authority; and (d) such Party will not use in or contribute to the Research Program or the Parties' other activities under this Agreement any material, Confidential Information, Intellectual Property right, or Trademark that such contributing Party knows that it does not Control, unless the other Party has provided its prior written consent thereto which specifically refers to such lack of Control.

18.6 Compliance with Laws.

(a) Each Party agrees, in its performance of this Agreement, to comply, and to cause its Affiliates to comply, with all Applicable Laws in all material respects, including the FCPA, U.S. Export Control Laws and Anti-Corruption Laws. Each Party shall not knowingly take any action that would cause the other Party to be in violation of the FCPA, U.S. Export Control Laws or any other applicable Anti-Corruption Laws. Further, each Party shall immediately notify the other Party if such Party has any information or suspicion that there may be a violation of the FCPA or any other Anti-Corruption Law in connection with the performance of this Agreement.

(b) In connection with this Agreement, each Party shall not knowingly sell any Products or engage in any other transaction in, to, or with (i) any country that becomes subject to sanctions imposed by the U.S. Government, or (ii) any individual or entity that is listed in the following: (A) List of Specially Designated Nationals & Blocked Persons, Office of Foreign Assets Control, U.S. Treasury Department; (B) List of Debarred Parties, Directorate of Defense Trade Controls, U.S. State Department; (C) Denied Persons List, Bureau of Industry and Security, U.S. Department of Commerce; (D) Entity List, Bureau of Industry and Security, U.S. Department of Commerce; (e) Unverified List, Bureau of Industry and Security, U.S. Department of Commerce; or (F) the Palestinian Legislative Counsel (PLC) List, Office of Foreign Assets Control, U.S. Treasury Department.

(c) Each Party and its employees and agents have not, and shall not, directly or indirectly through Third Parties, knowingly pay, promise or offer to pay, or authorize the payment of, any money or give any promise or offer to give, or authorize the giving of anything of value, to a Public Official or Entity or other person for purposes of corruptly obtaining or retaining business for or with, or directing business to, any Person, including either Party, by (i) influencing any official act, decision or omission of such Public Official or Entity; (ii) inducing such Public Official or Entity to do or omit to do any act in violation of the lawful duty of such Public Official or Entity; (iii) securing any improper advantage; or (iv) inducing such Public Official or Entity to affect or influence any act or decision of another Public Official or Entity.

(d) Each Party and its employees and agents have not and shall not knowingly promise, offer or provide any corrupt payment, gratuity, emolument, bribe, kickback, excessive gift or hospitality or other illegal or unethical benefit to a customer or a Third Party customer or to a Public Official or Entity. In addition, each Party and its employees and agents shall ensure that no part of any payment, commission, reimbursement or fee paid by either Party pursuant to this Agreement or otherwise will be used knowingly as a corrupt payment, gratuity, emolument, bribe, kickback, excessive gift or hospitality or other illegal or unethical benefit to a customer or to Third Party customer or to a Public Official or Entity.

18.7 Disclaimer of Warranties. EXCEPT AS OTHERWISE SPECIFICALLY PROVIDED IN THIS AGREEMENT, NEITHER PARTY MAKES ANY REPRESENTATIONS OR WARRANTIES, EXPRESS, IMPLIED, STATUTORY OR OTHERWISE, CONCERNING THE SUCCESS OR POTENTIAL SUCCESS OF THE RESEARCH PROGRAM, THE

DEVELOPMENT, COMMERCIALIZATION, MARKETING OR SALE OF ANY PRODUCT OR ANY INTELLECTUAL PROPERTY RIGHTS. EXCEPT AS EXPRESSLY SET FORTH HEREIN, EACH PARTY EXPRESSLY DISCLAIMS ANY AND ALL WARRANTIES OF ANY KIND, EXPRESS OR IMPLIED, INCLUDING WITHOUT LIMITATION THE WARRANTIES OF NON-INFRINGEMENT, MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE.

ARTICLE 19
CONFIDENTIALITY

19.1 Confidential Information. During the Term and for a period of five (5) years thereafter, each Party and its Affiliates (in such capacity, collectively, the "Receiving Party") shall keep confidential, and other than as provided herein, shall not disclose, directly or indirectly, any proprietary information, including any proprietary data, inventions, documents, ideas, information, discoveries, or materials, Controlled by the other Party or its Affiliates (in such capacity, collectively, the "Disclosing Party"), whether in tangible or intangible form, including but not limited to Regeneron Know-How and Adicet Know-How, that is disclosed pursuant to this Agreement (the "Confidential Information"). Each Party and its Affiliates shall use the Confidential Information of the other Party and its Affiliates solely for the purpose of exercising its rights and performing its obligations hereunder. For purposes of this Agreement, all confidential information disclosed by a Party under the terms of the Confidentiality Agreement between the Parties dated May 18, 2015, ("CDA") is hereby deemed Confidential Information of such Party and treated as if disclosed hereunder and shall be subject to the terms of this Agreement. Each Party covenants that neither it nor any of its respective Affiliates shall disclose any Confidential Information of the other Party to any Third Party except (i) to its employees, agents, consultants or any other Person under its authorization; provided such employees, agents, consultants or other Persons are subject in writing (or by explicit professional obligations such as the attorney-client relationship) to confidentiality obligations applicable to such Confidential Information no less strict than those set forth herein, (ii) as approved by both Parties hereunder or (iii) as set forth elsewhere in this Agreement, including to subcontractors and sublicensees in accordance with Section 24.11. Regeneron Mice Inventions, Regeneron CTM Inventions and Regeneron Transferred Technologies Inventions shall be Confidential Information of Regeneron, and Adicet CTM Inventions and Mice Derived Adicet Targeting Moiety Inventions shall be Confidential Information of Adicet. Collaboration Inventions shall be Confidential Information of both Parties; provided that the Collaboration Inventions may be used by both Parties as provided herein but not disclosed to Third Parties, except as expressly permitted herein, without the prior written consent of the other Party. The results from the Research Program shall be the Confidential Information of both Parties; provided that such results may be used by both Parties as provided herein but not disclosed to Third Parties without the prior written consent of the other Party. The results from the development and commercialization of Regeneron Royalty Products, Co-Funded Products or Regeneron Non-ICP Products shall be the Confidential Information of Regeneron. The results from the development and commercialization of Adicet Royalty Products or Mice Derived Adicet ICP Products shall be the Confidential Information of Adicet.

19.2 Exceptions. Notwithstanding Section 19.1 or anything to the contrary in this Agreement:

(a) Confidential Information shall not include information and materials (and such information and materials shall not be Confidential Information under this Agreement) to the extent that it can be established by written documentation by the Receiving Party that such information or material: (i) already is in the public domain prior to disclosure by the Disclosing Party or becomes publicly known through no act, omission or fault of the Receiving Party or any Person to whom the Receiving Party provided such information; (ii) is or was already lawfully, and not under an obligation of confidentiality owed to the Disclosing Party, in the possession of the Receiving Party at the time of disclosure by the Disclosing Party; provided that the Receiving Party did not initially generate such information and assign its rights to such information to the Disclosing Party in accordance with the terms of this Agreement; (iii) is disclosed to the Receiving Party on an unrestricted basis from a Third Party not under an obligation of confidentiality to the Disclosing Party with respect to such information; or (iv) has been independently created by the Receiving Party, as evidenced by written or electronic documentation, without any aid, application or use of the Disclosing Party's Confidential Information; provided that, unless (i)-(iv) applies to such information, it shall still be treated as Confidential Information for all purposes other than satisfaction of such disclosure requirement. Specific aspects or details of Confidential Information will not be deemed to be within the public knowledge or in the prior possession of a Person merely because such aspects or details of the Confidential Information are embraced by general disclosures in the public domain.

(b) The Receiving Party shall have the right to disclose information or materials to the extent required by Applicable Law (or the rules and regulations of any stock exchange or trading market on which a Party's (or its parent entity's) securities are traded), provided that the Receiving Party uses reasonable efforts to give the Disclosing Party advance notice of such required disclosure in sufficient time to enable the Disclosing Party to seek confidential treatment for such information, and provided further that the Receiving Party provides reasonable cooperation to assist the Disclosing Party to protect such information and limits the disclosure to that information which is required to be disclosed.

19.3 Injunctive Relief. The Parties hereby acknowledge and agree that the rights of the Parties under this Article 19 are special, unique and of extraordinary character, and that if any Party refuses or otherwise fails to act, or to cause its Affiliates to act, in accordance with the provisions of this Article 19, such refusal or failure would result in irreparable injury to the other Party, the exact amount of which would be difficult to ascertain or estimate and the remedies at law for which would not be reasonable or adequate compensation. Accordingly, if any Party refuses or otherwise fails to act, or to cause its Affiliates to act, in accordance with the provisions of this Article 19, then, in addition to any other remedy which may be available to any damaged Party at law or in equity, such damaged Party will be entitled to seek specific performance and injunctive relief, without posting bond or other security, and without the necessity of proving actual or threatened damages, which remedy such damaged Party will be entitled to seek in any court of competent jurisdiction.

19.4 Publications.

(a) Subject to the requirements of Section 19.4(d), each Party shall have the right to issue publications in scientific journals and make scientific presentations related to any of its results from the Research Program with the order and inclusion of Adicet and Regeneron

authors to be agreed upon in accordance with ICJME Standards or other mutually agreed upon applicable standards and in compliance with any applicable rules or policies of the publisher of such publication; provided, however, that for so long as the confidentiality exceptions in Section 19.2 do not apply with respect to a given Collaboration Target, any such publication shall not directly or indirectly disclose the identity of any Collaboration Target without the prior written consent of the other Party.

(b) Subject to the requirements of Section 19.4(d), Regeneron shall have the sole right to issue and control all publications in scientific journals and make scientific presentations related to Regeneron Royalty Products, Regeneron Non-ICP Products and Co-Funded Products; provided, however, that so long as the confidentiality exceptions in Section 19.2 do not apply with respect to a given Non-Collaboration Target and Phase I Trials have not been initiated with respect to such Regeneron Non-ICP Product, any such publication relating to a Regeneron Non-ICP Product shall not directly or indirectly disclose the identity of the applicable Target to which it binds without the prior written consent of Adicet.

(c) Subject to the requirements of Section 19.4(d), Adicet shall have the sole right to issue and control all publications in scientific journals and make scientific presentations related to Adicet Royalty Products and Mice Derived Adicet ICP Products.

(d) In case of any publication or disclosure pursuant to Section 19.4(a), 19.4(b) or 19.4(c) with respect to results from the Research Program (including Collaboration Inventions), Royalty Products or Co-Funded Products, the publishing Party shall provide the non-publishing Party with an advance copy of the proposed publication, and each Party shall then have [***] days prior to submission for any publication in which to recommend any changes it reasonably believes are necessary to preserve any Patent Rights or Know-How belonging in whole or in part to the non-publishing Party or which is the Confidential Information of the non-publishing Party. If the non-publishing Party informs the publishing Party that such publication, in the non-publishing Party's reasonable judgment, could be expected to have a material adverse effect on any patentable invention owned by or licensed, in whole or in part, to the non-publishing Party, or on any Know-How which is Confidential Information of the non-publishing Party, the publishing Party shall delay or prevent such publication as follows: (A) with respect to a patentable invention, such publication shall be delayed sufficiently long (not to exceed [***] days) to permit the timely preparation and filing of a Patent Application; and (B) with respect to Know-How which is Confidential Information of such non-publishing Party, such Know-How shall be deleted from the publication.

19.5 Disclosures Concerning this Agreement.

(a) Prior to the Effective Date, the Parties have mutually agreed upon the contents of a joint press release or separate press releases, in each case with respect to the execution of this Agreement which the Parties shall have the right to issue and disclose. Adicet and Regeneron agree not to (and to ensure that their respective Affiliates do not) issue any other press releases or public announcements concerning this Agreement or any other activities contemplated hereunder without the prior written consent of the other Party (which shall not be unreasonably withheld or delayed), except to the extent required by a Governmental Authority or Applicable Law (or the rules and regulations of any stock exchange or trading market on which a Party's (or

its parent entity's) securities are traded); provided, that the Party intending to disclose such information shall use reasonable efforts to provide the other Party advance notice of such required disclosure, an opportunity to review and comment on such proposed disclosure (which comments shall be considered in good faith by the disclosing Party) and reasonable cooperation to assist the other Party to protect such information and shall limit the disclosure to that information which is required to be disclosed. Notwithstanding the foregoing, without prior submission to or approval of the other Party, either Party may issue press releases or public announcements which incorporate information concerning this Agreement or any activities contemplated hereunder which information was included in a press release or public disclosure which was previously disclosed under the terms of this Agreement or which contains only non-material factual information regarding the existence of this Agreement.

(b) Except as required by a Governmental Authority or Applicable Law (or the rules and regulations of any stock exchange or trading market on which a Party's (or its parent entity's) securities are traded), or in connection with the enforcement of this Agreement, neither Party (or their respective Affiliates) shall disclose to any Third Party, under any circumstances, any terms of this Agreement that have not been previously disclosed publicly pursuant to this Article 19 without the prior written consent of the other Party, which consent shall not be unreasonably withheld or delayed; except for disclosures to Third Parties that are bound by obligations of confidentiality and nonuse substantially equivalent in scope to those included herein with a term of at least [***].

(c) The Parties, through the Committees, shall establish mechanisms and procedures to ensure that there are coordinated timely corporate communications relating to the Products.

(d) Adicet acknowledges that Regeneron, as a publicly traded company, is legally obligated to make timely disclosures of all material events relating to its business. Regeneron acknowledges that in the future, Adicet may become a publicly traded company, and upon such occurrence, shall be legally obligated to make timely disclosures of all material events relating to its business. Therefore, the Parties acknowledge that either or both Parties may be obligated to file a copy of this Agreement with the United States Securities and Exchange Commission or its equivalent in the Territory. Each Party will be entitled to make such filing but shall cooperate with one another and use reasonable efforts to obtain confidential treatment of confidential, including trade secret, information in accordance with Applicable Law. The filing Party will, no later than [***] days prior to the anticipated filing, provide the non-filing Party with an advance copy of the Agreement marked to show provisions for which the filing Party intends to seek confidential treatment, allowing a reasonable time for the non-filing Party to review and comment as permitted by Applicable Law, and will reasonably consider the non-filing Party's timely comments thereon. In addition, the filing Party will provide the non-filing Party with an advance copy of the securities filings with which the Agreement is furnished or filed or otherwise discussed or disclosed in each case only to the extent describing this Agreement, allowing a reasonable time for the non-filing Party to review and comment as permitted by Applicable Law, and will reasonably consider the non-filing Party's timely comments thereon; provided, that the filing Party need not provide for review and comment such securities filings that repeat such previous disclosures already reviewed and commented upon by the other non-filing Party under the terms of this Section 19.5 or which contains only non-material factual information regarding this Agreement.

ARTICLE 20
INDEMNITY

20.1 Indemnity.

(a) Adicet will defend, indemnify and hold harmless Regeneron, its Affiliates and their respective officers, directors, employees, sublicensees and agents ("Regeneron Indemnitees") from and against all losses, liabilities, damages, penalties, fines and expenses, including reasonable attorneys' fees and costs (collectively, "Damages"), arising from or occurring as a result of a Third Party's claim, action, suit, proceeding, judgment or settlement against a Regeneron Indemnitee to the extent it is due to or based upon:

(i) the negligence, recklessness, bad faith, willful misconduct, intentional wrongful acts or omissions of Adicet, its Affiliates or their respective directors, officers, employees or agents in connection with the Research Program, except to the extent that Damages arise out of the negligence, recklessness, bad faith, willful misconduct, or intentional wrongful acts, or omissions committed by Regeneron or its Affiliates;

(ii) the negligence, recklessness, bad faith, willful misconduct, intentional wrongful acts or omissions or violations of Applicable Law by or of Adicet, its Affiliates or their respective directors, officers, employees, agents or sublicensees, including in connection with the development, manufacture or commercialization of any Co-Funded Product (to the extent performed by or on behalf of Adicet), Adicet Royalty Product or Mice Derived Adicet -ICP Product, except to the extent that Damages arise out of, and are allocable to, the negligence, recklessness, bad faith, willful misconduct, intentional wrongful acts or omissions or violations of Law committed by Regeneron or any other Regeneron Indemnitee;

(iii) product liability, personal injury, property damage, or other damage or liability of any kind resulting from the research, development, manufacture, use, offer for sale, sale or importation of any Adicet Royalty Products or Mice Derived Adicet ICP Products by or on behalf of Adicet, its Affiliates or any of its or their licensees or contract manufacturers;

(iv) infringement or misappropriation of any Patent or other Intellectual Property or Trademark rights of any Third Party to the extent resulting from the manufacture, use, offer for sale, sale or importation of Adicet Royalty Products or Mice Derived Adicet ICP Products by or on behalf of Adicet, its Affiliates or any of its or their licensees or contract manufacturers; or

(v) breach by Adicet of this Agreement, or the inaccuracy of any representation or warranty made by Adicet in this Agreement.

(b) Regeneron will defend, indemnify and hold harmless Adicet, its Affiliates and their respective officers, directors, employees, sublicensees and agents ("Adicet Indemnitees") from and against all Damages arising from or occurring as a result of a Third Party's claim, action, suit, proceeding, judgment or settlement against a Adicet Indemnitee to the extent it is due to or based upon:

(i) the negligence, recklessness, bad faith, willful misconduct, intentional wrongful acts or omissions of Regeneron, its Affiliates or their respective directors, officers, employees or agents, in connection with the Research Program, except to the extent that Damages arise out of the negligence, recklessness, bad faith, willful misconduct, or intentional wrongful acts, or omissions committed by Adicet or its Affiliates;

(ii) the negligence, recklessness, bad faith, willful misconduct, intentional wrongful acts or omissions or violations of Applicable Law by or of Regeneron, its Affiliates or their respective directors, officers, employees, licensees or agents including in connection with the development, manufacture or commercialization of any Co-Funded Product (except to the extent performed by or on behalf of Adicet), Regeneron Royalty Product or Regeneron Non-ICP Product, except to the extent that Damages arise out of, and are allocable to, the negligence, recklessness, bad faith, willful misconduct, intentional wrongful acts, or omissions or violations of Law committed by Adicet or any other Adicet Indemnitee;

(iii) product liability, personal injury, property damage, or other damage or liability of any kind resulting from the research, development, manufacture, use, offer for sale, sale or importation of any Regeneron Royalty Products or Regeneron Non-ICP Products by or on behalf of Regeneron, its Affiliates or any of its or their licensees or contract manufacturers;

(iv) infringement or misappropriation of any Patent or other Intellectual Property or Trademark rights of any Third Party to the extent resulting from the manufacture, use, offer for sale, sale or importation of Regeneron Royalty Products or Regeneron Non-ICP Products by or on behalf of Regeneron, its Affiliates or any of its or their licensees or contract manufacturers (except to the extent resulting from the manufacture of the Regeneron Royalty Product by Adicet pursuant to the Supply Agreements which indemnification obligations shall be set forth in the Supply Agreements); or

(v) breach by Regeneron of this Agreement, or the inaccuracy of any representation or warranty made by Regeneron in this Agreement.

(c) In the event of any Third Party (i) product liability, personal injury, or property damage claim alleging that the development or commercialization of any Co-Funded Product causes Damages or (ii) claim for infringement or misappropriation of any Patent or other Intellectual Property or Trademark rights of any Third Party resulting from the research, development manufacture, use, offer for sale, sale or importation of Co-Funded Products, in each case, except to the extent such claims are due to or based upon the events set forth in Section 20.1(a)(i), 20.1(a)(ii), 20.1(a)(a)(v), 20.1(b)(i), 20.1(b)(ii), 20.1(b)(v), then each Party shall indemnify the other in accordance with the other Party's respective Co-Funding Percentage of all Damages therefrom, and during the Term such Damages shall be treated as Other Shared Expenses.

20.2 Indemnity Procedure.

(a) The Party entitled to indemnification under this Article 20 (an "Indemnified Party") shall notify the Party potentially responsible for such indemnification (the "Indemnifying Party") within five (5) Business Days of becoming aware of any claim or claims asserted or threatened in writing against the Indemnified Party which could give rise to a right of indemnification under this Agreement; provided, however, that the failure to give such notice shall not relieve the Indemnifying Party of its indemnity obligation hereunder except to the extent that such failure materially prejudices its rights hereunder.

(b) If the Indemnifying Party has acknowledged in writing to the Indemnified Party the Indemnifying Party's responsibility for defending such claim, and except as otherwise set forth in Section 16.8(b) and 16.8(c) the Indemnifying Party shall have the right to defend, at its sole cost and expense, such claim by all appropriate proceedings, which proceedings shall be prosecuted diligently by the Indemnifying Party to a final conclusion or settled at the discretion of the Indemnifying Party; provided, however, that the Indemnifying Party may not enter into any compromise or settlement unless (i) such compromise or settlement includes as an unconditional term thereof, the giving by each claimant or plaintiff to the Indemnified Party of a release from all liability in respect of such claim; and (ii) the Indemnified Party consents to such compromise or settlement, which consent shall not be withheld or delayed unless such compromise or settlement involves (A) any admission of legal wrongdoing by the Indemnified Party, (B) any payment by the Indemnified Party that is not indemnified hereunder or (C) the imposition of any equitable relief against the Indemnified Party. If the Indemnifying Party does not elect to assume control of the defense of a claim or if a good faith and diligent defense is not being or ceases to be materially conducted by the Indemnifying Party, the Indemnified Party shall have the right, at the expense of the Indemnifying Party, upon at least ten (10) Business Days' prior written notice to the Indemnifying Party of its intent to do so, to undertake the defense of such claim for the account of the Indemnifying Party (with counsel reasonably selected by the Indemnified Party and approved by the Indemnifying Party, such approval not unreasonably withheld or delayed), provided, that the Indemnified Party shall keep the Indemnifying Party apprised of all material developments with respect to such claim and promptly provide the Indemnifying Party with copies of all correspondence and documents exchanged by the Indemnified Party and the opposing party(ies) to such litigation. The Indemnified Party may not compromise or settle such litigation without the prior written consent of the Indemnifying Party, such consent not to be unreasonably withheld or delayed.

(c) The Indemnified Party may participate in, but not control, any defense or settlement of any claim controlled by the Indemnifying Party pursuant to this Section 20.2 and shall bear its own costs and expenses with respect to such participation; provided, however, that the Indemnifying Party shall bear such costs and expenses if counsel for the Indemnifying Party shall have reasonably determined that such counsel may not properly represent both the Indemnifying and the Indemnified Party.

20.3 Insurance. During the Term and for a minimum period of **[***]** years thereafter and for an otherwise longer period as may be required by Applicable Law, each of Regeneron and Adicet will (i) use Commercially Reasonable Efforts to procure and maintain appropriate commercial general liability and product liability insurance in an industry-appropriate amounts per

occurrence and in the annual aggregate and consistent with normal business practices of companies in the life sciences industry developing drugs or (ii) with respect to Regeneron only, procure and maintain adequate insurance by means of self-insurance in such amounts and on such terms as are consistent with normal business practices of large pharmaceutical companies in the life sciences industry. Such insurance shall insure against liability arising from this Agreement on the part of Regeneron or Adicet, respectively, or any of their respective Affiliates, due to injury, disability or death of any person or persons, or property damage arising from activities performed in connection with this Agreement. Any insurance proceeds received by a Party in connection with any losses shall be retained by such Party and shall not reduce any obligation of the other Party.

ARTICLE 21
FORCE MAJEURE

Neither Party will be held liable or responsible to the other Party nor be deemed to have defaulted under or breached this Agreement for failure or delay in fulfilling or performing any obligation (other than a payment obligation) under this Agreement to the extent such failure or delay is caused by or results from causes beyond the reasonable control of the affected Party including embargoes, acts of terrorism, acts of war (whether war be declared or not), insurrections, strikes, riots, civil commotions or acts of God ("Force Majeure"). Such excuse from liability and responsibility shall be effective only to the extent and duration of the event(s) causing the failure or delay in performance and provided that the affected Party has not caused such event(s) to occur. The affected Party will notify the other Party of such Force Majeure circumstances as soon as reasonably practical and will make every reasonable effort to mitigate the effects of such Force Majeure circumstances.

ARTICLE 22
TERM AND TERMINATION

22.1 Term. The "Term" of this Agreement shall begin on the Effective Date and will expire on the expiration of the final Product Term, unless this Agreement is earlier terminated in its entirety in accordance with this Article 22, in which event the Term shall end on the effective date of such termination.

(a) For purposes of this Article 22, the "Product Term" shall mean, with respect to all Regeneron Royalty Products that Bind a Collaboration Target, all Adicet Royalty Products that Bind a Collaboration Target, all Mice Derived Adicet ICP Products that Bind a Non-Collaboration Target and all Regeneron Non-ICP Products that Bind a Non-Collaboration Target, the period of time beginning when any of the foregoing becomes a Regeneron Royalty Product, Adicet Royalty Product, Mice Derived Adicet ICP Product and Regeneron Non-ICP Product until the expiration of the Royalty Term with respect to such Adicet Royalty Products, Mice Derived Adicet ICP Products, Regeneron Royalty Products or Regeneron Non-ICP Products as applicable.

(b) For purposes of this Article 22, the "Product Term" shall mean, with respect to all Co-Funded Products that Bind a Collaboration Target, the period of time beginning when Adicet exercises its Co-Funding Option for such Co-Funded Product in accordance with Section 8.1(a) until this Agreement is terminated or the Co-Funding Term is terminated in accordance Section 22.3 or Section 22.4 with respect to all Co-Funded Products that Bind such Collaboration Target.

(c) Upon the expiration of the Product Term for each such Product, on a Product Term-by-Product term basis, all royalty bearing exclusive licenses under Section 5.1 with respect to such Product shall become non-exclusive, fully paid up licenses.

22.2 Termination for Material Breach.

(a) This Agreement shall be terminable in its entirety by either Party if the other Party commits a material breach of this Agreement. For purposes of this Section 22.2(a), a "material breach of this Agreement" means a breach by a Party of its obligations in a manner that fundamentally frustrates the essential purpose, characteristics or value of the transactions contemplated by this Agreement as a whole, and for clarity is not limited to a specific Collaboration Target or a Product that Binds such Collaboration Target. Notwithstanding the foregoing, if the material breach relates to one or more Collaboration Targets or one or more Products that Bind to such Collaboration Targets and not to other Collaboration Targets or Products that Bind to such other Collaboration Targets, then the non-breaching Party shall not have the right to terminate this Agreement in its entirety, but shall have the right to terminate this Agreement with respect to Collaboration Targets and Products to which the breach pertains and cannot terminate this Agreement under this Section 22.2 with respect to the non-affected Products and Collaboration Targets. For purposes of this Section 22.2(a), a "material breach related to a Collaboration Target or a Product that Binds such Collaboration Target" means a breach by a Party of its obligations in a manner that fundamentally frustrates the essential purpose, characteristics or value of the transactions contemplated by this Agreement, solely as relevant to the applicable Collaboration Target or a Product that Binds such Collaboration Target; and for clarity is not deemed to be a material breach of this Agreement (as such term is defined above) with respect to the Agreement as a whole. In case of termination of this Agreement pursuant to the third sentence of this Section 22.2, termination of this Agreement shall be (i) solely with respect to the Collaboration Target(s) and all Collaboration ICPs, Co-Funded Products, Regeneron Royalty Products and Adicet Royalty Products that Bind to such Collaboration Target (such Collaboration ICPs and Products, "Terminated Collaboration ICPs" and "Terminated ICP Products", respectively); (ii) solely with respect to the Non-Collaboration Target(s) and all Mice Derived Adicet ICPs and Mice Derived Adicet ICP Products that Bind to such Non-Collaboration Target (such Mice Derived Adicet ICPs and Products, "Terminated Mice Derived Adicet ICPs" and "Terminated Mice Derived Adicet ICP Products", respectively), or (iii) solely with respect to Regeneron Non-ICP Products that Bind to such Non-Collaboration Target ("Terminated Regeneron Non-ICP Products"), in each case with respect to which such material breach pertains.

(b) The terminating Party shall provide the breaching Party with notice of such intended termination, which notice shall set forth in reasonable detail the facts underlying or constituting the alleged material breach (and specifically referencing the provisions of this Agreement alleged to have been breached) and specifically stating the scope of the intended termination, and the termination which is the subject of such notice shall be effective [***] after the date such notice is given unless the breaching Party shall have cured such breach within such [***] period (or, if such material breach, by its nature, is a curable breach but such breach is not curable within such [***]period, such longer period (not to exceed [***]) so long as the breaching

party is using Commercially Reasonable Efforts to cure such breach, in which event if such breach has not been cured, such termination shall be effective on the earlier of the expiration of the [***] period or such time as the breaching party ceases to use Commercially Reasonable Efforts to cure such breach). Notwithstanding the foregoing, in the case of material breach of a payment obligation hereunder, the [***] period referred to in the immediately preceding sentence shall instead be thirty (30) days (and the immediately preceding parenthetical clause in the immediately preceding sentence shall not apply).

(c) Notwithstanding the foregoing clauses of this Section 22.2, in the event of a good faith dispute as to whether performance has been made by either Party pursuant to this Agreement, including any good faith dispute as to payments due under this Agreement, the cure period in Section 22.2(b) will be tolled from the date the non-terminating Party notifies the terminating Party of such good faith dispute, provided that the non-terminating Party notifies the terminating Party that it disputes the terminating Party's allegation of material breach within [***] of its receipt the written notice delivered by the terminating Party pursuant to Section 22.2(c) above, and through the resolution of such dispute in accordance with the applicable provisions of this Agreement (provided that if such dispute relates to payment, the cure period will only apply with respect to payment of disputed amounts, and not with respect to undisputed amounts). It is understood and agreed that during the pendency of such dispute, all of the terms and conditions of this Agreement will remain in effect and the Parties will continue to perform all of their respective obligations, and retain their respective rights, hereunder.

22.3 Termination of Co-Funded Products by Regeneron for Convenience. At any time, upon **[***]** advanced written notice, on a Collaboration Target-by-Collaboration Target basis, Regeneron may terminate its rights and obligations to develop and commercialize all Co-Funded Products that Bind to such Collaboration Target.

22.4 Termination of Co-Funding Term by Adicet for Convenience. At any time, upon **[***]** advanced written notice, on a Collaboration Target-by-Collaboration Target basis, Adicet may terminate the Co-Funding Term with respect to all Co-Funded Products that Bind to such Collaboration Target.

22.5 Termination of Regeneron Royalty Products by Regeneron for Convenience. At any time, **[***]** advanced written notice, on a Collaboration Target-by-Collaboration Target basis, Regeneron may terminate its licenses, rights and obligations to develop and commercialize all Regeneron Royalty Products that Bind to such Collaboration Target.

22.6 Termination of Adicet Royalty Products by Adicet for Convenience. At any time, upon **[***]** advanced written notice, on a Collaboration Target-by-Collaboration Target basis, Adicet may terminate its licenses, rights and obligations to develop and commercialize all Adicet Royalty Products that Bind to such Collaboration Target.

22.7 Effects of Termination(a) .

(a) In the event Regeneron is the terminating Party pursuant to Section 22.2, then:

(1) If such termination is with respect to a Co-Funded Product:

i. the Co-Funding Arrangement will terminate, the license from Adicet to Regeneron in Section 5.1(a)(iv) shall survive with respect to such Terminated Product and the Parties will negotiate royalty rates payable by Regeneron to Adicet which are intended to allocate between the Parties, as nearly as practicable, the economic value of Co-Funded Products that are Commercialized by Regeneron following termination in accordance with the Co-Funding Percentage, adjusted for the costs and risks incurred by Regeneron in the Development of such Co-Funded Products. The Parties shall negotiate such agreements in good faith promptly following the effective date of termination pursuant to this Section 22.7(a). If the Parties have not reached agreement on such new commercial agreement within [***] following the effective date of termination, then notwithstanding the final sentence of Section 24.1, either Party may refer such agreement to an arbitration panel pursuant to Section 23.1.

ii. In the event the Parties are Co-Promoting such Terminated Product in the United States, then Adicet shall lose the right to Co-Promote in such country (provided, that Adicet shall be permitted to continue to Co-Promote as necessary to carry out the wind-down described in the remainder of this clause) for Terminated Products, any co-promotion agreement or amendment as described in Section 11.3(c) already entered with respect to such Co-Funded Product shall be terminated and without penalty or cost to Regeneron, and the Parties shall conduct a prompt wind-down of Adicet's existing Co-Promote activities for Terminated Products, at Regeneron's direction and Adicet's reasonable cost, and including for example, the return or destruction of promotional materials in the possession of Adicet, and the diminishing of Adicet's FTE efforts and Detailing activities until the transition to Regeneron is complete. In the event the Terminated Product is a Co-Funded Product, Adicet will not retain the Co-Promote option set forth in Article 11;

(2) If such termination is with respect to a Regeneron Royalty Product, the license from Adicet to Regeneron in Section 5.1(a)(iv) shall survive with respect to such Terminated Product, and Regeneron shall continue to pay royalties on Net Sales of such Terminated Products to Adicet upon the same terms and conditions that would be applicable pursuant to Section 14.4 for Regeneron Royalty Products.

(3) If such termination is with respect to an Adicet Royalty Product:

i. The licenses from Regeneron to Adicet in Section 5.1(a)(ii) shall terminate with respect to such Terminated Product except in connection with Adicet's performance of its activities in accordance with this Section 22.7(a);

ii. Adicet hereby grants to Regeneron an exclusive (even as to Adicet and its Affiliates), non-transferable (except as permitted by Section 24.9), sublicensable in multiple tiers, worldwide license under the Adicet Product IP and an exclusive, non-transferable

(except as permitted by Section 24.9), sublicensable in multiple tiers, worldwide license under any Intellectual Property Controlled by Adicet and incorporated into and made a part of the Terminated Product or otherwise used in connection with the Terminated Product as of the effective date of termination, to research, develop, make, have made, use, sell, have sold, and import Terminated Collaboration ICPs and Terminated Products, and Regeneron shall pay royalties on Terminated Products to Adicet upon the same terms and conditions that would be applicable pursuant to Section 14.4 for Regeneron Royalty Products, except that the royalty rate shall [***], and

iii. Promptly upon Regeneron's request, Adicet shall commence, and shall promptly thereafter complete, a transfer of all promotional activities in such country(ies), including handling of collection and receivables and recording and booking of sales in such country, to Regeneron, at Regeneron's direction and Adicet's reasonable cost; provided, that in the interim period Adicet shall continue to perform such promotional activities at levels consistent with Adicet's effort prior to termination as directed by Regeneron, and shall provide Regeneron assistance reasonably necessary to ensure an effective transition, including for example, transferring permits and Regulatory Filings to Regeneron or assisting in obtaining new permits and Regulatory Filings necessary for Regeneron to conduct such promotional activities, assisting in negotiating Third Party agreements for such country similar to those then in place for Adicet's promotional activities, and permitting Adicet if permissible under Applicable Law to use Adicet-branded promotional materials during the interim period as the Parties transition the promotional activities;

iv. Promptly upon Regeneron's request, Adicet shall either at Adicet's expense (i) commence the wind down of all clinical studies with respect to such Terminated Product or (ii) as soon as reasonably practicable thereafter complete, a transfer of all clinical activities, to Regeneron, at Regeneron's direction; provided, that in the interim period Adicet shall continue to perform such clinical activities at levels consistent with Adicet's effort prior to termination as directed by Regeneron (but in any event for no longer than for a period of [***], and shall provide Regeneron assistance reasonably necessary to ensure an effective transition, including for example, transferring permits and Regulatory Filings to Regeneron or assisting in obtaining new permits and Regulatory Filings necessary for Regeneron to conduct such clinical trials.

(4) If such termination is with respect to a Mice Derived Adicet ICP Product, the license from Regeneron to Adicet in Section 5.1(d)(i)(A) and the license from Regeneron to Adicet in Section 5.1(d)(i)(B) shall terminate with respect to such Terminated Product and Adicet shall cease developing, commercializing and manufacturing such Terminated Product.

(5) If such termination is with respect to a Regeneron Non-ICP Product, the licenses from Adicet to Regeneron in Section 5.1(d)(iii) shall terminate with respect to such Terminated Product and Regeneron shall cease developing, commercializing and manufacturing such Terminated Product.

(6) At Regeneron's request, Adicet shall perform a Manufacturing technology transfer pursuant to Section 13.4 at Adicet's cost (i) for Terminated Products that were Co-Funded Products or Regeneron Royalty Products, in each case that Adicet was Manufacturing for Regeneron as of the effective date of termination or (ii) for Terminated Products that were Adicet Royalty Products.

(7) At Regeneron's request and only for the period of time reasonably necessary to ensure patients have access to Terminated Product not to exceed [***] (or such longer period as reasonable necessary to continue supply of such Terminated Product for reasons outside the reasonable control of Regeneron), (i) to the extent Adicet as of the effective date of termination is Manufacturing Terminated Products that were Co-Funded Products or Regeneron Royalty Products or (ii) for Adicet Royalty Products, Adicet shall use Commercially Reasonable Efforts to continue to Manufacture Co-Funded Products or Regeneron Royalty Products for Regeneron and its Affiliates and licensees, in each case at a purchase price equal to Adicet's fully burdened cost.

(b) In the event Adicet is the terminating Party pursuant to Section 22.2 , then:

(1) If such termination is with respect to a Co-Funded Product:

i. the Co-Funding Arrangement will terminate,

ii. the licenses from Adicet to Regeneron in Section 5.1(a)(iv) shall terminate with respect to such Terminated Product except in connection with Regeneron's performance of its activities in accordance with this Section 22.7(b);

iii. Regeneron hereby grants to Adicet an exclusive (even as to Regeneron and its Affiliates), non-transferable (except as permitted by Section 24.9), sublicensable in multiple tiers, worldwide license under the Regeneron Product IP and an exclusive, non-transferable (except as permitted by Section 24.9), sublicensable in multiple tiers, worldwide license under any Intellectual Property Controlled by Regeneron and incorporated into and made a part of the Terminated Product or otherwise used in connection with the Terminated Product as of the effective date of termination, to research, develop, make, have made, use, sell, have sold, and import Terminated Collaboration ICPs and Terminated Products;

iv. the Parties will negotiate royalty rates payable by Adicet to Regeneron which are intended to allocate between the Parties, as nearly as practicable, the economic value of Co-Funded Products that are Commercialized by Adicet following termination in accordance with the Co-Funding Percentage, adjusted for the costs and risks incurred by Adicet in the Development of such Co-Funded Products. The Parties shall negotiate such agreements in good faith promptly following the effective date of termination pursuant to this Section 22.7(b). If the Parties have not reached agreement on such new commercial agreement within [***] following the effective date of termination, then notwithstanding the final sentence of Section 24.1, either Party may refer such agreement to an arbitration panel pursuant to Section 23.1;

v. Promptly upon Adicet's request, Regeneron shall commence, and shall promptly thereafter complete, a transfer of all promotional activities in such country(ies), including handling of collection and receivables and recording and booking of sales in such country, to Adicet, at Adicet's direction and Regeneron's reasonable cost; provided, that in the interim period Regeneron shall continue to perform such promotional activities at levels consistent with Regeneron's effort prior to termination as directed by Adicet, and shall provide

Adicet assistance reasonably necessary to ensure an effective transition, including for example, transferring permits and Regulatory Filings to Adicet or assisting in obtaining new permits and Regulatory Filings necessary for Adicet to conduct such promotional activities, assisting in negotiating Third Party agreements for such country similar to those then in place for Regeneron's promotional activities, and permitting Adicet if permissible under Applicable Law to use Regeneron-branded promotional materials during the interim period as the Parties transition the promotional activities;

vi. In the event the Parties are Co-Promoting such Terminated Product in the United States, any co-promotion agreement or amendment as described in Section 11.3(c) already entered with respect to such Terminated Product shall be terminated and without penalty or cost to Adicet, and the Parties shall conduct a prompt wind-down of Regeneron's existing Co-Promote activities for Terminated Products, at Adicet's direction and Regeneron's reasonable cost, and including for example, the return or destruction of promotional materials in the possession of Regeneron, and the diminishing of Regeneron's FTE efforts and Detailing activities until the transition to Adicet is complete.

vii. Promptly upon Adicet's request, Regeneron shall either at Regeneron's expense (i) commence the wind down of all clinical studies with respect to such Terminated Product or (ii) as soon as reasonably practicable thereafter complete, a transfer of all clinical activities, to Adicet, at Adicet's direction; provided, that in the interim period Regeneron shall continue to perform such clinical activities at levels consistent with Regeneron's effort prior to termination as directed by Adicet (but in any event for no longer than for a period of [***], and shall provide Adicet assistance reasonably necessary to ensure an effective transition, including for example, transferring permits and Regulatory Filings to Adicet or assisting in obtaining new permits and Regulatory Filings necessary for Adicet to conduct such clinical trials.

(2) If such termination is with respect to a Regeneron Royalty Product, then Section 22.7(b)(1) ii, iii, v, vi and vii shall apply and Adicet shall pay royalties on Terminated Products to Regeneron upon the same terms and conditions that would be applicable pursuant to Section 14.3 for Adicet Royalty Products, except that the royalty rate shall [***].

(3) If such termination is with respect to an Adicet Royalty Product, the licenses from Regeneron to Adicet in Section 5.1(a)(ii) shall survive with respect to such Terminated Product, and Adicet shall continue to pay royalties on Net Sales of such Terminated Products to Regeneron upon the same terms and conditions that would be applicable pursuant to Section 14.3 for Adicet Royalty Products.

(4) If such termination is with respect to a Mice Derived Adicet ICP Product, the licenses from Regeneron to Adicet in Section 5.1(d) shall terminate with respect to such Terminated Product and Adicet shall cease developing, commercializing and manufacturing such Terminated Product.

(5) If such termination is with respect to a Regeneron Non-ICP Product, the licenses from Adicet to Regeneron in Section 5.1(d)(iii) shall terminate with respect to such Terminated Product and Regeneron shall cease developing, commercializing and manufacturing such Terminated Product.

(6) At Adicet's request, Regeneron shall perform a Manufacturing technology transfer pursuant to Section 13.4 at Regeneron's cost for Terminated Products that were Co-Funded Products or Regeneron Royalty Products, in each case that Regeneron was Manufacturing for Regeneron as of the effective date of termination, and in such case all references in Section 13.4 to Regeneron shall be deemed to refer to Adicet and all references to Adicet shall be deemed to refer to Regeneron.

(7) At Adicet's request and only for the period of time reasonably necessary to ensure patients have access to Terminated Product not to exceed [***] (or such longer period as reasonable necessary to continue supply of such Terminated Product for reasons outside the reasonable control of Adicet), to the extent Regeneron as of the effective date of termination is Manufacturing Terminated Products that were Co-Funded Products or Regeneron Royalty Products, Regeneron shall use Commercially Reasonable Efforts to continue to Manufacture such Terminated Products for Adicet and its Affiliates and licensees, in each case at a purchase price equal to Regeneron's fully burdened cost.

(c) In the event Regeneron terminates this Agreement with respect to a Co-Funded Product pursuant to Section 22.3, then:

(1) Regeneron shall continue to be responsible for any Development Costs and Shared Commercial Expenses incurred in connection with the Co-Funded Product in accordance with the Development Budget set forth in the last Development Plan approved by the JSC prior to Regeneron's notice of termination for a period of [***] after notice of termination was delivered by Adicet pursuant to Section 22.3, and the Parties shall share Profits, Development Costs, Shared Commercial Expenses and any other shared costs in accordance with their Co-Funding Percentage as described in Schedule 2 during such period (the "Regeneron Funding Wind Down Period");

(2) the licenses from Adicet to Regeneron in Section 5.1(a)(iv) shall terminate with respect to such Terminated Product except in connection with Regeneron's performance of its activities in accordance with this Section (c);

(3) Regeneron hereby grants to Adicet an exclusive (even as to Regeneron and its Affiliates), non-transferable (except as permitted by Section 24.9), sublicensable in multiple tiers, worldwide license under the Regeneron Product IP and an exclusive, non-transferable (except as permitted by Section 24.9), sublicensable in multiple tiers, worldwide license under any Intellectual Property Controlled by Regeneron and incorporated into and made a part of the Terminated Product or otherwise used in connection with the Terminated Product as of the effective date of termination, to research, develop, make, have made, use, sell, have sold, and import Terminated Collaboration ICPs and Terminated Products, and subject to the Regeneron Funding Wind Down Period, Adicet shall pay royalties on Terminated Products to Regeneron upon the same terms and conditions that would be applicable pursuant to Section 14.3 for Adicet Royalty Products; except that the applicable royalty rates shall be [***].

(4) Promptly upon Adicet's request, Regeneron shall commence, and shall promptly thereafter complete, a transfer of all promotional activities in

such country(ies), including handling of collection and receivables and recording and booking of sales in such country, to Adicet, at Adicet's direction and Regeneron's reasonable cost; provided, that in the interim period Regeneron shall continue to perform such promotional activities at levels consistent with Regeneron's effort prior to termination as directed by Adicet, and shall provide Adicet assistance reasonably necessary to ensure an effective transition, including for example, transferring permits and Regulatory Filings to Adicet or assisting in obtaining new permits and Regulatory Filings necessary for Adicet to conduct such promotional activities, assisting in negotiating Third Party agreements for such country similar to those then in place for Regeneron's promotional activities, and permitting Adicet if permissible under Applicable Law to use Regeneron-branded promotional materials during the interim period as the Parties transition the promotional activities;

(5) Promptly upon Adicet's request, Regeneron shall either at Regeneron's expense (i) commence the wind down of all clinical studies with respect to such Terminated Product or (ii) as soon as reasonably practicable thereafter complete, a transfer of all clinical activities, to Adicet, at Adicet's direction; provided, that in the interim period Regeneron shall continue to perform such clinical activities at levels consistent with Regeneron's effort prior to termination as directed by Adicet (but in any event for no longer than for a period of [***], and shall provide Adicet assistance reasonably necessary to ensure an effective transition, including for example, transferring permits and Regulatory Filings to Adicet or assisting in obtaining new permits and Regulatory Filings necessary for Adicet to conduct such clinical trials.

(6) In the event the Parties are Co-Promoting such Co-Funded Product, then any co-promotion agreement or amendment as described in Section 11.3(c) already entered with respect to such Co-Funded Product shall be terminated without penalty or cost to Adicet, and the Parties shall conduct a prompt wind-down of Regeneron's existing Co-Promote activities for Terminated Products, at Adicet's direction and Regeneron's reasonable cost, and including for example, the return or destruction of promotional materials in the possession of Regeneron, and the diminishing of Regeneron's FTE efforts and Detailing activities until the transition to Adicet is complete.

(7) At Adicet's request, to the extent Regeneron is Manufacturing the Co-Funded Product, Regeneron shall perform a Manufacturing technology transfer pursuant to Section 13.4 at Adicet's cost for Terminated Products that were Co-Funded Products if Regeneron was Manufacturing such Co-Funded Product of the effective date of termination, and in such case all references in Section 13.4 to Regeneron shall be deemed to refer to Adicet and all references to Adicet shall be deemed to refer to Regeneron.

(8) At Adicet's request and only for the period of time reasonably necessary to ensure patients have access to Terminated Product not to exceed [***] (or such longer period as reasonable necessary to continue supply of such Terminated Product for reasons outside the reasonable control of Adicet), to the extent Regeneron as of the effective date of termination is Manufacturing Terminated Products that were Co-Funded Products, Regeneron shall use Commercially Reasonable Efforts to continue to Manufacture such Terminated Products for Adicet and its Affiliates and licensees, in each case at a purchase price equal to Regeneron's fully burdened cost.

(d) In the event Adicet terminates the Co-Funding Term with respect to a Co-Funded Product pursuant to Section 22.4, then:

(1) Adicet shall continue to be responsible for any Development Costs and Shared Commercial Expenses incurred in connection with the Co-Funded Product in accordance with the Development Budget set forth in the last Development Plan approved by the JSC prior to Adicet's notice of termination for a period of [***] after notice of termination was delivered by Adicet pursuant to Section 22.4, and the Parties shall share Profits, Development Costs, Shared Commercial Expenses and any other shared costs in accordance with their Co-Funding Percentage as described in Schedule 2 during such period (the "Adicet Funding Wind Down Period").

(2) the license from Adicet to Regeneron in Section 5.1(a)(iv) shall survive with respect to such Terminated Product, and subject to the Adicet Funding Wind Down Period Regeneron shall pay royalties on Terminated Products to Regeneron upon the same terms and conditions that would be applicable pursuant to Section 14.4 for Regeneron Royalty Products as adjusted pursuant to the following two sentences. [***].

(3) At Regeneron's request, Adicet shall perform a Manufacturing technology transfer pursuant to Section 13.4 for Terminated Products that Adicet was Manufacturing for Regeneron pursuant to Article 13 as of the effective date of termination. Such Manufacturing technology transfer shall be at Regeneron's cost.

(4) At Regeneron's request and only for the period of time reasonably necessary to ensure patients have access to Terminated Product not to exceed [***] (or such longer period as reasonable necessary to continue supply of such Terminated Product for reasons outside the reasonable control of Regeneron), to the extent Adicet is Manufacturing Terminated Products as of the effective date of termination, Adicet shall Manufacture Co-Funded Products for Regeneron and its Affiliates and licensees, in each case at a purchase price equal to Adicet's fully burdened cost.

(5) In the event the Parties are Co-Promoting a Terminated Product in the United States, then Adicet shall lose the right to Co-Promote in such country (provided, that Adicet shall be permitted to continue to Co-Promote as necessary to carry out the wind-down described in the remainder of this clause), any co-promotion agreement or amendment as described in Section 11.3(c) already entered with respect to such Co-Funded Product shall be terminated and without penalty or cost to Regeneron, and the Parties shall conduct a prompt wind-down of Adicet's existing Co-Promote activities for Terminated Products, at Regeneron's direction and Adicet's reasonable cost, and including for example, the return or destruction of promotional materials in the possession of Adicet, and the diminishing of Adicet's FTE efforts and Detailing activities until the transition to Regeneron is complete.

(e) In the event Regeneron terminates this Agreement with respect to a Regeneron Royalty Product pursuant to Section 22.5 then:

(1) the licenses from Adicet to Regeneron in Section 5.1(a)(iv) shall terminate with respect to such Terminated Product, except in connection with Regeneron's performance of its activities in accordance with this Section 22.7(e),

(2) Regeneron hereby grants to Adicet an exclusive (even as to Regeneron and its Affiliates), non-transferable (except as permitted by Section 24.9), sublicensable in multiple tiers, worldwide license under the Regeneron Product IP and an exclusive, non-transferable (except as permitted by Section 24.9), sublicensable in multiple tiers, worldwide license under any Intellectual Property Controlled by Regeneron and incorporated into and made a part of the Terminated Product or otherwise used in connection with the Terminated Product as of the effective date of termination, to research, develop, make, have made, use, sell, have sold, and import Terminated Collaboration ICPs and Terminated Products and Adicet shall pay royalties on such Terminated Products to Regeneron [***];

(3) Promptly upon Adicet's request, Regeneron shall commence, and shall promptly thereafter complete, a transfer of all promotional activities in such country(ies), including handling of collection and receivables and recording and booking of sales in such country, to Adicet, at Adicet's direction and Regeneron's reasonable cost; provided, that in the interim period Regeneron shall continue to perform such promotional activities at levels consistent with Regeneron's effort prior to termination as directed by Adicet, and shall provide Adicet assistance reasonably necessary to ensure an effective transition, including for example, transferring permits and Regulatory Filings to Adicet or assisting in obtaining new permits and Regulatory Filings necessary for Adicet to conduct such promotional activities, assisting in negotiating Third Party agreements for such country similar to those then in place for Regeneron's promotional activities, and permitting Adicet if permissible under Applicable Law to use Regeneron-branded promotional materials during the interim period as the Parties transition the promotional activities;

(4) Promptly upon Adicet's request, Regeneron shall either at Regeneron's expense (i) commence the wind down of all clinical studies with respect to such Terminated Product or (ii) as soon as reasonably practicable thereafter complete, a transfer of all clinical activities, to Adicet, at Adicet's direction; provided, that in the interim period Regeneron shall continue to perform such clinical activities at levels consistent with Regeneron's effort prior to termination as directed by Adicet (but in any event for no longer than for a period of [***]), and shall provide Adicet assistance reasonably necessary to ensure an effective transition, including for example, transferring permits and Regulatory Filings to Adicet or assisting in obtaining new permits and Regulatory Filings necessary for Adicet to conduct such clinical trials.

(5) At Adicet's request, to the extent Regeneron is Manufacturing the Regeneron Royalty Product as of the effective date of termination, Regeneron shall perform a Manufacturing technology transfer pursuant to Section 13.4 at Adicet's cost for Terminated Products that were Regeneron Royalty Products if Regeneron was Manufacturing such Regeneron Royalty Products of the effective date of termination, and in such case all references in Section 13.4 to Regeneron shall be deemed to refer to Adicet and all references to Adicet shall be deemed to refer to Regeneron.

(6) At Adicet's request and only for the period of time reasonably necessary to ensure patients have access to Terminated Product not to exceed [***] (or such longer period as reasonable necessary to continue supply of such Terminated Product for reasons outside the reasonable control of Adicet), to the extent Regeneron as of the effective date of termination is Manufacturing Terminated Products that were Regeneron Royalty Products, Regeneron shall use Commercially Reasonable Efforts to continue to Manufacture such Terminated Products for Adicet and its Affiliates and licensees, in each case at a purchase price equal to Regeneron's fully burdened cost.

(f) In the event Adicet terminates this Agreement with respect to an Adicet Royalty Product pursuant to Section 22.6 then:

(1) the licenses from Regeneron to Adicet in Section 5.1(a)(ii) shall terminate with respect to such Terminated Product except in connection with Adicet's performance of its activities in accordance with this Section 22.7(f);

(2) Adicet hereby grants to Regeneron an exclusive (even as to Adicet and its Affiliates) , non-transferable (except as permitted by Section 24.9), sublicensable in multiple tiers, worldwide license under the Adicet Product IP and an exclusive, non-transferable (except as permitted by Section 24.9), sublicensable in multiple tiers, worldwide license under any Intellectual Property Controlled by Adicet and incorporated into and made a part of the Terminated Product or otherwise used in connection with the Terminated Product as of the effective date of termination, to research, develop, make, have made, use, sell, have sold, and import Terminated Collaboration ICPs and Terminated Products and Regeneron shall pay royalties on such Terminated Products to Adicet [***].

(3) Promptly upon Regeneron's request, Adicet shall commence, and shall promptly thereafter complete, a transfer of all promotional activities in such country(ies), including handling of collection and receivables and recording and booking of sales in such country, to Regeneron, at Regeneron's direction and at Adicet's reasonable cost; provided, that in the interim period Adicet shall continue to perform such promotional activities at levels consistent with Adicet's effort prior to termination as directed by Regeneron, and shall provide Regeneron assistance reasonably necessary to ensure an effective transition, including for example, transferring permits and Regulatory Filings to Regeneron or assisting in obtaining new permits and Regulatory Filings necessary for Regeneron to conduct such promotional activities, assisting in negotiating Third Party agreements for such country similar to those then in place for Adicet's promotional activities, and permitting Regeneron if permissible under Applicable Law to use Adicet-branded promotional materials during the interim period as the Parties transition the promotional activities;

(4) Promptly upon Regeneron 's request, Adicet shall either at Adicet's expense (i) commence the wind down of all clinical studies with respect to such Terminated Product or (ii) as soon as reasonably practicable thereafter complete, a transfer of all clinical activities, to Regeneron, at Regeneron's direction; provided, that in the interim period Adicet shall continue to perform such clinical activities at levels consistent with Adicet's effort prior to termination as directed by Regeneron (but in any event for no longer than for a period of [***], and shall provide Regeneron assistance reasonably necessary to ensure an effective transition, including for example, transferring permits and Regulatory Filings to Regeneron or assisting in obtaining new permits and Regulatory Filings necessary for Regeneron to conduct such clinical trial;

(5) At Regeneron's request, Adicet shall perform a Manufacturing technology transfer pursuant to Section 13.4 at Regeneron's cost for Terminated Products that Adicet was Manufacturing as of the effective date of termination.

(6) At Regeneron's request and only for the period of time reasonably necessary to ensure patients have access to Terminated Product not to exceed [***] (or such longer period as reasonable necessary to continue supply of such Terminated Product for reasons outside the reasonable control of Regeneron), to the extent Adicet as of the effective date of termination is Manufacturing Terminated Products that were Adicet Royalty Products, Adicet shall use Commercially Reasonable Efforts to continue to Manufacture such Terminated Products for Regeneron and its Affiliates and licensees, in each case at a purchase price equal to Adicet's fully burdened cost.

(g) Diligence and Exclusivity Obligations, Third Party Licenses and Requests. Regeneron's diligence obligations in Section 7.2 and Section 8.2 shall not apply to Terminated Products. Adicet's diligence obligations in Section 7.2 shall not apply to Terminated Products. Any licenses granted under this Section 22.7, shall not include the grant of a license for which payments are owed by Party or its Affiliates to Third Parties on account of the use of such license, unless the Party receiving such license expressly agrees to be responsible for all payments due to such Third Party on account of the use of such license in connection with the research, development, commercialization or manufacturing of Terminated Products. All requests for assistance or services made by a Party made pursuant to this Section 22.7 shall be made within [***] of the effective date of the termination with respect to such Terminated Product. Neither Party shall be subject to the exclusivity obligations set forth in Article 4 with respect to Terminated Products.

(h) Confidentiality. If there is Confidential Information of both Parties relating specifically to a Product directed to a Terminated Target, such Confidential Information shall become Confidential Information of the Party with continuing rights to develop Collaboration ICPs and Products against such Terminated Target as set forth in this Section 22.7.

22.8 Survival of Obligations. Except as otherwise provided below, upon expiration or termination of this Agreement, the rights and obligations of the Parties hereunder shall terminate, and this Agreement shall cease to be of further force or effect:

(a) Notwithstanding anything to the contrary in this Agreement, upon a termination of this Agreement by a Party with respect to a Terminated Product, upon the written request of the other Party, the terminating Party shall grant to any sublicensee of such other Party with respect to such Terminated Product on terms and conditions no less favorable than those granted to the other Party hereunder, provided that, if such termination were upon the breach hereof by such other Party, such breach shall not have resulted from any breach by such sublicensee hereof;

(b) neither Adicet nor Regeneron shall be relieved of any obligations (including payment obligations) of such Party arising prior to such expiration or termination, including the payment of any non-cancelable costs and expenses incurred as part of the Research Program (even if such costs and expenses arise following termination or expiration, as the case may be);

(c) the obligations of the Parties set forth in Article 1, Article 17, Article 19 (excluding Section 19.4), Article 20, Article 23 and Article 24 and Section 5.1(b), Sections 14.8-14.11 and Section 22.7 as well as other provisions which by their nature are intended to survive any such expiration or termination, shall survive and continue to be enforceable; and

(d) such expiration or termination and this Article 22 shall be without prejudice to any rights or remedies a Party may have for breach of this Agreement.

22.9 Return of Confidential Information. Confidential Information disclosed by the Disclosing Party, including permitted copies, shall remain the property of the Disclosing Party. Subject to the principles set forth in Section 22.7, upon the earliest to occur of the termination of this Agreement, the expiration of the relevant Product Term or the Term, or the written request of the Disclosing Party, the Receiving Party shall promptly return to the Disclosing Party or, at the Disclosing Party's request, destroy, all documents or other tangible materials representing the Disclosing Party's Confidential Information (or any designated portion thereof); provided, that one (1) copy may be maintained in the confidential files of the Receiving Party for the purpose of complying with the terms of this Agreement; further provided that the Receiving Party may retain the Disclosing Party's Confidential Information that is reasonably necessary for the practice of any license from the Disclosing Party to the Receiving Party that survives expiration or termination, as applicable. The Receiving Party also shall certify in writing that it has satisfied its obligations under this Section 22.9 within **[***]** days of a written request by the Disclosing Party.

22.10 Change of Control of Adicet. In the event of a Change of Control of Adicet, Adicet shall deliver to Regeneron written notice of the closing of such transaction (the "Change of Control Notice") within **[***]** following such closing. Regeneron shall have the right, exercisable at any time within **[***]** following receipt of the Change of Control Notice, to take any or all of the actions set forth below, upon delivery of written notice to Adicet (the "Regeneron Election Notice"):

(a) Terminate the Research Program Term. Regeneron may terminate the Research Program Term upon written notice pursuant to this Section 22.10(a), and in such case, the Research Program Term for any Collaboration Target for which the Parties have not previously finalized and approved the applicable Research Plan shall automatically terminate, whereupon all Collaboration Targets which are not the subject of Research Programs that are continued automatically shall become Terminated Targets. If Regeneron terminates the Research Program Term pursuant to this Section 22.10(a), with respect to a Research Program Term for any Collaboration Target for which the Parties have already finalized and approved the applicable Research Plan, the Research Program Term shall terminate for such Collaboration Target, but Regeneron shall use Commercially Reasonable Efforts to (i) deliver to Adicet a Regeneron CTM that Binds to such Collaboration Target in accordance with Section 2.1(d)(i)and (ii) perform all other material activities set forth in the Research Plan for the applicable Collaboration Target and all Collaboration ICPs that Bind such Collaboration Target shall be Declined Collaboration ICPs.

(b) Revise the arrangement between the Parties with respect to Co-Funded Products as follows:

(i) Adicet will not retain the Co-Funding Option with respect to an Optioned Collaboration ICP.

(ii) Adicet will not retain the Co-Promote Option set forth in Section 11.3;

(iii) If the Parties are Co-Promoting a Co-Funded Product in the United States, then upon written notice from Regeneron, Adicet shall lose the right to Co-Promote (provided, that Adicet shall be permitted to continue to Co-Promote as necessary to carry out the wind-down described in the remainder of this clause), any co-promotion agreement or amendment as described in Section 11.3(c) already entered into shall be terminated upon Regeneron request and without penalty or cost to Regeneron, and the Parties shall conduct a prompt wind-down of Adicet's existing Co-Promote activities for Terminated Products at Regeneron's direction, and including for example, the return or destruction of promotional materials in the possession of Adicet, and the diminishing of Adicet's FTE efforts and Detailing activities until the transition to Regeneron is complete. Regeneron shall, at Regeneron's written election, either (A) promptly reimburse Adicet for the reasonable costs of such wind-down, or (B) allow Adicet to continue to Co-Promote such Co-Funded Product for an additional six (6) months after the date Regeneron delivers written notice to Adicet pursuant to this Section 22.10(b)(ii) (in which case Regeneron shall not be responsible for the costs set forth in clause (A) of this Section).

(iv) Adicet shall in its sole discretion determine to effect one of the following two (2) options by delivering express written notice to Regeneron within [***] after the occurrence of the Change of Control of Adicet:

(1) Terminate the Profit Split, in which case the Parties will negotiate royalty rates payable by Regeneron to Adicet which are intended to allocate between the Parties, as nearly as practicable, the economic value of Co-Funded Products that are Commercialized by Regeneron following the Change of Control in accordance with the Co-Funding Percentage, adjusted for the costs and risks incurred by Regeneron in the Development of such Co-Funded Products. The Parties shall negotiate such agreements in good faith promptly following Regeneron's delivery of the Regeneron Election Notice and for clarity, upon such execution of such agreements the Profit Split shall terminate. If the Parties have not reached agreement on such new commercial agreement within [***] following delivery of the Regeneron Election Notice, then notwithstanding the final sentence of Section 24.1, either Party may refer such agreement to an arbitration panel pursuant to Section 23.3; or

(2) Maintain the Profit Split, but revise the arrangement between the Parties as follows: (A) the JSC shall dissolve and Regeneron shall no longer be obligated to consult and discuss with Adicet the matters previously under the auspices of the JSC except as otherwise expressly set forth in this Section 22.10(b); (B) Section 10.1 shall be amended such that the words "under the oversight of the JSC" shall be deleted; (C) Section 10.2 shall be amended such that Regeneron shall present an approved Development Plan to Adicet, provided that Regeneron shall not be obligated to consider in good faith any comments by Adicet regarding

the Development Plan of a Co-Funded Product; (D) Section 10.3 shall be amended such that any references to "the JSC" shall mean "the Parties"; (E) Section 11.1 shall be amended such that the words "under the oversight of the JSC" shall be deleted; and (F) Section 11.2 shall be amended such that Regeneron shall present an approved Commercial Plan to Adicet, provided that Regeneron shall not be obligated to consider in good faith comments by Adicet regarding the Commercial Plan of a Co-Funded Product.

ARTICLE 23
DISPUTE RESOLUTION

23.1 Generally. The Parties shall cause their respective representatives on the JRC (if such matters are in connection with the Research Program) and the JSC (if such matters are within the authority of the JSC or any other Committee) to use their Commercially Reasonable Efforts to resolve all matters presented to them as expeditiously as possible.

23.2 Executive Officers' Resolution of Disputes. In the event that the JRC or JSC, as applicable, is after a period of thirty (30) days from the date a matter is submitted to it for decision, unable to make a decision due to a lack of required unanimity, or the Parties are unable to agree on a Research Plan, Development Plan, or any other matter that must be resolved by the JRC or JSC, either Party may require that the matter be submitted to the Executive Officers for a joint decision. In such event, the co-chairpersons of the JRC or JSC, as applicable, by written notice to each Party delivered within **[***]** after receipt of the notice from a Party pursuant to the immediately preceding sentence, shall formally request that the dispute be resolved by the Executive Officers, specifying the nature of the dispute with sufficient specificity to permit adequate consideration by such Executive Officers. The Executive Officers shall diligently and in good faith, attempt to resolve the referred dispute within **[***]** of receiving such written notification or such longer period of time as the Executive Officers may agree in writing. All such referred disputes shall require a joint decision of both Parties' Executive Officers, and if they cannot resolve such dispute pursuant within **[***]** or the other agreed period, then (i) to the extent the referred dispute relates to the Research Program, then the Party primarily responsible or that would be primarily responsible for conducting such activities shall finally decide the dispute, (ii) to the extent the referred dispute relates to the Development or Commercialization of Co-Funded Products, including decision making for operational matters regarding the implementation of the Development Plan, Regeneron shall finally decide the dispute, and (iii) all other disputes will be resolved in accordance with Section 24.1. Notwithstanding the previous sentence, neither Party shall have the right to exercise its final decision making authority over disputes regarding or affecting financial calculations hereunder or regarding Legal Disputes.

23.3 Failure on Parties to Agree on a Royalty Rate for Co-Funded Product After Termination. If despite using good faith efforts, pursuant to Section 22.7(a)(1)i or pursuant to Section 22.7(b)(1)iv, the Parties have not reached agreement on such new commercial agreement within **[***]** following the effective date of termination, then notwithstanding the final sentence of Section 24.1, either Party may refer such agreement to an arbitration panel pursuant to this Section 23.3. The arbitration shall be settled by arbitration administered by the American Arbitration Association ("AAA") under its Commercial Arbitration Rules ("Rules") and the procedures set forth in this Section 23.3. In the event of any inconsistency between the Rules of AAA and the procedures set forth below, the procedures set forth below shall control.

(a) The arbitration shall be conducted in New York, New York by a panel of three neutral arbitrators who are independent and disinterested with respect to the Parties, this Agreement, and the outcome of the arbitration. Each Party shall appoint one neutral arbitrator, and these two arbitrators so selected by the Parties shall then select the third arbitrator. All arbitrators must have at least ten (10) years' experience in biotechnology licensing and in mediating or arbitrating cases regarding the same or substantially similar subject matter as the dispute between the Parties. If one Party has given written notice to the other Party as to the identity of the arbitrator appointed by the Party, and the Party thereafter makes a written demand on the other Party to appoint its designated arbitrator within the next [***], and the other Party fails to appoint its designated arbitrator within [***] after receiving said written demand, then the arbitrator who has already been designated shall appoint the other two arbitrators.

(b) Within [***] after appointment of the arbitrators, each Party shall deliver to the arbitrators and the other Party a written report summarizing its position and explaining why its proposal is more appropriate than the other Party's proposal. The arbitrator will then determine how much, if any, discovery is appropriate, taking into consideration the need for such discovery and likely effect of such discovery on the prompt resolution of the dispute. Within [***] after appointment of the arbitrators, the arbitrators shall give each Party the opportunity to explain in person to the arbitrators why its proposal is more appropriate than the other Party's proposal. Within [***] after appointment of the arbitrators, the arbitrator shall determine the appropriate royalty rate to reflect a fair allocation of economic value on a risk-adjusted basis.

(c) The determination of the arbitrators shall be binding on the parties as if mutually agreed by the Parties. The arbitrators may not award damages or other monetary amounts to either Party in any proceeding conducted pursuant to this Section; provided, however, the cost of the arbitration shall be borne by the Party whose proposal was not accepted by the arbitrator.

(d) Except as set forth below, and as necessary to obtain or enforce a judgment upon any arbitration award, the Parties shall keep confidential the fact of the arbitration, the dispute being arbitrated, and the decision of the arbitrators. Notwithstanding the foregoing, the Parties may disclose information about the arbitration to persons who have a need to know, such as directors, trustees, management employees, witnesses, experts, investors, attorneys, lenders, insurers, and others who may be directly affected. Additionally, a Party may make such disclosures as are required by applicable securities laws or rules or, if such Party is publicly traded, regulations of any stock exchange upon which securities are traded or listed, but will use commercially reasonable efforts to seek confidential treatment for such disclosure.

23.4 Obligations of the Parties and their Affiliates. The Parties shall use Commercially Reasonable Efforts to cause their respective designees on the JRC and JSC and their respective Executive Officers to take the actions and make the decisions provided herein to be taken and made by such respective designees and Executive Officers in the manner and within the applicable time periods provided herein.

ARTICLE 24
MISCELLANEOUS

24.1 Governing Law; Submission to Jurisdiction. This Agreement shall be governed by and construed in accordance with the laws of the State of New York, without regard to the conflict of laws principles thereof that would require the application of the law of any other jurisdiction. The Parties irrevocably and unconditionally submit to the exclusive jurisdiction of the United States District Court for the Southern District of New York solely and specifically for the purposes of any action or proceeding arising out of or in connection with this Agreement.

24.2 Waiver. Waiver by a Party of a breach hereunder by the other Party shall not be construed as a waiver of any subsequent breach of the same or any other provision. No delay or omission by a Party in exercising or availing itself of any right, power or privilege hereunder shall preclude the later exercise of any such right, power or privilege by such Party. No waiver shall be effective unless made in writing with specific reference to the relevant provision(s) of this Agreement and signed by a duly authorized representative of the Party granting the waiver.

24.3 Notices. All notices, instructions and other communications required or permitted hereunder or in connection herewith shall be in writing, shall be sent to the address of the relevant Party set forth on Schedule 6 attached hereto and shall be (a) delivered personally, (b) sent via a reputable nationwide overnight courier service, or (c) sent by facsimile transmission, with a confirmation copy to be sent by registered or certified mail, return receipt requested, postage prepaid, except in the event this Agreement specifies the notice may be delivered by email. Any such notice, instruction or communication shall be deemed to have been delivered upon receipt if delivered by hand, one (2) Business Days after it is sent via a reputable nationwide overnight courier service or when transmitted with electronic confirmation of receipt, if transmitted by facsimile (or email, if email is permitted) (if such transmission is made during regular business hours of the recipient on a Business Day; or otherwise, on the next Business Day following such transmission). Either Party may change its address by giving notice to the other Party in the manner provided above.

24.4 Entire Agreement. This Agreement contains the complete understanding of the Parties with respect to the subject matter hereof and thereof and supersedes all prior understandings and writings relating to the subject matter hereof and thereof. For clarity, this Agreement supersedes the CDA.

24.5 Amendments. No provision in this Agreement shall be supplemented, deleted or amended except in a writing executed by an authorized representative of each of Adicet and Regeneron.

24.6 Interpretation. The captions to the several Articles and Sections of this Agreement are included only for convenience of reference and shall not in any way affect the construction of, or be taken into consideration in interpreting, this Agreement. In this Agreement: (a) the word “including” shall be deemed to be followed by the phrase “without limitation” or like expression; (b) references to the singular shall include the plural and vice versa; (c) references to masculine, feminine and neuter pronouns and expressions shall be interchangeable; (d) the words “herein” or “hereunder” relate to this Agreement; (e) the words “shall” and “will” have the same meaning; (f)

references to a particular statute or regulation include all rules and regulations thereunder and any predecessor or successor statute, rules or regulation, in each case as amended or otherwise modified from time to time; (g) words in the singular or plural form include the plural and singular form, respectively; (h) references to a particular person include such person's successors and assigns to the extent not prohibited by this Agreement; (i) unless otherwise specified, "$" is in reference to United States dollars; and (j) the word "or" has the inclusive meaning represented by the phrase "and/or". Each accounting term used herein that is not specifically defined herein shall have the meaning given to it under GAAP, but only to the extent consistent with its usage and the other definitions in this Agreement.

24.7 Construction. The Parties acknowledge and agree that: (i) each Party and its counsel reviewed and negotiated the terms and provisions of this Agreement and have contributed to its revision; (ii) the rule of construction to the effect that any ambiguities are resolved against the drafting Party will not be employed in the interpretation of this Agreement; and (iii) the terms and provisions of this Agreement will be construed fairly as to each Party and not in a favor of or against either Party, regardless of which Party was generally responsible for the preparation of this Agreement. The headings of clauses contained in this Agreement preceding the text of the sections, subsections and paragraphs hereof are inserted solely for convenience and ease of reference only and shall not constitute any part of this Agreement, or have any effect on its interpretation or construction. This Agreement has been prepared in the English language and the English language shall control its interpretation. In addition, all notices required or permitted to be given hereunder, and all written, electronic, oral or other communications between the parties regarding this Agreement shall be in the English language

24.8 Severability. If, under Applicable Laws, any provision hereof is held or otherwise determined to be invalid or unenforceable in any jurisdiction ("Modified Clause"), then, it is mutually agreed that this Agreement shall endure and that the Modified Clause shall be enforced in such jurisdiction to the maximum extent permitted under Applicable Laws in such jurisdiction; provided that the Parties shall consult and use all reasonable efforts to agree upon, and hereby consent to, any valid and enforceable modification of this Agreement as may be necessary to avoid any unjust enrichment of either Party and to match the intent of this Agreement as closely as possible, including the economic benefits and rights contemplated herein.

24.9 Assignment. Except as otherwise expressly provided herein, neither this Agreement nor any of the rights or obligations hereunder may be assigned by either Adicet or Regeneron without (a) the prior written consent of Regeneron in the case of any assignment by Adicet or (b) the prior written consent of Adicet in the case of an assignment by Regeneron, except in each case (i) to an Affiliate of the assigning Party that has and will continue to have the resources and financial wherewithal to fully meet its obligations under this Agreement, or (ii) subject to Section 22.10, to any Third Party who acquires all or substantially all of the business of the assigning Party by merger, sale of assets or otherwise, so long as such Affiliate or Third Party agrees in writing to be bound by the terms of this Agreement. Any attempted assignment in violation hereof shall be void.

24.10 Successors and Assigns. This Agreement shall be binding upon and inure to the benefit of the Parties hereto and their respective successors and permitted assigns, and shall also inure to the benefit of the Regeneron Indemnitees and Adicet Indemnitees to the extent provided in the last sentence of Section 24.13 below.

24.11 Performance Standards.

(a) Affiliates. Each Party may carry out its obligations under this Agreement through its Affiliates and absolutely, unconditionally and irrevocably guarantees to the other Party prompt performance when due and at all times thereafter of the responsibilities, liabilities, covenants, warranties, agreements and undertakings of its Affiliates pursuant to this Agreement. Without limiting the foregoing, neither Party shall cause or permit any of its Affiliates to commit any act (including any act or omission) which such Party is prohibited hereunder from committing directly. Each Party represents and warrants to the other Party that it has licensed or will license from its Affiliates the Patents and Know-How Controlled by its Affiliates that are to be licensed (or sublicensed) to the other Party under this Agreement.

(b) Subcontracts. Each Party may perform any of its obligations under this Agreement through one or more subcontractors, provided that (i) in the event that the subcontractor will be involved in Research Plan Activities, then such Party shall not subcontract without the prior written approval of the other Party, which shall not be unreasonably withheld or delayed; (ii) the subcontracting Party remains responsible for the work allocated to, and payment to, such subcontractors as it selects to the same extent it would if it had done such work itself; (iii) the subcontractor undertakes in writing obligations of confidentiality and non-use regarding Confidential Information, that are substantially the same as those undertaken by the Parties pursuant to Article 19 hereof; and (iv) the subcontractor agrees in writing to assign all inventions and intellectual property developed in the course of performing any such work under the Research Program or otherwise under this Agreement to the Party retaining such subcontractor, or as otherwise required under this Agreement and upon request to sign any documents to confirm or perfect such assignment and to cooperate in the preparation and prosecution of any such inventions. A Party may also subcontract work on terms other than those set forth in this Section 24.11(b), with the prior written approval of the other Party. To the extent any licenses are granted under any subcontract agreements, such agreements will be subject to Section 24.11(c).

(c) Sublicensees. Each Party shall enter sublicenses under the licenses granted in this Agreement only in compliance with Section 5.5 and the other applicable terms and conditions set forth in this Agreement. Each Party shall remain responsible and liable for the compliance by its sublicensees under the licensees granted herein with applicable terms and conditions set forth in this Agreement. Any such sublicense agreement will require the sublicensee of a Party to comply with the obligations of such Party as contained herein, including the confidentiality and non-use obligations set forth in Article 19, and will include, with respect to a sublicensee of either Party, an obligation of the sublicensee to account for and report its sales of Products to the sublicensing Party in a manner sufficient for such Party to comply with its reporting obligations under this Agreement. Each Party will notify the other Party of a sublicense to its Affiliate or any Third Party no later than [***] after the execution of such agreement. Each Party will forward to the other Party a complete copy of each applicable fully executed sublicense agreement (and any amendment(s) thereto) with a Third Party sublicensee (with financial and other confidential information redacted) no later than [***] after the execution of such agreement.

(d) Further Assurances and Transaction Approvals. Upon the terms and subject to the conditions hereof, each of the Parties will (a) take, or cause to be taken, all actions necessary, proper or advisable under Applicable Laws or otherwise to consummate and make effective the transactions contemplated by this Agreement, (b) obtain from the requisite Governmental Authorities any consents, licenses, permits, waivers, approvals, authorizations, or orders required to be obtained or made in connection with the authorization, execution, and delivery of this Agreement and the consummation of the transactions contemplated by this Agreement, and (c) make all necessary filings, and thereafter make any other advisable submissions, with respect to this Agreement and the transactions contemplated by this Agreement required under Applicable Laws. The Parties will cooperate with each other in connection with the making of all such filings, including by providing copies of all such documents to the other Party and its advisors prior to the filing and, if requested, by accepting all reasonable additions, deletions, or changes suggested in connection therewith. At the request and expense of a Party, the other Party will furnish all information in such other Party's Control that is required for any applicable or other filing to be made by the requesting Party pursuant to the rules and regulations of any Applicable Laws in connection with the transactions contemplated by this Agreement. For clarity, if specific provisions of this Agreement conflict with the foregoing (for example, if one party is given sole decision-making authority) then the specific provision of this Agreement shall control.

24.12 Counterparts. This Agreement may be executed in counterparts, each of which shall be deemed an original but which together shall constitute one and the same instrument.

24.13 Third Party Beneficiaries. None of the provisions of this Agreement shall be for the benefit of or enforceable by any Third Party, including any creditor of any Party hereto. No Third Party shall obtain any right under any provision of this Agreement or shall by reason of any such provision make any claim in respect of any debt, liability or obligation (or otherwise) against any Party hereto. Notwithstanding the foregoing, Article 20 is intended to benefit, in addition to the Parties, the other Regeneron Indemnitees and Adicet Indemnitees as if they were parties hereto, but this Agreement is enforceable only by the Parties.

24.14 Relationship of the Parties. Each Party shall bear its own costs incurred in the performance of its obligations hereunder without charge or expense to the other Party except as expressly provided in this Agreement. Neither Adicet nor Regeneron shall have any responsibility for the hiring, termination or compensation of the other Party's employees or for any employee compensation or benefits of the other Party's employees. No employee or representative of a Party shall have any authority to bind or obligate the other Party to this Agreement for any sum or in any manner whatsoever, or to create or impose any contractual or other liability on the other Party without said Party's approval. For all purposes, and notwithstanding any other provision of this Agreement to the contrary, Regeneron's legal relationship under this Agreement to Adicet, and Adicet's legal relationship under this Agreement to Regeneron, shall be that of an independent contractor. Nothing in this Agreement shall be construed to establish a relationship of partners or joint ventures between the Parties or any of their respective Affiliates.

24.15 Limitation of Damages. IN NO EVENT SHALL REGENERON OR ADICET BE LIABLE FOR SPECIAL, PUNITIVE, INDIRECT, INCIDENTAL OR CONSEQUENTIAL DAMAGES (INCLUDING, WITHOUT LIMITATION, LOSS OF PROFITS) SUFFERED BY THE OTHER PARTY, REGARDLESS OF THE THEORY OF LIABILITY (INCLUDING

CONTRACT, TORT, NEGLIGENCE, STRICT LIABILITY OR OTHERWISE) AND REGARDLESS OF ANY PRIOR NOTICE OF SUCH DAMAGES. HOWEVER, NOTHING IN THIS SECTION 24.15 IS INTENDED TO LIMIT OR RESTRICT (A) LIABILITY FOR BREACH OF SECTION 4.1 OR 19.1 OR (B) THE INDEMNIFICATION RIGHTS AND OBLIGATIONS OF EITHER PARTY HEREUNDER WITH RESPECT TO THIRD PARTY CLAIMS.

24.16 Injunctive or Other Equity Relief. Nothing contained in this Agreement shall deny any Party the right to seek injunctive or other equitable relief from a court of competent jurisdiction in the context of a *bona fide* emergency or prospective irreparable harm.

24.17 Rights in Bankruptcy. The Parties agree that all intellectual property rights licensed hereunder, including any Patent Rights in any country of a Party covered by the license grants under this Agreement, are part of the "intellectual property" as defined under Section 101(35(A)) of the Bankruptcy Code subject to the protections afforded the non-bankrupt Party under Section 365(n) of the Bankruptcy Code, and any similar Law or regulation in any other country.

24.18 Non-Exclusive Remedies. The rights and remedies provided herein are cumulative and do not exclude any other right or remedy provided by Applicable Law or otherwise available except as and to the extent expressly set forth herein.

[Remainder of page intentionally left blank; signature page follows]

IN WITNESS WHEREOF, Regeneron and Adicet have caused this Agreement to be executed by their duly authorized representatives as of the day and year first above written.

REGENERON PHARMACEUTICALS, INC.

By /s/ Michael Aberman
Name: Michael Aberman
Title: SVP, Strategy & IR

ADICET BIO, INC.

By /s/ Aya Jakobovits
Name: Aya Jakobovits
Title: President and Chief Executive Officer

[*Signature page to License and Collaboration agreement*]

Schedules and Exhibits

Schedule 1	Manufacturing Cost
Schedule 2	Quarterly True-Up
Schedule 3	Licensed Mice
Schedule 4	Key Adicet Personnel
Schedule 5	Existing Regeneron Target List
Schedule 6	Notices
Schedule 18.3(a))	Regeneron Litigation

SCHEDULE 1

Manufacturing Cost

Manufacturing Cost as used in this Agreement with respect to Co-Funded Products or Royalty Products shall be determined as provided in this Schedule 1.

The following terms shall have the respective meanings set forth below:

[***]

SCHEDULE 2

Aggregate Quarterly True-Up

General Provisions:

In no event shall the same costs be included more than once in the Quarterly Profit True-Up and Quarterly Development True-Up, collectively, even if such costs are of benefit to multiple Co-Funded Products or could conceivably be applied to either reconciliation of Development Costs or the Profit Split.

At the end of each applicable Quarter, with respect to any Co-Funded Product, Regeneron will calculate the Quarterly Development True-Up and/or Quarterly Profit True-Up (each, as defined below) for such Co-Funded Product pursuant to Sections 10.3 and 14.7(b), which are the net payment(s) that each Party shall be required to make to the other Party as described in this Schedule 2.

The "Aggregate Quarterly True-Up" is the sum of (i) the Quarterly Development True-Up for Co-Funded Product A, (ii) the Quarterly Development True-Up for Co-Funded Product B, (iii) the Quarterly Profit True-Up for Co-Funded Product A, (iv) the Quarterly Profit True-Up for Co-Funded Product B, and (v) the Aggregate Adicet Commercial Supply Costs for all Co-Funded Products. For the purposes of this example, the Aggregate Quarterly True-Up assumed that there were two Co-Funded Products. For Clarity, the Aggregate Quarterly True-Up will include a Quarterly Development True-Up and a Quarterly Profit True-Up for each Co-Funded Product.

In the event that the Aggregate Quarterly True-Up is an amount greater than zero, such amount shall be payable by Regeneron to Adicet. If the amount of the Aggregate Quarterly True-up is less than zero, then the absolute value of such amount will be payable by Adicet to Regeneron. Any payment due to a Party shall be made in accordance with the terms set forth in Article 14.

Definitions:

As used in this Agreement, the following terms shall have the following meanings:

"Total Development Costs" means the aggregate of Development Costs incurred by both Regeneron and Adicet for a Co-Funded Product in the applicable Co-Funding Territory.

In the event that there are Total Development Costs for a Co-Funded Product for a Quarter, the "Quarterly Development True-Up" means the Development Costs incurred by Adicet for a Co-Funded Product *minus* the product of (i) Total Development Costs *and (ii)* the applicable Adicet Co-Funding Percentage for such Quarter.

"Profits" in a Quarter means for a particular Co-Funded Product the Co-Funded Product Net Sales recorded by Regeneron in the Co-Funding Territory in the Quarter less the sum of (a) Cost of Goods Sold incurred by Regeneron in the Co-Funding Territory in the Quarter, (b) Shared Commercial Expenses incurred by both Parties in the Quarter, and (c) Other Shared Expenses incurred by both Parties in the Quarter.

The sum of the amounts in (a), (b) and (c) in the definition of Profits that are incurred by Adicet in a Quarter for a Co-Funded Product shall be the "Adicet Quarterly Expenses". The sum of the amounts in (a), (b) and (c) in the definition of Profits that are incurred by Regeneron in a Quarter for a Co-Funded Product shall be the "Regeneron Quarterly Expenses".

"Profit Split" for a Co-Funded Product means the product of (i) Profits in a Quarter in the Co-Funded-Territory and (ii) the Adicet Co-Funding Percentage.

The "Quarterly Profit True-Up" for a Co-Funded Product means the sum of (i) the Profit Split and (ii) Adicet Quarterly Expenses.

[***]

Combination Products.

In the event a Co-Funded Product is a Combination Product having any API that is not controlled by a Party (*i.e.*, a generic or Third Party agent), then the full amount of net sales realized from the sale of such Combination Product shall be included in Net Sales (to the extent provided for in such definition) for the Co-Funded Product and the incremental costs of manufacturing or procuring such other API shall be included as an element of Clinical Supply Costs, Cost of Goods Sold or Shared Commercial Expenses, as appropriate.

In the event a Co-Funded Product is a Combination Product that includes an API that is controlled by a Party, then (1) if the ICP component and the other API component of such Product each are sold separately in the applicable country and the applicable period, then Net Sales of such Product will be calculated by multiplying the Net Sales (as described above) of the Combination Product by the fraction A/(A+B), where A is the weighted average Net Sales price of the ICP component thereof sold separately in such country during such period in the same formulation and dosage, and B is the weighted average Net Sales price of the other API component thereof sold separately in such country during such period in the same formulation and dosage, and (2) otherwise, the Parties (through the JSC) shall agree on the allocation of the relative value of the ICP component and the other API component of such Combination Product prior to the First Commercial Sale of such Combination Product, in which case only the agreed portion of Net Sales attributable to the ICP component of such Combination Product shall be included in Net Sales for the Co-Funded Product and the remaining portion of Net Sales shall be deemed attributable to the other API and be retained by, or paid to, as applicable, the Party controlling such other API component of such Combination Product.

SCHEDULE 3

Licensed Mice

[***]

SCHEDULE 4

Key Adicet Personnel

[***]

SCHEDULE 5

Existing Regeneron Target List

[***]

SCHEDULE 6

Notices

If to Regeneron:

Regeneron Pharmaceuticals, Inc.
777 Old Saw Mill River Road
Tarrytown, New York 10591
Attention: President & CEO
Copy: General Counsel

If to Adicet:

Adicet Bio, Inc.
200 Constitution Drive
Menlo Park, California 94025
Attention: President

SCHEDULE 18.3(a)

Regeneron Litigation

[***]

CERTAIN CONFIDENTIAL PORTIONS OF THIS EXHIBIT HAVE BEEN OMITTED AND REPLACED WITH "[***]". SUCH IDENTIFIED INFORMATION HAS BEEN EXCLUDED FROM THIS EXHIBIT BECAUSE IT IS (I) NOT MATERIAL AND (II) WOULD LIKELY CAUSE COMPETITIVE HARM TO THE COMPANY IF DISCLOSED.

AMENDMENT NO. 1 TO LICENSE AND COLLABORATION AGREEMENT

THIS AMENDMENT NO. 1 TO LICENSE AND COLLABORATION AGREEMENT (this "Amendment") dated as of April 4th, 2019 (the "Amendment Date"), is entered into between REGENERON PHARMACEUTICALS, INC., a New York corporation ("Regeneron"), with a place of business at 777 Old Saw Mill River Road, Tarrytown, New York 10591, and ADICET BIO, INC. , a Delaware corporation ("Adicet"), with a place of business at 200 Constitution Drive, Menlo Park, California 94025 (with each of Regeneron and Adicet referred to herein individually as a "Party" and collectively as the "Parties").:

A. The Parties entered into the License and Collaboration Agreement dated as of July 29, 2016 (the "Agreement"). All terms used, but not defined, herein shall have the respective meanings set forth in the Agreement.

B. The parties now desire to amend the Agreement in certain respects on the terms and conditions set forth below.

NOW THEREFORE, in consideration of the foregoing premises and the mutual covenants set forth below, the Parties hereby amend the Agreement and otherwise agree as follows:

1. Amendments.

1.1 Section 1.48 of the Agreement is amended and restated to read in full as follows:

1.48 "Competing Product" shall mean with respect to a Collaboration Target , an ICP [***] (i) that comprises at least [***] human immune gamma delta T cells, and that contains a Targeting Moiety that Binds to such Collaboration Target, but (ii) that is not a Co-Funded Product or a Royalty Product.

1.2 Section 1.92 of the Agreement is amended to add the following sentence immediately following the end thereof:

Mice Derived Adicet Targeting Moiety additionally shall include a Targeting Moiety (x)(i) that Binds to a Target that becomes a Terminated Target pursuant to clause (i) of Section 4.1(f); but only if Adicet has designated an ICP comprising such Targeting Moiety as a clinical product candidate meeting the candidate declaration criteria set forth on Schedule 7 and has requested a meeting with a Regulatory Authority regarding such

ICP before such Collaboration Target becomes a Terminated Target, and (ii) that was transferred by Regeneron to Adicet in the course of the Research Program with respect to such Target and was actually incorporated into such clinical product candidate; or (y) that is a derivative, fragment or modification of a molecule described in the foregoing subclause (x) made by or on behalf of Adicet and Binds to the same Terminated Target as the molecule described in subclause (x).

1.3 Section 1.140(a) of the Agreement is amended and restated as follows:

(a) With respect to each Adicet Royalty Product or Mice Derived Adicet ICP Product incorporating a Mice Derived Adicet Targeting Moiety covered by the second sentence of Section 1.92 (and for clarity, Section 1.140(d) shall not apply), in each country, the period commencing on the First Commercial Sale of such Adicet Royalty Product in such country and continuing until the later of (i) the expiration of the last Valid Claim Covering [***] such Adicet Royalty Product included in the Patent Rights comprising Adicet Product IP or the Patent Right licensed by Regeneron to Adicet in accordance with Section 5.1, or (ii) [***] from the First Commercial Sale of such Adicet Royalty Product in such country;

1.4 Section 2.2(b) of the Agreement is amended and restated to read in full as follows:

(b) Regeneron may, by written notice to Adicet given at any time after [***], terminate the Research Program in its entirety and end all performance of the Research Plan Activities, in each case upon at least [***] advance written notice.

1.5 Section 2.2(d) of the Agreement is deleted in its entirety.

1.6 Section 2.5(d) of the Agreement is deleted in its entirety.

1.7 Section 2.5(e)(ii) of the Agreement is amended and restated to read in full as follows:

(ii) Rejected Targets. If a Party does not agree to include a Target nominated by the other Party as a Collaboration Target within [***] after such Target is nominated in writing by the other Party, then such rejected Target shall be subject to the exclusivity restrictions set forth in Section 4.1(d) or Section 4.1(e) (as applicable).

1.8 Section 4.1(d)(i) of the Agreement is amended to remove the words “or Evaluation Target”.

1.9 Section 4.1(d)(ii) of the Agreement is amended to remove the words “or Evaluation Target”.

1.10 Section 4.1(e) of the Agreement is amended to remove the words “or Evaluation Target”.

1.11 Section 5.1(a)(ii) is amended to add the following sentence immediately following the end thereof:

This license from Regeneron to Adicet in this Section 5.1(a)(ii) for Adicet Royalty Products is only for Adicet Royalty Product that is an ICP [***] comprising of at least [***] human immune gamma delta T cells ("Gamma Delta ICP"). For clarity, Regeneron grants no rights to Adicet under this Section 5.1(a)(ii) under the Regeneron IP to ICPs other than Gamma Delta ICPs.

1.12 The first sentence of Section 5.1(d)(i) of the Agreement is amended to read in full as follows:

During the Target Selection Term and thereafter until [***], Regeneron hereby grants to Adicet: (A) a worldwide non-exclusive license, without the right sub-license, to use the Class 1 Licensed Mice or Class 2 Licensed Mice set forth on Schedule 3 to generate and the Class 3 Licensed Mice to test (but not generate) (i) during the Target Selection Term, Mice Derived Adicet Targeting Moieties against up to [***]Non-Collaboration Targets, except that without limiting Adicet's exclusivity obligations in Article 4, the foregoing limitation shall not apply to Class 3 Licensed Mice and (ii) thereafter until [***], Mice Derived Adicet Targeting Moieties against Non-Collaboration Targets; and (B) a worldwide non-exclusive license with the right to sublicense to make, use and import the Mice Derived Adicet Targeting Moieties generated or tested pursuant to clause (i) of this Section 5.1(d)(i)(A) and Mice Derived Adicet Targeting Moieties described in the second sentence of Section 1.92 (i) to develop, make, have made, use and import Mice Derived Adicet ICP Products, (ii) to offer for sale and sell Mice Derived Adicet ICP Products in Finished Product Form, and (iii) to sell or transfer Mice Derived Adicet ICP Products (other than in Finished Product Form) solely to its Affiliates or sublicensees for such Affiliates' or sublicensees' developing, making, having made, using and importing Mice Derived Adicet ICP Products, and offering for sale or selling Mice Derived Adicet ICP Products in Finished Product Form, in each case during the Term, in accordance with the terms of this Agreement, anywhere in the world and for no other purpose.

1.13 Section 5.1(d)(ii) is amended to add the following sentence immediately following the end thereof:

The provisions of this Section 5.1(d)(ii) shall not apply to any Mice Derived Adicet Targeting Moiety described in the second sentence of Section 1.92.

1.14 Section 5.4 is amended to add the following sentence immediately following the end thereof:

For clarity, Regeneron grants no rights to Adicet under Section 5.1(a)(ii) under the Regeneron IP to ICPs other than Gamma Delta ICPs.

1.15 Section 14.2 of the Agreement is amended and restated to read in full as follows:

14.2 Research Program Funding. Unless the Research Program is terminated pursuant to Section 2.2, (a) Regeneron shall pay Adicet an annual research funding fee of five million Dollars ($5,000,000) on each of the first and second anniversaries of the Effective Date, (b) Regeneron shall pay Adicet the additional one-time fee of [***] upon the filing of the first IND for a Collaboration ICP, provided that such IND filing occurs on or before [***]; and (c) Regeneron shall pay Adicet the additional one-time fee of [***] upon the designation by Adicet of a second Collaboration ICP as a clinical product candidate hereunder meeting the candidate declaration criteria set forth on Schedule 7 and the request by Adicet of a meeting with a Regulatory Authority regarding such ICP, provided that such designation and request occurs on or before [***]. Adicet shall submit to Regeneron an invoice for each payment and Regeneron shall remit payment by the later of the date specified in the preceding sentence or ten (10) Business Days after receipt of such invoice, except that if the milestone in clause (c) in the previous sentence is achieved prior to [***], Regeneron shall not be obligated to make the payment associated with such milestone until [***]. Adicet shall use the research funding fees it receives from Regeneron pursuant to this Section 14.2 to fund activities related to the Research Program.

1.16 The first sentence of Section 14.3(a) is amended to read in full as follows:

For each Quarter during the applicable Royalty Term, Adicet shall pay non-refundable, non-creditable royalties to Regeneron on Net Sales of Adicet Royalty Products or Mice Derived Adicet ICP Product incorporating a Mice Derived Adicet Targeting Moiety covered by the second sentence of Section 1.92 during such Quarter (and for clarity, Section 14.6 shall not apply), on a Collaboration Target-by-Collaboration Target basis, equal to the following percentage of Net Sales:

1.17 The Agreement is amended to add Section 16.1(g), immediately following 16.1(f):

(g) With respect to a Mice Derived Adicet ICP Product incorporating a Mice Derived Adicet Targeting Moiety covered by the second sentence of Section 1.92 (and for clarity, Section 16.1(b) shall not apply) Regeneron shall continue to own all right, title and interest in such Mice Derived Adicet Targeting Moiety and Adicet shall have no rights under this Article 16 with respect thereto;

1.18 Section 16.4(h) of the Agreement is amended and restated to read in full as follows:

(h) In the event there is a Product Infringement where (i) at the time of notice of such Product Infringement, a Party or its Affiliate or licensee is developing or selling a product that is not a Product and which is covered by one or more of the potentially infringed Patents involved in the Product Infringement, and (ii) such Party reasonably believes the pursuit of such litigation with respect to such Product Infringement is

reasonably likely to have a material adverse effect on such other product, then (A) such Party, upon notice to the other Party, shall have the right not to pursue litigation with respect to such Product Infringement or shall have the right to require the other Party not to pursue litigation with respect to such Product Infringement, and (B) the other Party shall not have any rights to assume the Lead Litigation Party status with respect to such Product Infringement or to otherwise pursue such Product Infringement, and thereafter the potentially infringed Patents involved in the Product Infringement shall no longer be considered for purposes of calculating the Royalty Term for any Product.

1.19 The Agreement hereby is amended to add Schedule 7, in the form attached hereto as Schedule 7, immediately following Schedule 6.

2. Miscellaneous.

2.1 This Amendment shall be effective for all purposes as of the Amendment Date. Except as otherwise expressly modified by this Amendment, the Agreement shall remain in full force and effect in accordance with its terms.

2.2 This Amendment may be executed in counterparts, each of which shall be deemed to be an original and together shall be deemed to be one and the same agreement.

2.3 This Amendment shall be governed by and construed in accordance with the laws of the State of New York, without regard to the conflicts of law provisions thereof.

2.4 The effectiveness of this Amendment is contingent upon Regeneron investing at least ten million Dollars ($10,000,000) in the next Qualified Financing (as defined in the Side Letter Agreement dated as of July 29, 2016 between the Parties) by Adicet under the terms that are generally consistent with the term sheet attached hereto as Exhibit A, including that existing investors of Adicet other than Regeneron invest at least $20,000,000 and new investors invest at least $10,000,000, provided that the applicable Qualified Financing Stock Purchase Agreement (as defined in the Side Letter Agreement dated as of July 29, 2016 between the Parties) is signed by Adicet and all investors therein (other than Regeneron) an closes by October 15, 2019 (and only if an initial closing occurs by then, such conditions are met by the initial closing) . If the conditions set forth in the previous sentence are met, but Regeneron fails to so invest in accordance with the previous sentence, then at the time of closing such round of equity financing by Adicet, this Amendment automatically shall terminate and be void ab initio.

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IN WITNESS WHEREOF, the parties have duly executed and delivered this Amendment as of the date first set forth above.

REGENERON PHARMACEUTICALS, INC.

By: /s/ Nouhad Husseini
Name: Nouhad Husseini
Title: VP, Business Development

ADICET BIO, INC.

By: /s/ Anne Altmeyer
Name: Anne Altmeyer
Title: Chief Business Officer

SCHEDULE 7

CANDIDATE DECLARATION CRITERIA

[***]

EXHIBIT A

SERIES B TERM SHEET ATTACHED

[ATTACHED]

Exhibit 10.48

INDEMNITY AGREEMENT

THIS INDEMNITY AGREEMENT (this ***"Agreement"***) is effective as of [ ], and is made by and between **ADICET BIO, INC.** a Delaware corporation (the ***"Company"***), and [ ] (***"Indemnitee"***).

RECITALS

WHEREAS, Company desires to attract and retain the services of highly qualified individuals as directors, officers, employees and agents;

WHEREAS, highly qualified persons have become more reluctant to serve corporations as directors or in other capacities unless they are provided with adequate protection through insurance or adequate indemnification against inordinate risks of claims and actions against them arising out of their service to and activities on behalf of the corporation;

WHEREAS, the Company's Amended and Restated Certificate of Incorporation (the ***"Certificate of Incorporation"***) and Amended and Restated Bylaws (the ***"Bylaws"***) require that the Company indemnify its directors, and empowers the Company to indemnify its officers, employees and agents, as authorized by the Delaware General Corporation Law, as amended (the ***"DGCL"***), under which the Company is organized, and the Certificate of Incorporation and such Bylaws expressly provide that the indemnification provided therein is not exclusive and contemplates that the Company may enter into separate agreements with its directors, officers and other persons to set forth specific indemnification provisions;

WHEREAS, the Indemnitee does not regard the protection currently provided by applicable law, the Company's governing documents and available insurance as adequate under the present circumstances, and the Company has determined that Indemnitee and other directors, officers, employees and agents of the Company may not be willing to serve or continue to serve in such capacities without additional protection;

WHEREAS, this Agreement is a supplement to and in furtherance of the Certificate of Incorporation and the Bylaws and any resolutions adopted pursuant thereto, and shall not be deemed a substitute therefor, nor to diminish or abrogate any rights of Indemnitee thereunder; and

WHEREAS, it is reasonable, prudent and necessary for the Company contractually to obligate itself to indemnify, and to advance expenses on behalf of, such persons to the fullest extent permitted by applicable law so that they will serve or continue to serve the Company free from undue concern that they will not be so indemnified;

WHEREAS, the Company desires and has requested Indemnitee to serve as a director, officer, employee or agent of the Company, as the case may be, and has proffered this Agreement to Indemnitee as an additional inducement to serve in such capacity; and

WHEREAS, the Indemnitee is willing to serve, or to continue to serve, as a director, officer, employee or agent of the Company, as the case may be, if Indemnitee is furnished the indemnity provided for herein by the Company.

NOW THEREFORE, in consideration of the mutual covenants and agreements set forth herein, the parties hereto, intending to be legally bound, hereby agree as follows:

1. Definitions.

(a) ***"Agent"*** means any person who: (i) is or was a director**,** officer, employee or other fiduciary of the Company or a subsidiary of the Company; or (ii) is or was serving another Enterprise at the request or for the convenience of, or representing the interests of, the Company or a subsidiary of the Company, as a director, officer, employee or other fiduciary of such Enterprise.

(b) "***Corporate Status***" means the status of a person who is or was an Agent of the Company.

(c) "***Enterprise***" means the Company and any other corporation, partnership, joint venture, trust, employee benefit plan or other enterprise that Indemnitee is or was serving at the express written request of the Company as a director, officer, employee, agent or fiduciary.

(d) ***"Expenses***" means (i) all direct and indirect costs of any type or nature whatsoever (including, without limitation, all attorneys', witness, or other professional fees and related disbursements, other out-of-pocket costs of whatever nature), incurred by Indemnitee in connection with the investigation, defense, participation in (including as a witness) or appeal of a proceeding or establishing or enforcing a right to indemnification under this Agreement, the DGCL or otherwise, (ii) any federal, state or local taxes imposed on Indemnitee as a result of receipt of reimbursements or advances of expenses under this Agreement and (iii) the premium, security for, and other costs relating to any costs bond, supersedes bond, or other appeal bond or its equivalent, whether civil, criminal, arbitrational, administrative or investigative with respect to any proceeding, provided, that such indemnifiable expenses shall not include any judgments, fines or penalties actually levied against Indemnitee for such individual's violations of law to the extent Section 10 prohibits the Company from indemnifying the Indemnitee for such amounts. The term "expenses" shall also include reasonable compensation for time spent by Indemnitee for which he or she is not compensated by the Company or any subsidiary or third party (x) for any period during which Indemnitee is not an agent, in the employment of, or providing services for compensation to, the Company or any subsidiary; and (y) if the rate of compensation and estimated time involved is approved by the directors of the Company who are not parties to any action with respect to which expenses are incurred, for Indemnitee while an agent of, employed by, or providing services for compensation to, the Company or any subsidiary. Expenses, however, shall not include amounts paid in settlement by or on behalf of Indemnitee or the amount of judgments, penalties or fines against Indemnitee.

(e) "***Independent Counsel***" means a law firm, or a partner (or, if applicable, member) of such a law firm, that is experienced in matters of corporation law and neither presently is, nor in the past five (5) years has been, retained to represent: (i) the Company or Indemnitee in any matter material to either such party, or (ii) any other party to the proceeding giving rise to a claim for indemnification hereunder. Notwithstanding the foregoing, the term

"independent counsel" shall not include any person who, under the applicable standards of professional conduct then prevailing, would have a conflict of interest in representing either the Company or Indemnitee in an action to determine Indemnitee's rights under this Agreement.

(f) ***"Proceeding"*** means any threatened, pending, or completed action, suit, arbitration, alternate dispute resolution mechanism, investigation, inquiry, administrative hearing or any other actual, threatened or completed proceeding, whether brought in the right of the Company or otherwise and whether of a civil, criminal, administrative or investigative nature, and whether formal or informal in any case, in which Indemnitee was, is or will be involved as a party or participant (including as a witness) or otherwise by reason of: (i) the fact that Indemnitee is or was a director or agent of the Company; (ii) any action taken by Indemnitee or any action on Indemnitee's part while acting as director or agent of the Company; or (iii) the fact that Indemnitee is or was serving at the request of the Company as a director, officer, employee or agent of another corporation, partnership, joint venture, trust, employee benefit plan or other enterprise, and in any such case described above, whether or not serving in any such capacity at the time any liability or expense is incurred for which indemnification, reimbursement, or advancement of expenses may be provided under this Agreement.

(g) ***"Subsidiary"*** means any corporation or limited liability company of which more than 50% of the outstanding voting securities or equity interests are owned, directly or indirectly, by the Company and one or more of its subsidiaries, and any other corporation, limited liability company, partnership, joint venture, trust, employee benefit plan or other enterprise of which Indemnitee is or was serving at the request of the Company as a director, officer, employee, agent or fiduciary.

(h) Indemnification to the Fullest Extent. For purposes of this Agreement, the meaning of the phrase "to the fullest extent authorized or permitted by law" shall include, but not be limited to: (i) to the fullest extent authorized or permitted by the provision of the DGCL that authorizes or contemplates additional indemnification by agreement, or the corresponding provision of any amendment to or replacement of the DGCL or such provision thereof; and (ii) to the fullest extent authorized or permitted by any amendments to or replacements of the DGCL adopted after the date of this Agreement that increase the extent to which a corporation may indemnify its directors and officers.

2. Agreement to Serve. Indemnitee will serve as a director and/or agent of the Company faithfully and at the will of the Company, so long as Indemnitee is duly appointed or elected and qualified in accordance with the applicable provisions of the Bylaws or other applicable charter documents of the Company, or until such time as Indemnitee tenders Indemnitee's resignation in writing; provided, however, that nothing contained in this Agreement is intended as an employment agreement between Indemnitee and the Company or any of its subsidiaries or to create any right to continued employment of Indemnitee with the Company or any of its subsidiaries in any capacity.

The Company acknowledges that it has entered into this Agreement and assumes the obligations imposed on it hereby, in addition to and separate from its obligations to Indemnitee under the Bylaws, to induce Indemnitee to serve as a director and/or agent of the Company, and the Company acknowledges that Indemnitee is relying upon this Agreement in serving as a director and/or agent of the Company.

3. Indemnification and Contribution.

(a) Indemnification. The Company hereby agrees to hold harmless and indemnify Indemnitee to the fullest extent permitted by law, including the DGCL, as the same may be amended from time to time (but, only to the extent that such amendment permits Indemnitee to broader indemnification rights than the DGCL permitted prior to adoption of such amendment).

(b) Proceedings Other Than Proceedings by or in the Right of the Company. Indemnitee shall be entitled to the rights of indemnification provided in this Section 3(a) if, by reason of Indemnitee's Corporate Status, the Indemnitee is, or is threatened to be made, a party to or participant in any Proceeding other than a Proceeding by or in the right of the Company. Pursuant to this Section 3(b), Indemnitee shall be indemnified against all Expenses, judgments, penalties, fines and amounts paid in settlement actually incurred by or on behalf of such Indemnitee in connection with such Proceeding or any claim, issue or matter therein, if the Indemnitee acted in good faith and in a manner the Indemnitee 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 the Indemnitee's conduct was unlawful.

(c) Indemnification in Derivative Actions and Direct Actions by the Company. The Company shall indemnify Indemnitee to the fullest extent authorized or permitted by law, including the DGCL, as the same may be amended from time to time (but, only to the extent that such amendment permits Indemnitee to broader indemnification rights than the DGCL permitted prior to adoption of such amendment), if, by reason of Indemnitee's Corporate Status, the Indemnitee is, or is threatened to be made, a party to or participant in any Proceeding brought by or in the right of the Company. Pursuant to this Section 3(c), Indemnitee shall be indemnified against all Expenses, judgments, penalties, fines and amounts paid in settlement actually incurred by or on behalf of such Indemnitee in connection with such Proceeding if the Indemnitee acted in good faith and in a manner the Indemnitee reasonably believed to be in or not opposed to the best interests of the Company; provided, however, if applicable law so provides, no indemnification against such Expenses shall be made in respect of any claim, issue or matter in such Proceeding as to which Indemnitee shall have been adjudged to be liable to the Company unless and to the extent that the Court of Chancery of the State of Delaware shall determine that such indemnification may be made.

(d) Indemnification of Related Parties. If (i) Indemnitee is or was affiliated with one or more venture capital funds that has invested in the Company (an "***Appointing Stockholder***"), and (ii) the Appointing Stockholder is, or is threatened to be made, a party to or a participant in any Proceeding, and (iii) the Appointing Stockholder's involvement in the Proceeding arises primarily out of, or relates to, any claim based on the Indemnitee's service to the Company as a director or other fiduciary of the Company, the Appointing Stockholder shall be entitled to all of the indemnification rights and remedies under this Agreement pursuant to this Agreement (and subject to the same limitations thereon) as if the Appointing Stockholder were the Indemnitee and advancement of expenses shall apply to any such indemnification of Appointing Stockholder.

(e) Fund Indemnitors. The Company hereby acknowledges that the Indemnitee has or may have in the future certain rights to indemnification, advancement of expenses and/or insurance provided by entities and/or organizations other than the Company (collectively, the ***"Fund Indemnitors"***). In the event that the Indemnitee is, or is threatened to be made, a party to or a participant in any proceeding to the extent resulting from any claim based on the Indemnitee's service to the Company as a director or other fiduciary of the Company, then the Company shall (i) be an indemnitor of first resort (*i.e.*, its obligations to Indemnitee are primary and any obligation of the Fund Indemnitors to advance expenses or to provide indemnification for the same expenses or liabilities incurred by Indemnitee are secondary), (ii) be required to advance reasonable expenses incurred by Indemnitee, and (iii) be liable for the full amount of all Expenses, judgments, penalties, fines and amounts paid in settlement to the extent legally permitted and as required by the terms of this Agreement and any provision of the Bylaws or the Certificate of Incorporation (or any other agreement between the Company and Indemnitee), without regard to any rights Indemnitee may have against the Fund Indemnitors. The Company irrevocably waives, relinquishes and releases the Fund Indemnitors from any and all claims against the Fund Indemnitors for contribution, subrogation or any other recovery of any kind in respect thereof. No advancement or payment by the Fund Indemnitors on behalf of Indemnitee with respect to any claim for which Indemnitee has sought indemnification from the Company shall affect the foregoing and the Fund Indemnitors shall have a right of contribution or be subrogated to the extent of such advancement or payment to all of the rights of recovery of Indemnitee against the Company. The Fund Indemnitors are third party beneficiaries of the terms of this Section.

(f) Additional Indemnity. In addition to, and without regard to any limitations on, the indemnification provided for in Section 3 of this Agreement, the Company shall and hereby does indemnify and hold harmless Indemnitee against all Expenses, judgments, penalties, fines and amounts paid in settlement actually incurred by Indemnitee or on Indemnitee's behalf if, by reason of Indemnitee's Corporate Status, Indemnitee is, or is threatened to be made, a party to or participant in any Proceeding (including a Proceeding by or in the right of the Company), including, without limitation, all liability arising out of the negligence or active or passive wrongdoing of Indemnitee. The only limitation that shall exist upon the Company's obligations pursuant to this Agreement shall be that the Company shall not be obligated to make any payment to Indemnitee that is finally determined (under the procedures, and subject to the presumptions, set forth in Sections 7 and 10 hereof) to be unlawful.

(g) Contribution. Whether or not the indemnification provided in this Section 3 is available, in respect of any proceeding in which the Company is jointly liable with Indemnitee (or would be if joined in such proceeding), the Company shall pay, in the first instance, the entire amount of any judgment or settlement of such proceeding without requiring Indemnitee to contribute to such payment and the Company hereby waives and relinquishes any right of contribution it may have against Indemnitee. The Company shall not enter into any settlement of any proceeding in which the Company is jointly liable with Indemnitee (or would be if joined in such proceeding) unless such settlement provides for a full and final release of all

claims asserted against Indemnitee. Without diminishing or impairing the obligations of the Company set forth in this Section 3, if, for any reason, Indemnitee shall elect or be required to pay all or any portion of any judgment or settlement in any threatened, pending or completed proceeding in which the Company is jointly liable with Indemnitee (or would be if joined in such proceeding), the Company shall contribute to the amount of Expenses, judgments, fines and amounts paid in settlement incurred and paid or payable by Indemnitee in proportion to the relative benefits received by the Company and all officers, directors or employees of the Company, other than Indemnitee, who are jointly liable with Indemnitee (or would be if joined in such proceeding), on the one hand, and Indemnitee, on the other hand, from the transaction from which such proceeding arose; provided, however, that the proportion determined on the basis of relative benefit may, to the extent necessary to conform to law, be further adjusted by reference to the relative fault of the Company and all officers, directors or employees of the Company other than Indemnitee who are jointly liable with Indemnitee (or would be if joined in such proceeding), on the one hand, and Indemnitee, on the other hand, in connection with the events that resulted in such Expenses, judgments, fines or settlement amounts, as well as any other equitable considerations which the law may require to be considered. The relative fault of the Company and all officers, directors or employees of the Company, other than Indemnitee, who are jointly liable with Indemnitee (or would be if joined in such proceeding), on the one hand, and Indemnitee, on the other hand, shall be determined by reference to, among other things, the degree to which their actions were motivated by intent to gain personal profit or advantage, the degree to which their liability is primary or secondary and the degree to which their conduct is active or passive.

4. Indemnification of Expenses of Successful Party. Notwithstanding any other provision of this Agreement, to the extent that Indemnitee has been successful on the merits or otherwise in defense of any Proceeding or in defense of any claim, issue or matter therein, including the dismissal of any action without prejudice, the Company shall indemnify Indemnitee against all Expenses, judgments, penalties, fines and amounts paid in settlement actually incurred by or on behalf of such Indemnitee in connection with the investigation, defense or appeal of such Proceeding. If Indemnitee is not wholly successful in such Proceeding but is successful, on the merits or otherwise, as to one or more but less than all claims, issues or matters in such Proceeding, the Company shall indemnify Indemnitee against all Expenses actually incurred by on behalf of Indemnitee in connection with each successfully resolved claim, issue or matter. For purposes of this Section and without limitation, the termination of any claim, issue or matter in such a Proceeding by dismissal, with or without prejudice, shall be deemed to be a successful result as to such claim, issue or matter.

5. Partial Indemnification. If Indemnitee is entitled under any provision of this Agreement to indemnification by the Company for some or a portion of any Expenses, judgments, penalties, fines and amounts paid in settlement incurred by Indemnitee in the investigation, defense, settlement or appeal of a proceeding, but is precluded by applicable law or the specific terms of this Agreement to indemnification for the total amount thereof, the Company shall nevertheless indemnify Indemnitee for the portion thereof to which Indemnitee is entitled.

6. Advancement of Expenses. To the extent not prohibited by law, the Company shall advance the Expenses actually incurred by Indemnitee in connection with any Proceeding,

and such advancement shall be made promptly following request therefor, but in any event no later than twenty (20) days after the receipt by the Company of a statement or statements requesting such advances (which shall include invoices received by Indemnitee in connection with such Expenses but, in the case of invoices in connection with legal services, any references to legal work performed or to expenditures made that would cause Indemnitee to waive any privilege accorded by applicable law shall not be included with the invoice) and upon request of the Company, an undertaking to repay the advancement of expenses if and to the extent that it is ultimately determined by a court of competent jurisdiction in a final non-appealable judgment of a court of competent jurisdiction that Indemnitee is not entitled to be indemnified by the Company. Advances shall be unsecured, interest free and without regard to Indemnitee's ability to repay the Expenses advanced by the Company. Advances shall include any and all Expenses actually incurred by Indemnitee pursuing an action to enforce Indemnitee's right to indemnification under this Agreement, or otherwise and this right of advancement, including Expenses incurred preparing and forwarding statements to the Company to support the advances claimed. Indemnitee acknowledges that the execution and delivery of this Agreement shall constitute an undertaking providing that Indemnitee shall, to the fullest extent required by law, repay the advance if and to the extent that it is ultimately determined by a court of competent jurisdiction in a final non-appealable judgment of a court of competent jurisdiction that Indemnitee is not entitled to be indemnified by the Company. The right to advances under this Section shall continue until final disposition of any proceeding, including any appeal therein. This Section 6 shall not apply to any claim made by Indemnitee for which indemnity is excluded pursuant to Section 10(b). The Company shall not seek from a court, or agree to, a "bar order" which would have the effect of prohibiting or limiting the Indemnitee's rights to receive advancement of expenses under this Agreement.

7. Notice and Other Indemnification Procedures.

(a) Notification of Proceeding. Indemnitee will notify the Company in writing promptly upon being served with or receiving notice of any summons, citation, subpoena, complaint, indictment, information or other document relating to any proceeding or matter which may be subject to indemnification or advancement of expenses covered hereunder. The failure of Indemnitee to so notify the Company shall not relieve the Company of any obligation which it may have to Indemnitee under this Agreement or otherwise and any delay in so notifying the Company shall not constitute a waiver by Indemnitee of any rights under this Agreement, in each case except and solely to the extent such failure actually and materially prejudices the interests of the Company.

(b) Request for Indemnification and Indemnification Payments. To obtain indemnification under this Agreement, Indemnitee shall submit to the Company a written request, including therein or therewith such documentation and information as is reasonably available to Indemnitee and is reasonably necessary to determine whether and to what extent Indemnitee is entitled to indemnification. The Secretary of the Company shall, promptly upon receipt of such a request for indemnification, advise the Company's Board of Directors (the "***Board***") in writing that Indemnitee has requested indemnification. Upon written request by Indemnitee for indemnification pursuant to the first sentence of this Section 7(b), a determination with respect to Indemnitee's entitlement thereto shall be made in the specific case by one of the following four methods, which shall be at the election of the Board: (1) by a majority vote of the

disinterested directors, even though less than a quorum, (2) by a committee of disinterested directors designated by a majority vote of the disinterested directors, even though less than a quorum, (3) if there are no disinterested directors or if the disinterested directors so direct, by Independent Counsel selected by the Board in a written opinion to the Board, a copy of which shall be delivered to the Indemnitee, or (4) if so directed by the Board, by the stockholders of the Company. For purposes hereof, disinterested directors are those members of the Board who are not parties to the Proceeding in respect of which indemnification is sought by Indemnitee. Indemnitee shall cooperate with the person, persons or entity making the determination with respect to Indemnitee's entitlement to indemnification, including providing to such person, persons or entity upon reasonable advance request any documentation or information that is not privileged or otherwise protected from disclosure and that is reasonably available to Indemnitee and reasonably necessary to such determination. Unless the person, persons or entity empowered or selected under this Section 7(b) to determine whether Indemnitee is entitled to indemnification shall determine that Indemnittee is not entitled to such indemnification, indemnification payments requested by Indemnitee under Section 3 hereof shall be made by the Company no later than sixty (60) days after receipt of the written request of Indemnitee. Claims for advancement of expenses shall be made under the provisions of Section 6 herein.

(c) Independent Counsel. If the determination of entitlement to indemnification is to be made by Independent Counsel pursuant to Section 7(b), the Independent Counsel shall be selected as provided in this Section 7(c). The Independent Counsel shall be selected by the Board. Indemnitee may, within 10 days after such written notice of selection shall have been given, deliver to the Company a written objection to such selection; provided, however, that such objection may be asserted only on the ground that the Independent Counsel so selected does not meet the requirements of "Independent Counsel" as defined herein, and the objection shall set forth with particularity the factual basis of such assertion. Absent a proper and timely objection, the person so selected shall act as Independent Counsel. If a written objection is made and substantiated, the Independent Counsel selected may not serve as Independent Counsel unless and until such objection is withdrawn or a court has determined that such objection is without merit. If, within 20 days after submission by Indemnitee of a written request for indemnification pursuant to Section 6(a) hereof, no Independent Counsel shall have been selected and not objected to, either the Company or Indemnitee may petition the Court of Chancery of the State of Delaware or other court of competent jurisdiction for resolution of any objection which shall have been made by the Indemnitee to the Company's selection of Independent Counsel and/or for the appointment as Independent Counsel of a person selected by the court or by such other person as the court shall designate, and the person with respect to whom all objections are so resolved or the person so appointed shall act as Independent Counsel under Section 7(b). The Company shall pay any and all reasonable fees and expenses of Independent Counsel incurred by such Independent Counsel in connection with acting pursuant to Section 7(b), and the Company shall pay all reasonable fees and expenses incident to the procedures of this Section 7(c), regardless of the manner in which such Independent Counsel was selected or appointed.

(d) Burden of Proof. In making a determination with respect to entitlement to indemnification hereunder, the person or persons or entity making such determination shall presume that Indemnitee is entitled to indemnification under this Agreement. Anyone seeking to overcome this presumption shall have the burden of proof and the burden of persuasion by clear

and convincing evidence. Neither the failure of the Company (including by its directors or Independent Counsel) to have made a determination prior to the commencement of any action pursuant to this Agreement that indemnification is proper in the circumstances because Indemnitee has met the applicable standard of conduct, nor an actual determination by the Company (including by its directors or independent legal counsel) that Indemnitee has not met such applicable standard of conduct, shall be a defense to the action or create a presumption that Indemnitee has not met the applicable standard of conduct.

(e) Presumption of Good Faith. Indemnitee shall be deemed to have acted in good faith if Indemnitee's action is based on the records or books of account of the applicable Enterprise, including financial statements, or on information supplied to Indemnitee by the officers of the Enterprise in the course of their duties, or on the advice of legal counsel for the Enterprise or on information or records given or reports made to the Enterprise by an independent certified public accountant or by an appraiser or other expert selected with reasonable care by the Enterprise. In addition, the knowledge and/or actions, or failure to act, of any director, officer, agent or employee of the Enterprise shall not be imputed to Indemnitee for purposes of determining the right to indemnification under this Agreement. Whether or not the foregoing provisions of this Section 7(e) are satisfied, it shall in any event be presumed that Indemnitee has at all times acted in good faith and in a manner he reasonably believed to be in or not opposed to the best interests of the Company. Anyone seeking to overcome this presumption shall have the burden of proof and the burden of persuasion by clear and convincing evidence. The Company shall be precluded from asserting in any judicial proceeding commenced pursuant to this Section 7 that the procedures and presumptions of this Agreement are not valid, binding and enforceable and shall stipulate in any such court that the Company is bound by all the provisions of this Agreement.

(f) Application for Enforcement. In the event the Company fails to make timely payments as set forth in Sections 6 or 7(b) above or a determination is made pursuant to Section 7(b) of this Agreement that Indemnitee is not entitled to indemnification under this Agreement or no determination of entitlement to indemnification is made pursuant to Section 7(b) of this Agreement within sixty (60) days after receipt by the Company of the request for indemnification, Indemnitee shall have the right to apply to any court of competent jurisdiction for the purpose of enforcing Indemnitee's right to indemnification or advancement of expenses pursuant to this Agreement.

(g) Indemnification of Certain Expenses. The Company shall indemnify Indemnitee against all Expenses, judgments, penalties, fines and amounts paid in settlement actually incurred by or on behalf of such Indemnitee in connection with any hearing or proceeding under this Section 7 unless the Company prevails in such hearing or proceeding on the merits in all material respects.

(h) Final Disposition. Notwithstanding anything in this Agreement to the contrary, no determination as to entitlement to indemnification shall be required to be made prior to the final disposition of the Proceeding.

8. Assumption of Defense. In the event the Company shall be requested by Indemnitee to pay the Expenses of any Proceeding, the Company, if appropriate, shall be entitled

to assume the defense of such proceeding, or to participate to the extent permissible in such proceeding, with counsel reasonably acceptable to Indemnitee. Upon assumption of the defense by the Company and the retention of such counsel by the Company, the Company shall not be liable to Indemnitee under this Agreement for any fees of counsel subsequently incurred by Indemnitee with respect to the same proceeding, provided that Indemnitee shall have the right to employ separate counsel in such proceeding at Indemnitee's sole cost and expense. Notwithstanding the foregoing, if Indemnitee's counsel delivers a written notice to the Company stating that such counsel has reasonably concluded that there may be a conflict of interest between the Company and Indemnitee in the conduct of any such defense or the Company shall not, in fact, have employed counsel or otherwise actively pursued the defense of such proceeding within a reasonable time, then in any such event the fees and expenses of Indemnitee's counsel to defend such proceeding shall be subject to the indemnification and advancement of expenses provisions of this Agreement. The Company shall not be entitled to assume the defense of any action, suit or proceeding brought by or on behalf of the Company or as to which Indemnitee shall have initiated in accordance with Section 10(b).

9. Insurance. To the extent that the Company maintains an insurance policy or policies providing liability insurance for directors, officers, employees, or agents of the Company or of any subsidiary (***"D&O Insurance"***), Indemnitee shall be covered by such policy or policies in accordance with its or their terms to the maximum extent of the coverage available for any such director, officer, employee or agent under such policy or policies. If, at the time of the receipt of a notice of a claim pursuant to the terms hereof, the Company has D&O Insurance in effect, the Company shall give prompt notice of the commencement of such proceeding to the insurers in accordance with the procedures set forth in the respective policies. The Company shall thereafter take all necessary or desirable action to cause such insurers to pay, on behalf of Indemnitee, all amounts payable as a result of such proceeding in accordance with the terms of such policies. In addition, to the extent requested by Indemnitee and approved by the Board, the Company may at any time and from time to time provide security to Indemnitee for the Company's obligations hereunder through an irrevocable bank line of credit, funded trust or other collateral. Any such security, once provided to Indemnitee, may not be revoked or released without the prior written consent of the Indemnitee.

10. Exceptions.

(a) Certain Matters. Any provision herein to the contrary notwithstanding, the Company shall not be obligated pursuant to the terms of this Agreement to indemnify Indemnitee on account of any proceeding with respect to (i) remuneration paid to Indemnitee if it is determined by final non-appealable judgment of a court of competent jurisdiction that such remuneration was in violation of law; or (ii) a final non-appealable judgment of a court of competent jurisdiction rendered against Indemnitee for disgorgement or repayment of profits made from the purchase or sale by Indemnitee of securities of the Company against Indemnitee or in connection with a settlement by or on behalf of Indemnitee to the extent it is acknowledged by Indemnitee and the Company that such amount paid in settlement resulted from Indemnitee's conduct from which Indemnitee received monetary personal profit, pursuant to the provisions of Section 16(b) of the Securities Exchange Act of 1934, as amended, or other provisions of any federal, state or local statute or rules and regulations thereunder. For purposes of the foregoing sentence, a final non-appealable judgment of a court of competent jurisdiction may be reached in

either the underlying proceeding or action in connection with which indemnification is sought or a separate proceeding or action to establish rights and liabilities under this Agreement. The termination of any proceeding or of any claim, issue or matter therein, by judgment, order, settlement or conviction, or upon a plea of nolo contendere or its equivalent, shall not (except as otherwise expressly provided in this Agreement) of itself adversely affect the right of Indemnitee to indemnification or create a presumption that Indemnitee did not act in good faith and in a manner which he or she reasonably believed to be in or not opposed to the best interests of the Company or, with respect to any criminal proceeding, that Indemnitee had reasonable cause to believe that such Indemnitee's conduct was unlawful. For purposes of any determination of good faith, Indemnitee shall be deemed to have acted in good faith to the extent Indemnitee relied in good faith on (i) the records or books of account of the company, including financial statements, (ii) information supplied to Indemnitee by agents of the Company in the course of their duties, (iii) the advice of legal counsel for the Company or its Board or counsel selected by any committee of the Board or (iv) information or records given or reports made to the Company by an independent certified public accountant, an appraiser, investment banker or other expert selected with reasonable care by the Company or its Board or any committee of the Board.

(b) Claims Initiated by Indemnitee. Any provision herein to the contrary notwithstanding, the Company shall not be obligated to indemnify or advance Expenses to Indemnitee with respect to proceedings or claims initiated or brought by Indemnitee against the Company or its directors, officers, employees or other agents and not by way of defense, except (i) with respect to proceedings brought to establish or enforce a right to indemnification under this Agreement or under any other agreement, provision in the Bylaws or Certificate of Incorporation or applicable law, or (ii) with respect to any other proceeding initiated by Indemnitee that is either approved by the Board or Indemnitee's participation is required by applicable law. However, indemnification or advancement of expenses may be provided by the Company in specific cases if the Board determines it to be appropriate.

(c) Unauthorized Settlements. Any provision herein to the contrary notwithstanding, the Company shall not be obligated pursuant to the terms of this Agreement to indemnify Indemnitee under this Agreement for any amounts paid in settlement of a proceeding effected without the Company's written consent. Neither the Company nor Indemnitee shall unreasonably withhold consent to any proposed settlement; provided, however, that the Company may in any event decline to consent to (or to otherwise admit or agree to any liability for indemnification hereunder in respect of) any proposed settlement if the Company is also a party in such proceeding and determines in good faith that such settlement is not in the best interests of the Company and its stockholders.

(d) Securities Act Liabilities. Any provision herein to the contrary notwithstanding, the Company shall not be obligated pursuant to the terms of this Agreement to indemnify Indemnitee or otherwise act in violation of any undertaking appearing in and required by the rules and regulations promulgated under the Securities Act of 1933, as amended (the ***"Act"***), or in any registration statement filed with the SEC under the Act. Indemnitee acknowledges that paragraph (h) of Item 512 of Regulation S-K currently generally requires the Company to undertake in connection with any registration statement filed under the Act to submit the issue of the enforceability of Indemnitee's rights under this Agreement in connection with any liability under the Act on public policy grounds to a court of appropriate jurisdiction and to be governed by any final adjudication of such issue. Indemnitee specifically agrees that any such undertaking shall supersede the provisions of this Agreement and to be bound by any such undertaking.

11. Nonexclusivity and Survival of Rights. The provisions for indemnification and advancement of expenses set forth in this Agreement shall not be deemed exclusive of any other rights which Indemnitee may at any time be entitled under any provision of applicable law, the Certificate of Incorporation, Bylaws or other agreements, both as to action in Indemnitee's official capacity and Indemnitee's action as an agent of the Company, in any court in which a proceeding is brought, and Indemnitee's rights hereunder shall continue after Indemnitee has ceased acting as an agent of the Company and shall inure to the benefit of the heirs, executors, administrators and assigns of Indemnitee. This Agreement shall be binding upon and inure to the benefit of and be enforceable by the parties hereto and their respective successors (including any direct or indirect successor by purchase, merger, consolidation or otherwise to all or substantially all of the business or assets of the Company), assigns, spouses, heirs, executors and personal and legal representatives. The Company shall require any successor (whether direct or indirect, by purchase, merger, consolidation or otherwise) to all or substantially all of the business or assets of the Company, expressly to assume and agree to perform this Agreement in the same manner and to the same extent that the Company would be required to perform if no such succession had taken place.

No amendment, alteration or repeal of this Agreement or of any provision hereof shall limit or restrict any right of Indemnitee under this Agreement in respect of any action taken or omitted by such Indemnitee in his or her corporate status prior to such amendment, alteration or repeal. To the extent that a change in the DGCL, whether by statute or judicial decision, permits greater indemnification or advancement of expenses than would be afforded currently under the Certificate of Incorporation, Bylaws and this Agreement, it is the intent of the parties hereto that Indemnitee shall enjoy by this Agreement the greater benefits so afforded by such change. No right or remedy herein conferred is intended to be exclusive of any other right or remedy, and every other right and remedy shall be cumulative and in addition to every other right and remedy given hereunder or now or hereafter existing at law or in equity or otherwise. The assertion or employment of any right or remedy hereunder, or otherwise, by Indemnitee shall not prevent the concurrent assertion or employment of any other right or remedy by Indemnitee.

The Company and Indemnitee agree herein that a monetary remedy for breach of this Agreement, at some later date, may be inadequate, impracticable and difficult of proof, and further agree that such breach may cause Indemnitee and the Company irreparable harm. Accordingly, the parties hereto agree that each of the Company and the Indemnitee may enforce this Agreement by seeking injunctive relief and/or specific performance hereof, without any necessity of showing actual damage or irreparable harm and that by seeking injunctive relief and/or specific performance, they shall not be precluded from seeking or obtaining any other relief to which they may be entitled. The Company and Indemnitee further agree that they shall be entitled to such specific performance and injunctive relief, including temporary restraining orders, preliminary injunctions and permanent injunctions, without the necessity of posting bonds or other undertaking in connection therewith. The Company and Indemnitee acknowledge that in the absence of a waiver, a bond or undertaking may be required by the Delaware Court of Chancery, and they hereby waive any such requirement of such a bond or undertaking.

12. Term. This Agreement shall continue until and terminate upon the later of: (a) five (5) years after the date that Indemnitee shall have ceased to serve as a director and/or agent of the Company; or (b) one (1) year after the final termination of any proceeding, including any appeal then pending, in respect to which Indemnitee was granted rights of indemnification or advancement of expenses hereunder.

No legal action shall be brought and no cause of action shall be asserted by or in the right of the Company against an Indemnitee or an Indemnitee's estate, spouse, heirs, executors or personal or legal representatives after the expiration of five (5) years from the date of accrual of such cause of action, and any claim or cause of action of the Company shall be extinguished and deemed released unless asserted by the timely filing of a legal action within such five-year period; provided, however, that if any shorter period of limitations is otherwise applicable to such cause of action, such shorter period shall govern.

13. Subrogation. In the event of payment under this Agreement, the Company shall be subrogated to the extent of such payment to all of the rights of recovery of Indemnitee, who, at the request and expense of the Company, shall execute all papers required and shall do everything that may be reasonably necessary to secure such rights, including the execution of such documents necessary to enable the Company effectively to bring suit to enforce such rights.

14. Interpretation of Agreement. It is understood that the parties hereto intend this Agreement to be interpreted and enforced so as to provide indemnification to Indemnitee and Appointing Stockholder to the fullest extent now or hereafter permitted by law.

15. Severability. If any provision of this Agreement shall be held to be invalid, illegal or unenforceable for any reason whatsoever, (a) the validity, legality and enforceability of the remaining provisions of the Agreement (including without limitation, all portions of any paragraphs of this Agreement containing any such provision held to be invalid, illegal or unenforceable, that are not themselves invalid, illegal or unenforceable) shall not in any way be affected or impaired thereby; and (b) to the fullest extent possible, the provisions of this Agreement (including, without limitation, all portions of any paragraph of this Agreement containing any such provision held to be invalid, illegal or unenforceable, that are not themselves invalid, illegal or unenforceable) shall be construed so as to give effect to the intent manifested by the provision held invalid, illegal or unenforceable and to give effect to Section 14 hereof. Further, the invalidity or unenforceability of any provision hereof as to either Indemnitee or Appointing Stockholder shall in no way affect the validity or enforceability of any provision hereof as to the other.

16. Amendment and Waiver. No supplement, modification, amendment, or cancellation of this Agreement shall be binding unless executed in writing by the parties hereto. No waiver of any of the provisions of this Agreement shall be deemed or shall constitute a waiver of any other provision hereof (whether or not similar) nor shall such waiver constitute a continuing waiver.

17. Notice. Except as otherwise provided herein, any notice or demand which, by the provisions hereof, is required or which may be given to or served upon the parties hereto shall be in writing and, if by telegram, telecopy or telex, shall be deemed to have been validly served,

given or delivered when sent, if by overnight delivery, courier or personal delivery, shall be deemed to have been validly served, given or delivered upon actual delivery and, if mailed, shall be deemed to have been validly served, given or delivered three (3) business days after deposit in the United States mail, as registered or certified mail, with proper postage prepaid and addressed to the party or parties to be notified at the addresses set forth on the signature page of this Agreement (or such other address(es) as a party may designate for itself by like notice). If to the Company, notices and demands shall be delivered to the attention of the Secretary of the Company.

18. Governing Law. This Agreement shall be governed exclusively by and construed according to the laws of the State of Delaware, as applied to contracts between Delaware residents entered into and to be performed entirely within Delaware.

19. Counterparts. This Agreement may be executed in one or more counterparts, each of which shall for all purposes be deemed to be an original but all of which together shall constitute but one and the same Agreement. Only one such counterpart need be produced to evidence the existence of this Agreement.

20. Headings. The headings of the sections of this Agreement are inserted for convenience only and shall not be deemed to constitute part of this Agreement or to affect the construction hereof.

21. No Duplication of Payments. Except as otherwise set forth in Section 3(e) above, the Company shall not be liable under this Agreement to make any payment in connection with any claim made against Indemnitee to the extent the Indemnitee has otherwise actually received payment (under any insurance policy, Bylaw, vote, agreement or otherwise) of the amounts otherwise indemnifiable hereunder.

22. Entire Agreement. This Agreement constitutes the entire agreement between the parties with respect to the subject matter hereof and supersedes all prior agreements, understandings and negotiations, written and oral, between the parties with respect to the subject matter of this Agreement, including but not limited to any Indemnity Agreement previously entered into between the Company and the Indemnitee; provided, however, that this Agreement is a supplement to and in furtherance of the Certificate of Incorporation, Bylaws, the DGCL and any other applicable law, and shall not be deemed a substitute therefor, and does not diminish or abrogate any rights of Indemnitee thereunder.

[*Remainder of Page Intentionally Left Blank*]

IN WITNESS WHEREOF, the parties hereto have entered into this Agreement effective as of the date first above written.

COMPANY

ADICET BIO, INC.

By: _____
Name:
Title:

Address:

INDEMNITEE

By: _____
Name:

Address: _____

_____

_____

[SIGNATURE PAGE TO INDEMNITY AGREEMENT].

Exhibit 23.1

Consent of Independent Registered Public Accounting Firm

The Board of Directors
resTORbio, Inc.:

We consent to the use of our report dated March 12, 2020, with respect to the consolidated balance sheets of resTORbio, Inc. as of December 31, 2019 and 2018, the related consolidated statements of operations and comprehensive loss, redeemable convertible preferred stock and stockholders' equity (deficit), and cash flows for each of the years in the three-year period ended December 31, 2019, and the related notes, included herein and to the reference to our firm under the heading "Experts" in the prospectus.

/s/ KPMG LLP

Boston, Massachusetts
June 23, 2020

Exhibit 23.2

CONSENT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM

We hereby consent to the use in this Registration Statement on Form S-4 of resTORbio, Inc. of our report dated June 23, 2020 relating to the financial statements of Adicet Bio, Inc., which appears in this Registration Statement. We also consent to the reference to us under the heading “Experts” in such Registration Statement.

/s/ PricewaterhouseCoopers LLP
San Jose, California
June 23, 2020

Exhibit 99.3

June 23, 2020

The Board of Directors
resTORbio, Inc.
500 Boylston Street, 13th Floor
Boston, MA 02116

Re: Initially Filed Registration Statement on Form S-4 of
resTORbio, Inc., filed June 23, 2020 (the "Registration Statement")

Ladies and Gentlemen:

Reference is made to our opinion letter, dated April 28, 2020 ("Opinion Letter"), with respect to the fairness from a financial point of view of the exchange ratio to the Company.

The Opinion Letter is provided for the information and assistance of the Board of Directors of the Company in connection with its consideration of the transaction contemplated therein. We understand that the Company has determined to include our opinion in the Registration Statement. In that regard, we hereby consent to the reference to our Opinion Letter under the captions "Boxed Summary – Opinion of resTORbio's Financial Advisor", "The Merger – resTORbio's Reasons for the Merger" and "Financial Advisor Disclosure Section – Opinion of resTORbio's Financial Advisor" and to the inclusion of the foregoing opinion in the Proxy Statement/Prospectus included in the Registration Statement. Notwithstanding the foregoing, it is understood that our consent is being delivered solely in connection with the filing of the Registration Statement and that our Opinion Letter is not to be used, circulated, quoted or otherwise referred to for any other purpose, nor is it to be filed with, included in or referred to, in whole or in part in any registration statement (including any subsequent amendments to the Registration Statement), proxy statement or any other document, except in accordance with our prior written consent. In giving such consent, we do not thereby admit that we come within the category of persons whose consent is required under Section 7 of the Securities Act of 1933 or the rules and regulations of the Securities and Exchange Commission thereunder.

Very truly yours,

/s/ JMP Securities LLC
JMP SECURITIES LLC